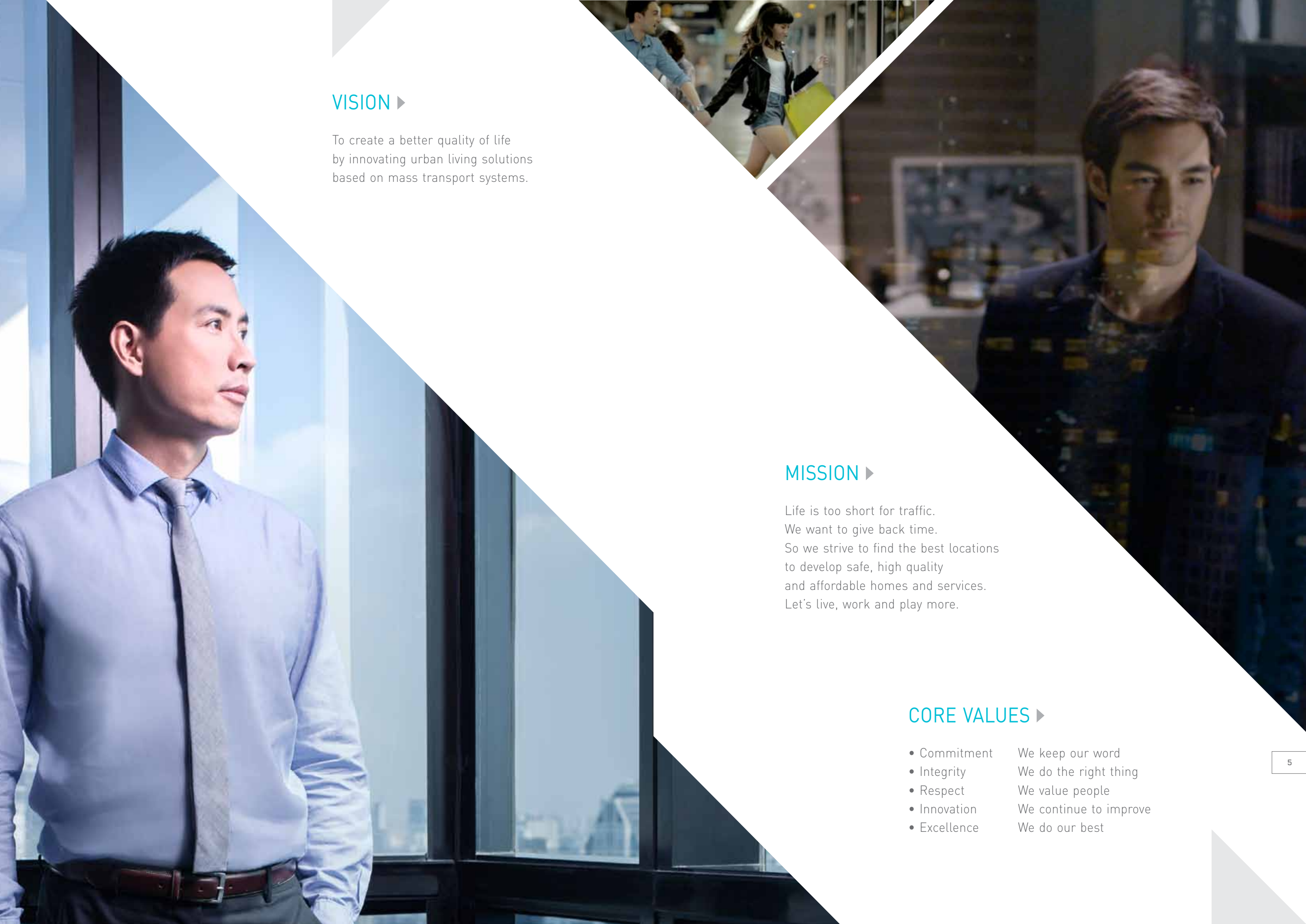


GETTING UP TO SPEED



GETTING UP TO SPEED





VISION ►

To create a better quality of life
by innovating urban living solutions
based on mass transport systems.

MISSION ►

Life is too short for traffic.
We want to give back time.
So we strive to find the best locations
to develop safe, high quality
and affordable homes and services.
Let's live, work and play more.

CORE VALUES ►

- | | |
|--------------|------------------------|
| • Commitment | We keep our word |
| • Integrity | We do the right thing |
| • Respect | We value people |
| • Innovation | We continue to improve |
| • Excellence | We do our best |

GETTING UP TO SPEED ►

Mass Transit Living is increasingly recognized as the best way to Live, Work and Play in Bangkok.

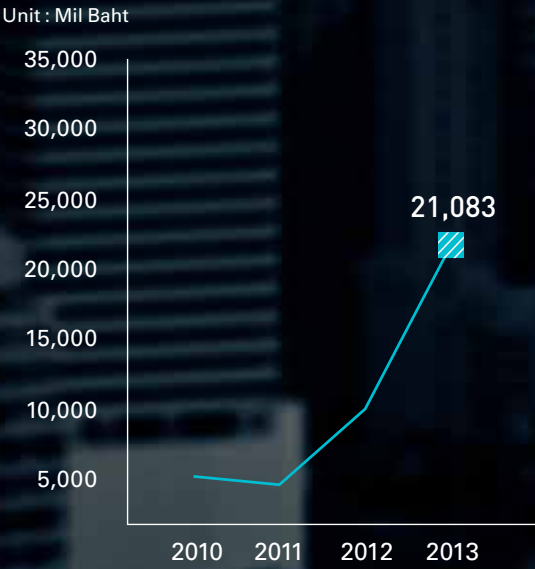
In its first year as a public company, Ananda has exceeded all its expectations.

In 2013 Ananda launched 34 billion Baht worth of new projects, in 8 condominium projects and 7 housing projects.

Record launches



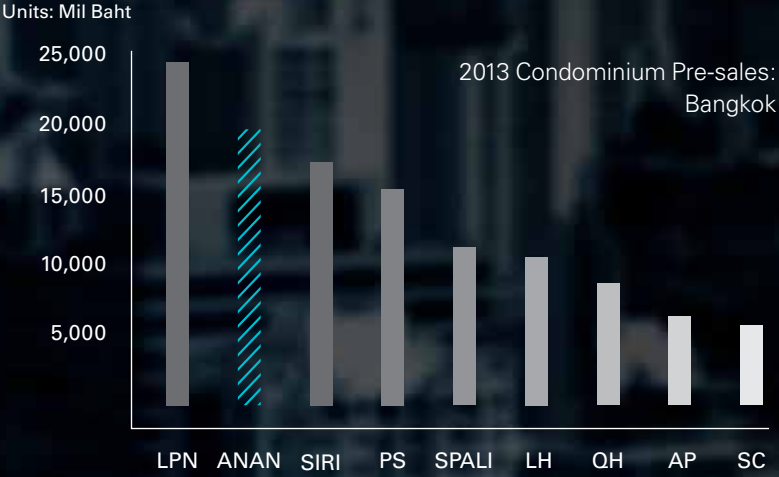
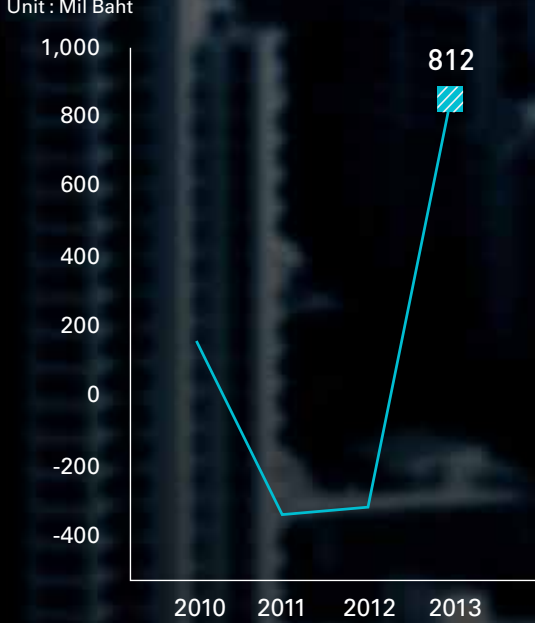
Record pre-sales



Record revenues



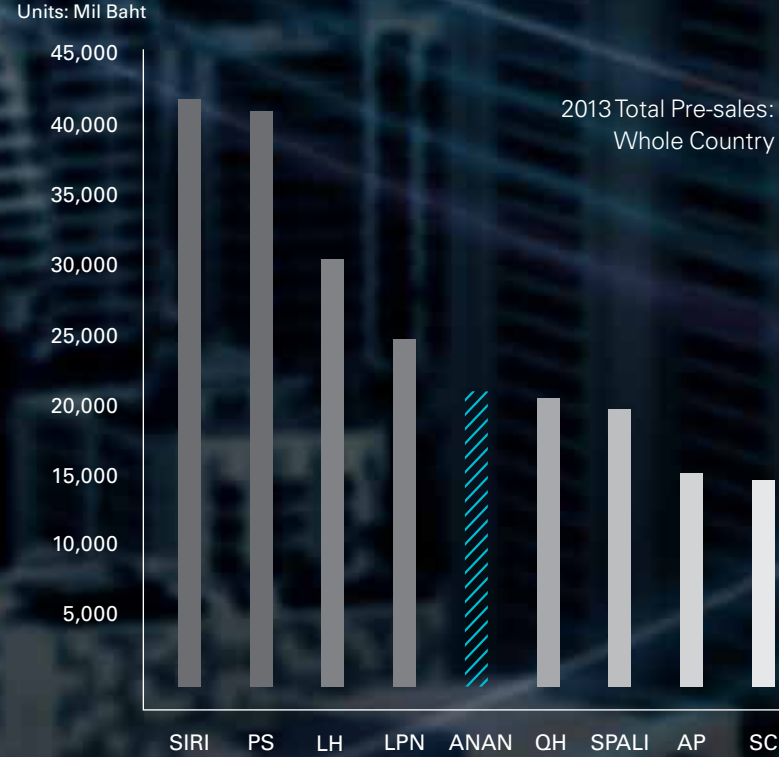
Record profits



Source : Bualuang Securities PCL.



Source : Bualuang Securities PCL.



Source : Bualuang Securities PCL.

MOST SUCCESSFUL LAUNCH EVER ►

In October, Ananda had a combined launch of three new projects: Ideo Q Chula-Samyan, Ideo Q Ratchathewi and Ideo Mobi Charan-Interchange.

This launch generated 11.5 billion Baht in pre-sales, Ananda's most successful project launch ever and the highest single month pre-sales total in its history.

IDEO
URBAN
PULSE

THE WORLD COMES TO BANGKOK ►

In 2013, Ananda offered its properties to the international market for the first time with a sales event in Singapore and another in Hong Kong. These events generated strong sales of 874 million Baht, and international sales are expected to be an increasing share of total sales as the brand is built and further markets are added.



A PARTNERSHIP FOR THE FUTURE ►

Ananda concluded a joint venture with Mitsui Fudosan, Japan's largest real estate developer by revenue.

The joint venture co-invested in the Ideo Q Chula-Samyan project, a 6.7 billion Baht sales value condominium situated near the MRT Samyan station. This first project sold out at launch.

The joint venture agreement aims for at least two joint projects together per year, so many more projects to come.

A DEEPENING PARTNERSHIP ►

As well as the financial partnership, Mitsui is known as one of the most technologically advanced developers in the world. They are helping Ananda improve its technology with training of Ananda staff by Mitsui's staff and direct technology transfer where appropriate.

Mitsui has the highest customer satisfaction rating of any large developer in Japan, and a large reason for that is its proprietary Total Quality Project Management System (TQPMS). A system that monitors over 1,700 items during construction ensuring high quality and low defects. This system is currently being studied and adopted by Ananda staff.



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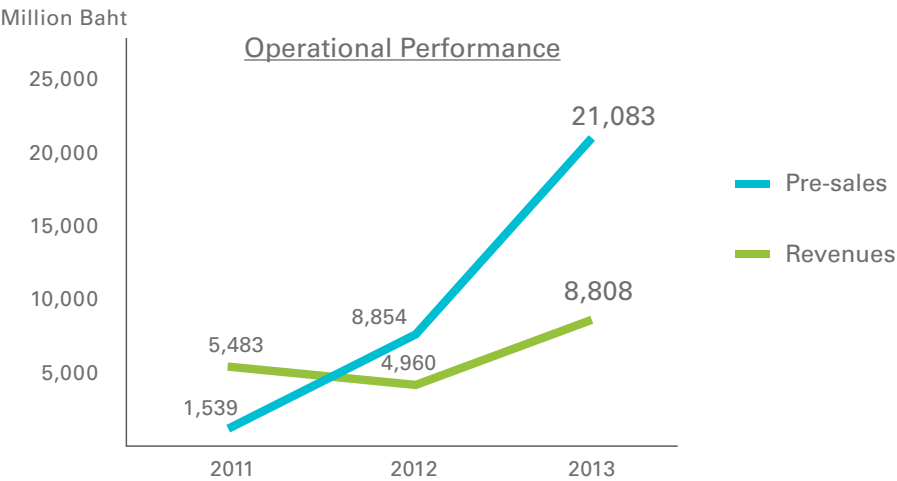
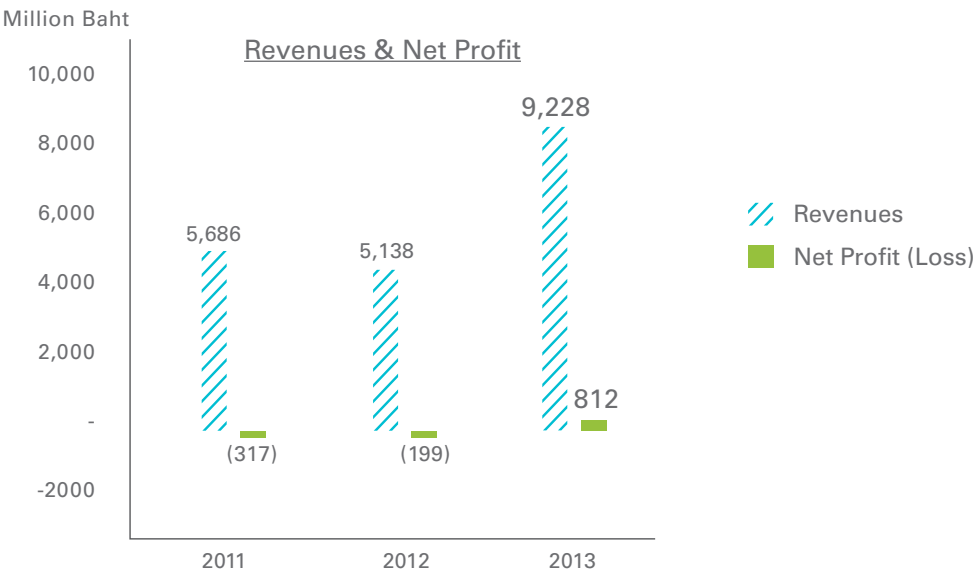
FINANCIAL HIGHLIGHTS ►

	2011	2012	2013
Pre-sales (Million Baht)	1,539	8,854	21,083
Transfers (Million Baht)	5,483	4,960	8,808
Summary of Financial Status (Million Baht)			
Cash on hand	62	2,159	2,309
Total Assets	8,953	9,494	12,482
Total Liabilities	9,065	4,424	6,603
Shareholders' equity	(112)	5,070	5,879
Operational Performance (Million Baht)			
Revenue from sale of real estate	5,483	4,960	8,808
Total Revenues	5,686	5,138	9,228
Gross Profit	1,209	1,654	3,432
Selling & Administration	799	1,291	2,136
Net Profit (Loss)	(317)	(199)	812
Value/Share (Baht/Share)			
Book value per share	NA	1.5	1.8
Earnings per share	NA	(0.09)	0.24
Financial Ratios			
Return on Assets	NA	NA	7.4%
Return on Equity	NA	NA	14.8%
Gross Profit	21.4%	32.4%	37.4%
Net Profit	-5.6%	-3.9%	8.8%
D/E Ratio (times)	NA	0.9	1.1

Statement of financial position

(Unit : Million Baht)

	2011	2012	2013
Total Assets	8,953	9,494	12,482
Total Liabilities	9,065	4,424	6,603
Shareholder's Equity	(112)	5,070	5,879



CHAIRMAN'S STATEMENT ►

2013 was a year of two halves. The first half of the year saw a continuation of the rebound in the Thai economy we'd seen in 2012. The second half began with concerns over the effects of the potential beginning of the US Fed's "tapering" of its monthly bond purchases on emerging markets, which saw foreign capital began to flow out of emerging markets, including Thailand. Then of course, the half ended with political protests in Bangkok, which had a further negative effect on the economy.

The recent economic history of Thailand has shown that the economy has typically rebounded quickly once a crisis has ended, so much so that the country has earned the nickname "Teflon Thailand." While we hope that the country will again demonstrate its resilience once the political situation is resolved, we must also make sure that the company is prepared for any less positive outcome.

However, regardless of the short term fluctuations, the fundamentals for Ananda remain strong. According to World Urbanisation Prospects, Thailand is still one of the least urbanized nations in the world and the building of the Bangkok Mass Transit system continues despite political disturbances, with new records set for ridership and strong demand for modern living solutions near its stations demonstrated by our sales results during the year.

2013 was a year for Ananda to demonstrate the validity of its business model by utilizing the capital raised at IPO. The success of the projects launched with this capital, leading to the company becoming one of the top five real estate companies by pre-sales in its first full year as a public company. This is a strong validation of the business model and also is something of which all involved can be proud.

In 2013 the company also continued to fulfill its obligations to the wider community. The company participated in several Habitat for Humanity builds. The company also supported the Kung Krabaen Bay Royal Development Study Center, as well as the Public Health center of the Morgan Community on the Surin Islands and the Soi Dog Foundation. The company will continue to fulfill all its responsibilities, both to stakeholders and to the wider community.

On behalf of Ananda Development Public Company Limited, I would like to convey my appreciation to the shareholders, customers, financial institutions, members of the press and business partners for their support in helping bring Ananda to this point where we are now realizing our true potential. I would also like to thank the Board of Directors, executives and staff for the total dedication they have displayed in Ananda "Getting Up to Speed" and breaking through to be a major company in the industry.



Dr. Narongchai Akrasanee
Chairman

Ananda Development Public Company Limited



MESSAGE FROM CEO ►



This year was a year where the company had to prove what it was capable of. The largest primary share IPO in Thailand at the end of 2012 provided us the capital for the first time to really deliver on our potential.

The company set many new records during the year. Record annual revenue and record single quarter revenue in the 4th quarter. Record annual profits and record single quarter profits in the 4th quarter. Record sales for the year and record sales in a single month of 11.5 billion Baht.

During the year the company acquired land plots and launched seven new condominium buildings. These launches were so successful that Ananda, according to BLS figures, was the second biggest seller of condominiums in Bangkok and fifth biggest seller of real estate in Thailand in its first year after IPO.

The company has significantly upgraded its human resources after the IPO and now possesses a senior management team that is the equal of any in the industry. We are also increasing our commitment to training and development of all our staff through the Ananda Academy.

The company was very proud to be chosen by Japan's largest real estate developer,

Mitsui Fudosan, to be its partner in Thailand. The reputation of this company and their choice of Ananda as a partner is a tremendous validation of everything that we're doing. As well as the financial strength that Mitsui brings, their technology and experience is also something that will aid Ananda's progress.

The company continued to improve its construction techniques and the four Ideo Mobi buildings were finished ahead of schedule. The company is committed to constantly improve both the speed and quality of construction and the establishment of its own construction company, Helix, provides a platform for adopting new techniques as well as securing inhouse construction capacity.

The company began international sales to great success in 2013. The value of property close to mass transit stations is well understood by those who live in cities with already developed mass transit systems. This program is one that will develop further as we build awareness and brand in several markets over several years.

The company also successfully launched our new Elio value brand providing even more affordable solutions to mass transit living and allowing us to broaden our potential customer base while staying true to our brand values.

2014 will see the company solidify the position achieved in 2013, with continuing development of operational capabilities while adopting a more cautious approach to expansion compared with 2013 until the political and economic situations become clearer.

I would like to thank all those without whom this would not have been possible, our customers, staff, suppliers and financial institutions. It's their support, skill, dedication, professionalism and creativity that brought us "Up to Speed".

Mr. Chanond Ruangkritya
President and Chief Executive Officer
Ananda Development Public Company Limited

REPORT OF THE AUDIT COMMITTEE ►

To Shareholders :

The Audit Committee of Ananda Development Public Company Limited has been appointed by the Board of Directors to ensure the Company performs its responsibilities in compliance with the laws and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. The Committee consists of three fully qualified independent directors with expertise and experience in organization management, law and accounting, namely:-

- 1) Mr. Nopporn Thepsithar
- Chairman of the Audit Committee
- 2) Mr. Poolsak Tansitthipun
- Member of the Audit Committee
- 3) Mr. Wiboon Rasmeepaisarn
- Member of the Audit Committee

The Vice President of the Office of Internal Audit acts as the Secretary to the Audit Committee.

The Audit Committee has performed its duties as assigned by the Board of Directors and according to the Audit Committee Charter, which is in line with the regulations of the Stock Exchange of Thailand. Focus is placed on internal controls to ensure effective internal control and risk management adequate and suitable for business operations, reliable accounting and financial reporting systems, as well as compliance with laws, rules and regulations relevant to the Company’s business. In 2013, the Audit Committee held 8 meetings, and performed the following responsibilities:-

Reviewing financial statements

The Audit Committee, together with the external auditors, the management and the internal audit officer, reviewed the Company’s quarterly and annual financial statements and the consolidated financial statements of the Company and subsidiaries. Key matters were considered and advice and recommendations were provided to ensure that the preparation of financial statements were accurate and reliable and consistently in accordance with the generally-accepted accounting standards, while material information was adequately and timely disclosed in compliance with the applicable laws and regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

Reviewing related, connected or potential conflict-of-interest transactions

The Audit Committee reviewed and gave opinions on the Company’s and subsidiaries’ related transactions, connected transactions and transactions with potential conflicts of interest to ensure that these transactions were carried out to the best interests of all stakeholders under normal business conditions according to the regulations of the Stock Exchange of Thailand, for the best interests of all stakeholders.

Reviewing the internal control process

The Audit Committee reviewed the adequacy of the Company’s internal control process based on reports by the Internal Audit Office and reports on the findings from financial statement audits of the external auditors.

Overseeing the internal audit function

To ensure the independence of the Internal Audit Office, the Audit Committee reviewed the adequacy and appropriateness of the Office’s structure, evaluated Key Performance Indicators (KPIs) and performance of the Head of Internal Audit, as well as considered the scope of work, audit plans, internal audit reports and monitoring of corrective actions. The internal audit function was found to fulfill the set objectives and plan.

Nominating external auditors and fixing audit fees

The Audit Committee considered external auditors and fixed the audit fees, taking into account the quality of services, auditors’ status, material limitations and regulations of the Stock Exchange of Thailand or other relevant agencies. A meeting to interview external auditors was held without the presence of the executives, in order to ensure their independence and impartiality. With respect to this, the Audit Committee has appointed the auditors from Ernst & Young Office Limited as the Company’s external auditors for the financial year 2014, for reasons of professional competency, in-depth understanding of the Company’s business, independence, impartiality and punctuality of services. The nomination and appropriate fees shall be proposed to the Board of Directors for consideration, and subsequently to the Annual General Meeting of Shareholders for appointment of Ernst & Young Office Limited as the Company’s external audit office for another term. Names of external auditors are as follows:-

- 1) Mr. Sophon Permsirivallop
- Certified Public Accountant No. 3182, and/or
- 2) Ms. Rungnapa Lertsuwankul
- Certified Public Accountant No. 3516, and/or
- 3) Mrs. Gingkarn Atsawarangsalit
- Certified Public Accountant No. 4496

Mr. Sophon Permsirivallop, the external auditor, has performed the duties to express and present his opinions on the financial statements for the year ended December 31, 2013 to the Audit Committee. In this regard, the Audit Committee agreed with the auditor that the said financial statements have duly represented the Company’s financial position as of December 31, 2013 as well as operating performance and cash flows for the year then ended accurately, in all material respects, in accordance with financial reporting standards.



Mr. Nopporn Thepsithar
Chairman of the Audit Committee

BOARD OF DIRECTORS ►



1. DR. NARONGCHAI AKRASANEE
Chairman of the Board of Directors /
Independent Director

2. MR. NOPPORN THEPSITHAR
Vice Chairman / Independent Director

3. MR. POOLSAK TANSITTHIPU
Director / Independent Director

4. MR. WIBOON RASMEEPAISARN
Director / Independent Director

5. MR. CHANOND RUANGKRITYA
Director

6. MR. TANYALAK NUNTHAVORASIRI
Director

7. MISS NATTHAVIPHA RUANGKRITYA
Director

8. MISS PATCHARAVALAI RUANGKRITYA
Director

AUDIT COMMITTEE ▶



1. MR. NOPPORN THEPSITHAR
Chairman of the Audit Committee

2. MR. POOLSAK TANSITTHIPU

3. MR. WIBOON RASMEEPAISARN

EXECUTIVE COMMITTEE ▶



1. MR. CHANOND RUANGKRITYA
Chairman of the Executive Committee

3. MISS NATTHAVIPHA RUANGKRITYA

5. MR. SERMSAK KHWANPUANG

2. MR. TANYALAK NUNTHANAVORASIRI

4. MISS PATCHARAVALAI RUANGKRITYA

6. MRS. MUNTANA AUE-KITKARJORN

NATURE OF BUSINESS ►

The company is engaged in the development of residential condominium projects and landed housing projects in Bangkok and Greater Bangkok (namely the Nonthaburi Province, Samutprakarn Province, Pathumthani Province, Nakornprathom Province, Samutsakorn Province and Chachoengsao Province). The company has developed modern and lifestyle-focused “Ideo” and “Elio” brand residential condominiums, which target first-home buyers and professionals who value convenience and ease-of-access when choosing a place to live.

The company provides “Urban Living Solutions” to Bangkok residents and has built a strong brand and successful track record in the Bangkok and Greater Bangkok real estate market. The company focuses on modern and distinctive designs that are intended to appeal to the “Gen C” group which values “convenience,” the ability to control “cost and time,” “casual lifestyle” and the smart use of “cash.”

According to a report commissioned by the company from CB Richard Ellis, the company is the leading real estate developer, by market share, of condominiums that are within 300 metres of a mass transit station as of 30 June 2013 for both future (under construction and planned) and existing supply.

According to a report titled “State of the World’s Cities 2012/2013” by UN Habitat, the population of Bangkok and Greater Bangkok has been increasing and is expected to continue to increase in the short to medium term. From 2000 to 2010, Bangkok and Greater Bangkok’s population grew from 6.3 million to 7.0 million and is expected to reach 7.4 million in 2015 and 8.5 million in 2025. Correspondingly, according to data provided by the Department of Provincial Administration of Thailand, the demand for residential housing has also increased from 3.9 million units in 2007 to 4.7 million units in 2012, with the condominium sector being the fastest growing residential segment from 2009 to 2012 with a compounded annual growth rate of 6.2% over that period.

Given the leading market position and strong track record, the company expects its well located condominiums to continue to be a key beneficiary of the growing Bangkok and Greater Bangkok real estate market, especially in areas in close proximity to the mass transit system. According to CB Richard Ellis, ridership on Bangkok’s mass transit system increased from approximately 162,000 passengers daily on weekdays in 2000 to over 886,000 in 2012 and correspondingly, from 2009 to 2012, condominiums within 300 metres of mass transit stations had a take-up rate of 87.0%.

According to CB Richard Ellis, by 2017, Bangkok is expected to have a mass transit network covering a total distance of 248 kilometres with 165 stations, more than double the distance covered as of 30 June 2013. As the mass transit network expands, the company expects consumers to prefer living closer to mass transit stations for convenience and lifestyle, thereby providing continued and sustained demand for the company’s residential housing around mass transit stations.

The company applies a quick asset turnover business model. Prior to land acquisition, feasibility studies are conducted which include location, market, pricing, cost and cash flow analysis. The company utilizes a variety of third parties together with in-house capabilities to identify potential land for acquisition. Land is generally acquired for the purpose of immediate or near-term development (three to six months from acquisition to launch). To maximize operational efficiencies, the company outsources a large part of its design and construction to reputable architects and contractors. Furthermore, substantially all of the construction costs are fixed under construction contracts with a main contractor.

23 residential condominium projects have been launched since 2007 with 20 under the “Ideo” brand, two under the “Elio” brand which was launched in March 2013 and a single luxury building, Ashton Morph. The company launched 8 of these condominium projects in 2013.

Besides residential condominium projects, the company develops and sells landed housing projects. The company has launched seven landed housing projects in low density suburban areas in the vicinity of Suvarnabhumi Airport under the “Ananda SeaSense” brand, which was rebranded and relaunched under the “Atoll” brand at the end of 2012. The company has also developed and sold three landed housing projects located near Suvarnabhumi Airport under the “Ananda” and “Sirinda” brands.

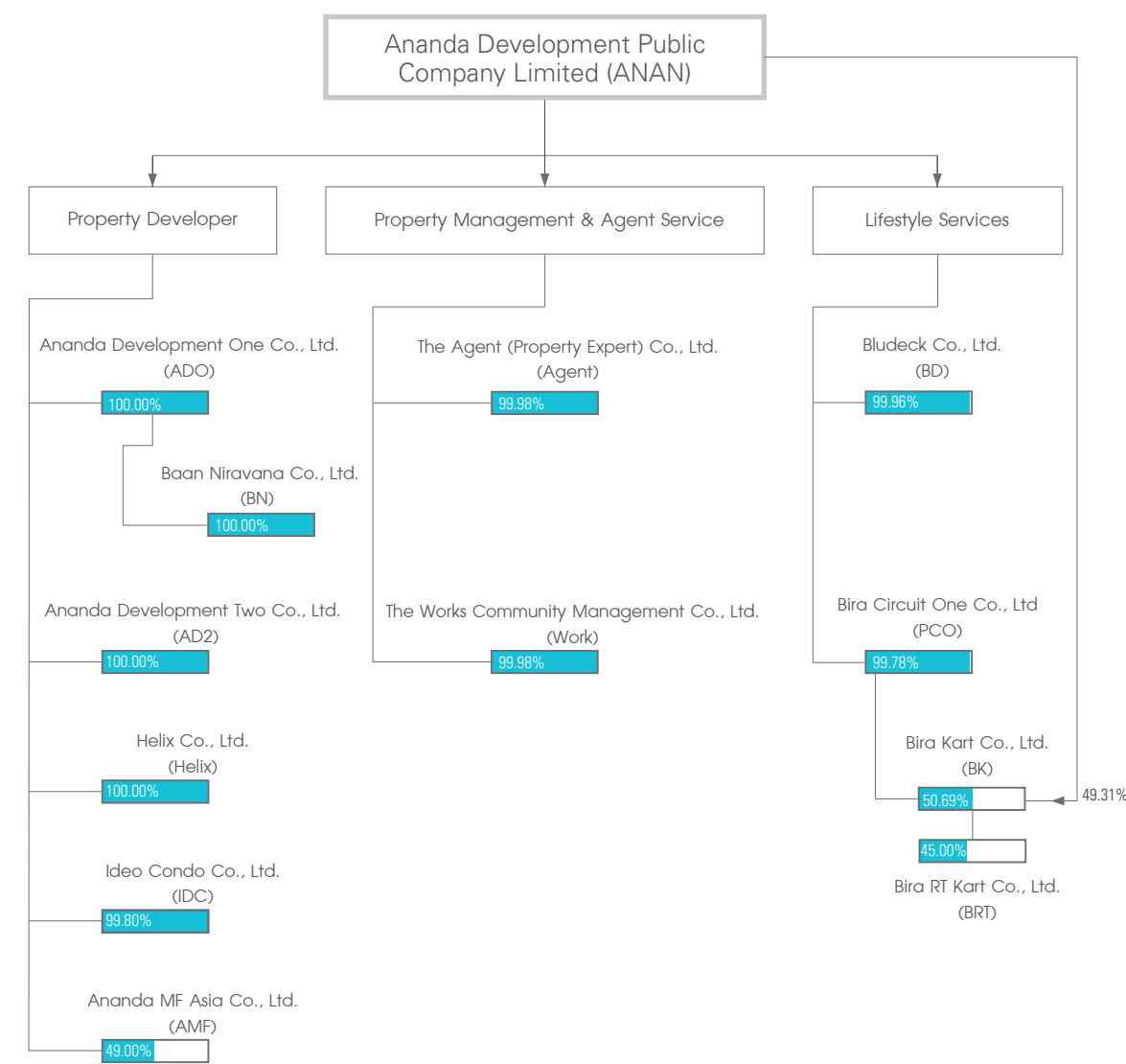
Since April 2013, the company has commenced operations of an inhouse construction company called Helix, which is a wholly-owned subsidiary. Helix is expected to handle up to one-third of the company’s landed housing construction and is intended to eventually provide the main contractor service for a portion of our own residential condominium projects (Helix has already been appointed as the main contractor of our Ideo Wutthakat residential condominium project). This will allow the company to better control the costs and quality of our products and to better manage the development and transfer time of projects. Furthermore, the company also provides ancillary services such as real estate brokerage services through The Agent Company and property management services through The Works Company. The company also operates non-core businesses which include hospitality and leisure services and facilities.

In June 2013, the company entered into a joint venture agreement with SEA Investment Five, a subsidiary of Mitsui Fudosan Co., Ltd., to establish Ananda MF Asia Company Limited, in which the company holds 49.0% and SEA Investment Five holds 49.0%, with the remaining 2.0% held by an independent investor. The purpose of the joint venture is to develop selected real estate development projects in Bangkok. The joint venture agreement is intended to allow Ananda to increase its market share while managing overall risk.

Business Operation Of Each Line Of Products

Shareholding Structure of the Company’s Group

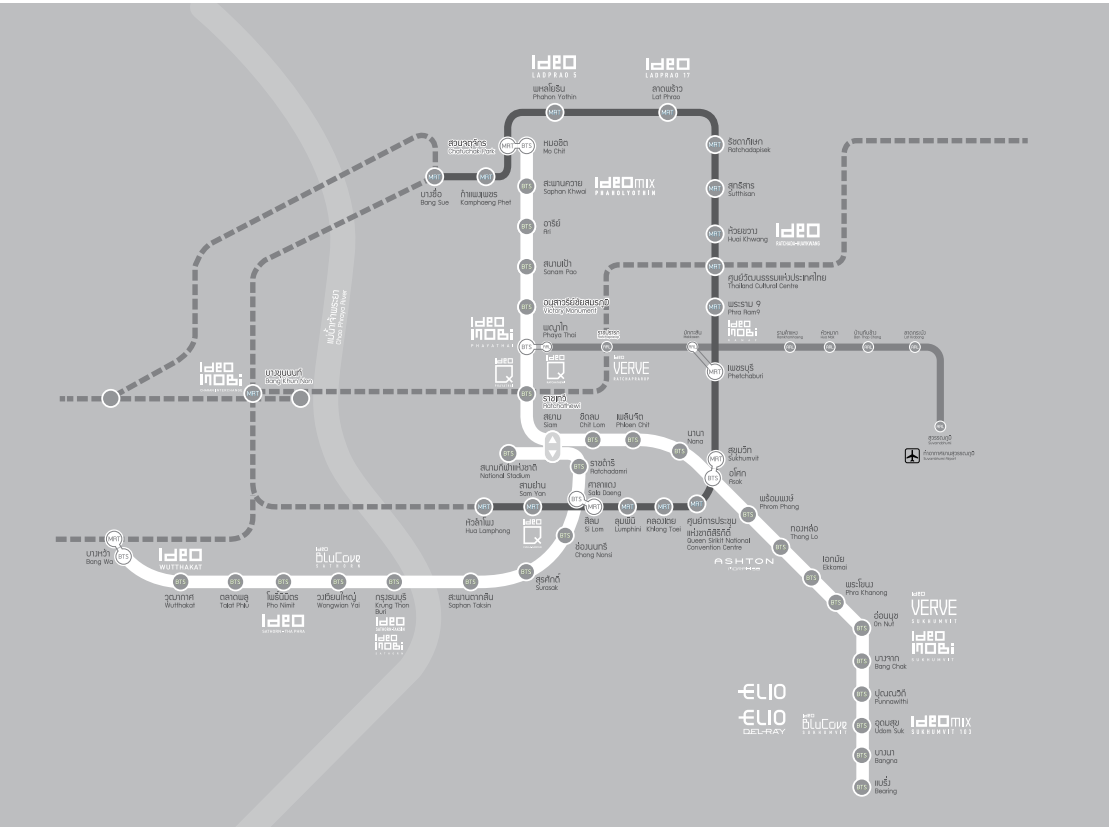
The shareholding structure of the Company’s Group as of December 31, 2013, is as follows:



1. Real Estate Development Business

1.1 Residential Condominium Projects

The following is a map showing the locations of the company’s residential condominium projects in Bangkok:



The company’s real estate development business focuses on developing residential condominium projects close to mass transit stations. The majority of the company’s residential condominium projects are located next to or within 300 metres of a station. These are being marketed under the “Ideo” brand. The company also develops residential condominium projects under the “Elio” brand, which are located between 301 to 600 metres from the station. The company’s first residential condominium project, Ideo Ladprao 17, was launched in 2007, and the company has since launched 22 additional projects.

The company aims to provide “Urban Living Solutions” to Bangkok residents who we believe will increasingly utilize mass transit systems to commute between their residence, workplace and places where they enjoy recreational activities. The Thai government is expected to expand the existing transit network to 165 stations by 2017, 222 stations by 2019 and 254 stations by 2029 according to a CB Richard Ellis report commissioned by the company as of 30 June 2013.

For the main Ideo brand, the company’s target group of customers, the “Gen C” group, is a segment comprised mainly of educated, middle-income households and professionals who require easy access to their place of work, entertainment, dining, shopping and living. The brand focuses on “convenience”, the ability to control “cost and time”, “casual lifestyle” and the smart use of “cash”.

For the Elio brand, the company’s target group of customers enjoy “Living Easy”, and focus on lifestyle concepts which allow for self expression (“Easy You”), socializing (“Easy Socialize”), efficient management of space (“Easy Space”), convenient location (“Easy Location”) and connectivity to mass rapid transit stations (“Easy Connection”) and ease of making payments (“Easy Payment”).

List of Condominium Projects



1. Ideo Ladprao 17
- Location

: 2 Ladprao Road, Soi Ladprao 17, Jomphol, Chatuchak, Bangkok
- Number of towers/floors

: Two towers, eight floors
- Distance from BTS/MRT Station

: Next to Ladprao MRT station



2. Ideo Ladprao 5
- Location

: 647 Ladprao Road, Jomphol, Chatuchak, Bangkok
- Number of towers/floors

: One tower, 24 floors
- Distance from BTS/MRT Station

: 500 metres from Phaholyothin MRT station



3. Ideo Mix Phaholyothin

Location : 698 Phaholyothin Road,
Samseannai, Phayathai, Bangkok

Number of towers/floors : One tower, 23 floors

Distance from : Next to Saphan Khwai BTS station

BTS/MRT Station



4. Ideo Sathorn-Taksin

Location : Krung Thon Buri Road,
Banglumpoo-lang, Klongsan,
Bangkok

Number of towers/floors : One tower, 27 floors

Distance from : Next to Krung Thonburi BTS station

BTS/MRT Station



5. Ideo Q Phayathai

Location : 38 Phayathai Road, Thung
Phayathai, Ratchathewi, Bangkok

Number of towers/floors : One tower, 38 floors

Distance from : 30 metres from

BTS/MRT Station Ratchathewi BTS station



6. Ideo Ratchada-Huaykwang

Location : 62 Soi Pracharajbumphen,
Huaykwang, Huaykwang, Bangkok

Number of towers/floors : One tower, 19 floors

Distance from : Next to Huay Kwang MRT station

BTS/MRT Station



7. Ideo BluCove Sathorn

Location : 8 Krung Thon Buri Road, Klong
Thonsai, Klongsan, Bangkok

Number of towers/floors : Two towers, 8 floors

Distance from : 40 metres from

BTS/MRT Station Wongwianyai BTS station



8. Ideo Mix Sukhumvit 103

Location : 9 Soi Udomsuk 3, Bangna,
Bangkok

Number of towers/floors : Two towers, 21 floors

Distance from : Next to Udomsuk BTS station

BTS/MRT Station



- 9. Ideo Verve Sukhumvit**
- Location : 2077 Sukhumvit Road,
Phra Khanong, Wattana, Bangkok
- Number of towers/floors : One tower, 30 floors
- Distance from : Next to On-nut BTS station
- BTS/MRT Station



- 12. Ashton Morph 38**
- Location : Sukhumvit Road,
Soi Sukhumvit 38, Phra Khanong,
Klongtoei, Bangkok
- Number of towers/floors : One tower of 32 floors,
one tower of 10 floors
- Distance from : 300 metres from
- BTS/MRT Station Thonglor BTS station



- 10. Ideo BluCove Sukhumvit**
- Location : 2952 Sukhumvit Road,
Soi Udomsuk, Bangna, Bangkok
- Number of towers/floors : One tower of 18 floors,
one tower of 15 floors
- Distance from : 30 metres from
- BTS/MRT Station Udomsuk BTS station



- 13. Ideo Mobi Rama 9**
- Location : Rama 9 Road, Huaykwang,
Huaykwang, Bangkok
- Number of towers/floors : One tower of 28 floors
- Distance from : 80 metres from
- BTS/MRT Station Pharam 9 MRT station



- 11. Ideo Verve Ratchaprarop**
- Location : 403 Ratchaprarop Road,
Makkasan, Ratchathewi, Bangkok
- Number of towers/floors : One tower, 34 floors
- Distance from : 10 metres from
- BTS/MRT Station Ratchaprarop APL station



- 14. Ideo Mobi Phayathai**
- Location : Sri-Ayutthaya Road, Thung
Phayathai, Ratchathewi, Bangkok
- Number of towers/floors : One tower of 24 floors
- Distance from : 190 metres from
- BTS/MRT Station Phayathai BTS station



- 15. Ideo Mobi Sathorn**
Location : Krung Thon Buri Road,
Bang Lamphu Lang,
Klongsan, Bangkok
Number of towers/floors : One tower of 31 floors
Distance from : Next to Krung Thonburi
BTS/MRT Station BTS station



- 18. Ideo Sathorn-Tha Phra**
Location : Ratchaphruk Road, Bukkalo,
Thonburi, Bangkok
Number of towers/floors : One tower of 31 floors
Distance from : 320 metres from
BTS/MRT Station Pho Nimit BTS station



- 16. Ideo Mobi Sukhumvit**
Location : Sukhumvit Road,
Soi Sukhumvit 81, Bangchak,
Phra Khanong, Bangkok
Number of towers/floors : One tower of 23 floors,
one tower of 25 floors
Distance from : 32 metres from
BTS/MRT Station On-nut BTS station



- 19. Elio Del Ray**
Location : Sukhumvit Road,
Soi Sukhumvit 64, Bangna,
Bangkok
Number of towers/floors : 8 towers of 8 floors each
Distance from : 600 metres from
BTS/MRT Station Udomsuk BTS station



- 17. Elio Sukhumvit 64**
Location : Sukhumvit Road,
Soi Sukhumvit 64,
Bangna, Bangkok
Number of towers/floors : 4 towers of 8 floors each
Distance from : 600 metres from Udomsuk and
BTS/MRT Station Phunawithee BTS station



- 20. Ideo Wutthakat**
Location : Wutthakat, Bangkok
Number of towers/floors : One tower of 31 floors
Distance from : 110 metres from
BTS/MRT Station Wutthakat BTS station



- 21. Ideo Mobi Charan-Interchange**
- Location : Charansanitwong Road, Bangkoknoi, Bangkok
- Number of towers/floors : One tower of 22 floors
- Distance from : 80 metres from
- BTS/MRT Station : Bang Khun Non MRT station



- 22. Ideo Q Ratchathewi**
- Location : Petchburi Road, Phayathai, Ratchathewi, Bangkok
- Number of towers/floors : One tower of 37 floors
- Distance from : 300 metres from
- BTS/MRT Station : Ratchathewi BTS station



- 23. Ideo Q Chula-Samyan**
- Location : Rama IV Road, Bangrak, Bangkok
- Number of towers/floors : One tower of 40 floors
- Distance from : 270 metres from Sam Yan MRT
- BTS/MRT Station

Recent Developments

In 2013, the company launched five residential condominium projects under the brand “Ideo” which are Ideo Sathorn-Thra Phra, Ideo Wutthakat, Ideo Mobi Charan-Interchange, Ideo Q Ratchathewi and Ideo Q Chula-Samyan. The Ideo Q Chula-Samyan residential condominium project will be developed through our joint venture with SEA Investment Five, a subsidiary of Mitsui Fudosan Co., Ltd. These projects are expected to be completed between 2014 and 2016.

The company also launched two residential condominium projects under the brand “Elio”, which are Elio Sukhumvit 64 and Elio Del Ray located 600 metres from a mass transit station. Furthermore, the company also launched its international sales event, started in September 2013, and expanded sales in Singapore, Hong Kong and Japan to over 870 million Baht throughout 2013.

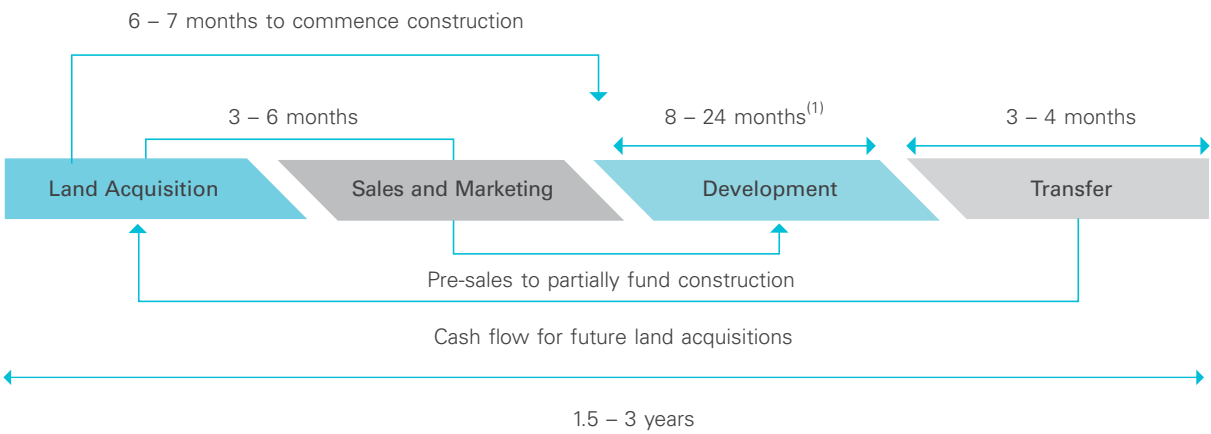
This is the first step as the company begins to build a brand and sales channels in not only Thailand, but other international markets and the company expects international sales can become a significant share of the company’s overall revenue, which up to now has been almost exclusively from Thai customers.

Details of launched projects by date of launch in 2013 are as follows:

Project	Sales Launch	Expected Completion	No. of Units	Project Value (Million Baht)
Ashton Morph 38	March 2013	2013	341	2,922
Elio Sukhumvit 64	March 2013	2014	962	1,491
Ideo Sathorn-Thra Phra	July 2013	2014	1,339	3,628
Elio Del Ray	August 2013	2014	1,630	3,285
Ideo Wutthakat	August 2013	2015	979	2,121
Ideo Mobi Charan-Interchange	October 2013	2015	1,196	3,749
Ideo Q Ratchathewi	October 2013	2015	323	2,010
Ideo Q Chula-Samyan	October 2013	2016	1,598	6,734

Residential Condominium Development Process or Value Chain

The following diagram shows the company’s general timetable for residential condominium development.



Note : 1) Average time required from property development to transfer units in low rise to high rise residential condominiums.

The company acquires land through third parties who assist in initial contact with proposed vendors, direct approaches from sellers of land and through its own staff seeking sellers. The company performs a feasibility study before proceeding to negotiate. The company’s land acquisition team evaluates project feasibility and return on investment, maintains a proprietary database on numerous potential sites and is responsible for establishing and maintaining the company’s network and connections for market intelligence. The company’s legal team assists in understanding and evaluating land regulations and city planning/zoning regulations to mitigate legal risk prior to land acquisition. Lastly, the company’s finance team is responsible for conducting financial feasibility analysis on potential sites and to procure finance from financial institutions. The majority of land in Bangkok is privately owned and is occupied by low-value buildings, such as shop houses. The majority of land acquisitions are performed through bilateral negotiations or limited auctions.

The company generally appoints contractors to undertake construction work for projects after determining their suitability based on criteria such as, amongst others, past experience and company profile. Since April 2013, the company’s wholly-owned subsidiary, Helix, has been providing real estate construction services in respect of landed housing projects and has also been appointed as the main contractor to provide real estate construction services for Ideo Wutthakat residential condominium project.

The company determines the price of residential condominium units on a cost plus basis with a gross margin of 35%. By taking into account the target customers, the location and other projects of other developers in the same area, the feasibility study determines whether a project is feasible at the target price.

Most units are sold “off plan,” prior to construction being completed and customers pay on an installment plan. Typically, the company takes an up-front down-payment of 5.0% on signing the sales and purchase agreement, and installment payments of between 0% and 10.0% of the purchase price over the construction period before title transfer. A significant number of our customers, approximately 60.0%, rely on bank financing to purchase the company’s residential condominium units. To assist these customers, the company negotiates promotional packages and holds joint marketing events with certain banks to provide mortgage loans to customers.

The company’s advertising and public relations efforts include publishing advertisements on printed materials, websites and billboards, organizing marketing activities and handing out brochures to passers-by. Furthermore, the company uses electronic media such as internet advertising, a Facebook fan page, Twitter (@ideocondo) and YouTube.

1.2 Landed Housing Projects

The landed housing projects operated by Ananda Development One and Baan Niravana are beach-resort style landed housing projects located in low density suburban areas in the vicinity of Suvarnabhumi Airport. The names of landed housing projects are also based on popular beach resorts in Maldives, Hawaii and Bali. Ananda Development One’s landed housing projects were relaunched under the brand “Atoll”. Each project contains a clubhouse with amenities for its residents’ enjoyment. The majority of the landed housing projects are priced at the mid-level at approximately 3.0 million to 5.0 million Baht per house. As of 31 December 2013, details of each project were as follows:

Atoll



Lanta Resortlife Project	
Location	: East Outer Ring Road, Bangplee District, Samutprakarn Province
Nature of Project	: Detached houses/semi-detached houses
Total Site Area	: 34-3-1 rai



Maldives Palm Project

Location : East Outer Ring Road, Bangplee District,
Samutprakarn Province
Nature of Project : Detached houses/semi-detached houses
Total Site Area : 80-1-34 rai



Waikiki Shore Project

Location : Klong Song Ton Noon Sub-District,
Ladkrabang, Bangkok
Nature of Project : Detached houses
Total Site Area : 38-1-45 rai



Similan Reef Project

Location : Klong Song Ton Noon Sub-District,
Ladkrabang, Bangkok
Nature of Project : Detached houses
Total Site Area : 53-0-4 rai



Maldives Beach Project

Location : Narm Daeng Road, Bangplee District,
Samutprakarn Province
Nature of Project : Detached houses/semi-detached houses/
townhouses
Total Site Area : 116-1-5 rai



Bali Beach Project

Location : On-nut–Ladkrabang Road, Klong Luang
Pang Sub-District, Muang District,
Chachoengsao Province
Nature of Project : Detached houses/semi-detached houses/
townhouses
Total Site Area : 215-0-32 rai

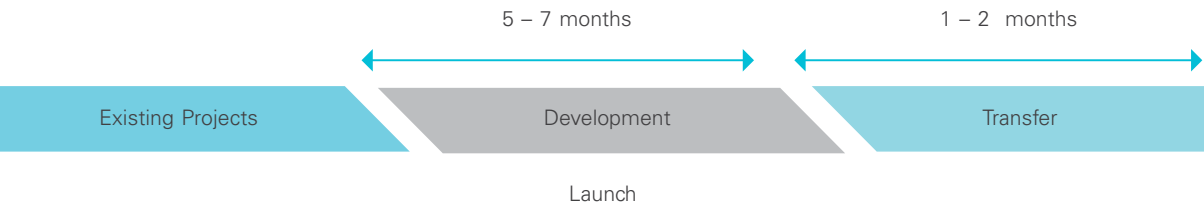


Java Bay Project

Location : King Kaew Road, Bangplee District,
Samutprakarn Province
Nature of Project : Detached houses
Total Site Area : 57-0-11 rai

Landed Housing Development Process

The following diagram shows the company’s general timetable for landed housing development.



For the landed housing projects, contractors are responsible for the procurement of the main construction materials, the price of which is included in the agreed fees of the construction agreement. The company has good relationships with suppliers, which allows us to purchase such materials at reasonable prices.

In developing landed housing projects, the company generally engages only one contractor for the purposes of land surveying and connecting public utilities such as water and electricity. The number of contractors engaged for house construction varies in relation to the size of the project and the timeline in relation to the completion of the project. Since April 2013, the company’s wholly-owned subsidiary, Helix, has been providing real estate construction services in respect of the company’s landed housing projects and has been appointed as the main contractor to provide real estate construction services for the Similan Reef, Maldives Beach, Bali Beach and Java Bay projects.

The company operates a “build and sell” model. The sale price of the houses in each of landed housing projects will be determined after a survey on market demand has been conducted and comparisons are made with sale prices of similar properties being sold by the company’s competitors. The company manages all aspects of sales activities and sales promotions including public relations schemes according to prevailing market conditions. Additionally, the company’s sales promotions are reflected on our website. The company also intends to hold grand openings for landed housing projects to provide potential customers with an onsite experience.

The company will typically take an upfront down-payment of 5.0%, with the remaining purchase price received upon title transfer. A significant number of the company’s customers – approximately 70.0% to 80.0% – rely on bank financing to purchase our landed houses. To assist these customers, the company negotiates promotional packages with certain banks to provide housing loans in respect of the project being launched.

Other Landed Housing Projects

The company’s landed housing projects include the development of land for houses, the construction of the houses and the subsequent sale of the land and houses. These projects bear the names “Ananda” and “Sirinda” and include Ananda Sport Life Project, Sirinda Pranali Project and Sirinda Prana Project. All of these landed housing projects are located in the vicinity of golf courses and are gated communities with gardens. Details of each project are as follows:



Ananda Sport Life Project
Location : 99 Moo 16, Bangpleeyai, Bangplee District, Samutprakarn Province
Nature of Project : Detached houses/land development/ house construction
Total Site Area : 68-0-78.7 rai



Sirinda Prana Project
Location : 88 Moo 17, Bangpleeyai, Bangplee District, Samutprakarn Province
Nature of Project : Land development/house construction
Total Site Area : 8-0-36 rai



Sirinda Pranali Project
Location : 199 Moo 12, Rachatewa, Bangplee District, Samutprakarn Province
Nature of Project : Detached houses/land development/ house construction
Total Site Area : 7-0-39.6 rai

1.3 Real Estate Construction Business

Residential Condominium and Landed Housing Projects

Since April 2013, Helix, a subsidiary, has been providing real estate construction services to the company’s landed housing projects as well as the residential condominium projects, and has been appointed as the main contractor to provide real estate construction services for Similan Reef, Maldives Beach, Bali Beach and Java Bay landed housing projects and the Ideo Wutthakat residential condominium project.

Helix will undertake the key structural and architectural works for the projects for which they are engaged. They will also act as subcontractor for interior works for projects on which a different main contractor has been appointed for structural and architectural works. The company decided to undertake a portion of real estate construction through a wholly-owned contractor in order to better manage risks associated with dependence on third-party suppliers. As such, Helix is expected to complement the company’s real estate development business and improve efficiencies across the company’s business operations.

2. Real Estate Ancillary Businesses

In addition to the core real estate development business, the company operates other businesses which are intended to complement the main business operations. The company nominates the company’s representatives to the board of directors of these subsidiaries and affiliates.

2.1 The Agent Company

At the end of 2010, the company established The Agent Company, a subsidiary which acts as the property agent for the sale/purchase of residential condominium units in the secondary market and for procurement of lessees for the owners of residential condominium units.

The provision of The Agent Company’s services is not strictly limited to residential condominium projects within the company’s real estate portfolio, its focus and goal is to be the leading provider of real estate agency services specializing in properties near to or adjacent to mass transit stations. By doing so, The Agent Company aims to be a market maker which promotes secondary sales to maintain the investment value of the company’s residential condominium projects.

2.2 The Works Company

The Works Company was established towards the end of 2010 and provides management services for residential condominium projects upon the title transfer of the units in a residential condominium project, The Works Company provides one year of complimentary management

services, or until the residential condominium’s juristic persons entity is formed. This arrangement gives the company an opportunity to promote Ideo and Elio brands and maintain high standards in the provision of services to the company’s customers upon completion of residential condominium projects. The company intends that the high quality of services provided will encourage residents to continue to engage The Works Company as the residential condominium manager.

The Works Company also has a symbiotic relationship with The Agent Company. We have observed that owners intending to sell their properties in the secondary market often choose to approach the condominium manager for initial advice on the resale process. Accordingly, if The Works Company is currently the condominium manager, it will be in a suitable position to refer the services of The Agent Company to parties who may be interested in seeking out a real estate agent.

The Works Company intends, in the long term, to also provide facility management services to residential condominium projects not under the company’s portfolio.

3. Other Businesses

Bira Circuit One Company Limited (“Bira Circuit One Company”),
Bira Kart Company Limited (“Bira Kart Company”) and Bira RT Kart Company Limited (“Bira RT Kart Company”)

In 2009, the company invested in Bira Circuit One Company and Bira Kart Company and began operating a motor racing circuit as well as a go-kart race track named Bira International Circuit, located in Chonburi Province, approximately 20 km away from Pattaya City. The company also invested in Bira RT Kart Company, whose business operations consists of the sale of motor vehicle parts and components to support the motor racing and go-kart racing business operations of Bira Circuit One Company and Bira Kart Company.

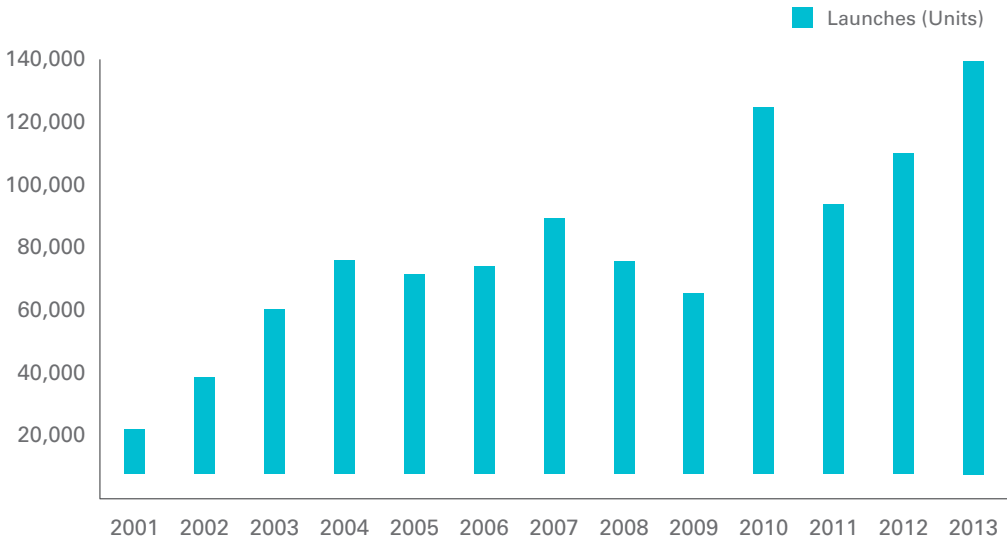
Bludeck Sports Club

In 2009, the company began operations at Bludeck, a sports club located at Soi Kingkaew 19, Samutprakarn Province, through the company’s subsidiary, Bludeck Company. Bludeck Company provides services such as the rental of sports facilities (e.g. swimming pool, fitness room, tennis, badminton, basketball and futsal courts), yoga classes and aerobics classes. In addition to the sports club business, Bludeck Company also operates an Italian restaurant named Bacco at its premises.

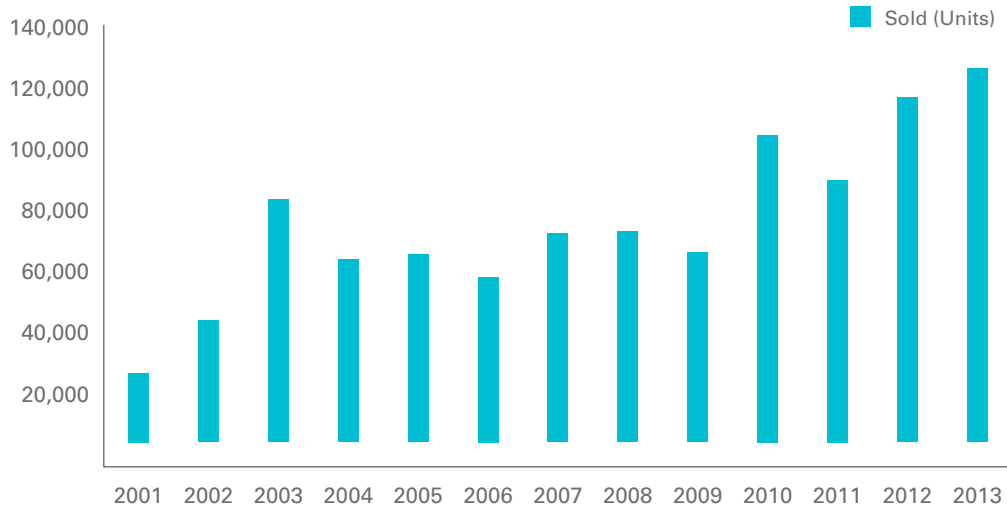
The company provides Bludeck’s product or service offerings so that these may be provided as ancillary services within the company’s residential condominium projects as well. Such lifestyle services will add value to our brand and enhance the concept of providing “Urban Living Solutions” to the company’s customers.

Industry and Competition

In 2013, the Agency for Real Estate Affairs (AREA) reported total new launches in the Bangkok Metropolitan Region (BMR) were 131,645 units, an increase of 29% year on year (YoY). Condominiums were the largest proportion of launches, accounting for 64% of the total launches in 2013. In terms of project value, the total was 385,447 million Baht, up 29% YoY. The average price per unit of launched projects in 2013 dropped slightly to 2,928 million Baht a unit from 2,937 million Baht a unit as of 2012. The new launches continued to be driven by the low end segment priced below 1 million Baht and between 1-2 million Baht along mass transit and extension lines. Those included Bangyai-Bangsue, Onnut-Baring-Samutprakarn, Mochit-Saphanmai, Rangsit, Airport link-Ladkrabang.

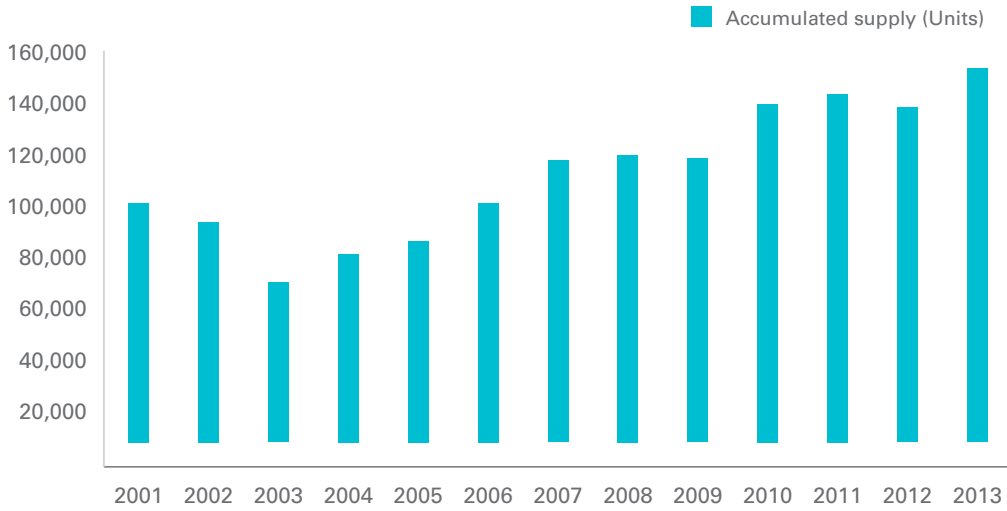


Demand increased 8% to 116,481 units in 2013, mainly from condominiums, which accounted for 63% of the market. Townhouses and single detached houses were 19% and 12% of the market respectively. The remainder was other accommodations such as twinned houses, commercial buildings and subdivided lands.



Overall launches increased 29% YoY, whereas demand only grew 8% YoY. As a result, BMR’s supply ended December 2013 up 11.8% from a year earlier. Condominium supply showed the largest increase. Townhouses were second, with single detached houses dropping slightly.

- Condominium supply increased 25.5% YoY to 51,260 units
- Townhouse supply enlarged 15.6% YoY to 44,639 units
- Single detached house supply fell 3.7% YoY to 37,361 units



The Agency for Real Estate Affairs expects that condominium project launches will be reduced from the high totals in 2013. Also, newly launched projects will tend to be higher priced for several reasons such as land cost, construction costs, labor costs, labor shortages, and construction delays.

The Agency for Real Estate Affairs has forecast that the value of project launches in Bangkok and its suburbs this year will drop by 30-40 percent from last year’s 385 billion Baht, after seeing that only 30 residential projects totaling 4,438 units worth 15.63 billion Baht came on to the market last month. Demand for housing in 2014 will be slightly reduced from 2013. Demand will also depend on economic factors including political stability in Thailand.

Many developers have plans to invest in upcountry locations in order to benefit from the ASEAN Economic Community (AEC) in 2015, particularly border provinces such as Ubon Ratchathani, Udonthani, Khonkaen, Nakorn Ratchasima, Chiang Mai and Chiang Rai which will result in rising land costs in these locations.

However, the agency maintains its forecast that new residential projects launched in the provinces this year will be worth between 330-340 billion Baht.

Progress of Mass Transit Lines

The Agency for Real Estate Affairs reports the progress of mass transit lines as follows:

Existing Projects		
Project	Distance	
Suburban train, light red line (Salaya – Huamark)	Bangsue – Taling Chan	
Airport Rail Link (Don Muang Airport – Suvarnabhumi)	Phayathai – Suvarnabhumi	
Dark green line (Lam Luk Ka – Bangpu)	Saphanmai – Onnut – Bearing	
Light green line (Yodsae – Bangwa)	National Stadium – Taksin – Bangwa	
Dark blue line (Hua Lamphong – Thra Phra and Bangsue – Buddhamonthon Sai 4)	Bangsue – Hua Lamphong	
Under Construction Projects		
Project	Distance	Progress
Suburban train, dark red line	Bangsue – Rangsit	Expect to complete by April 2014
Dark blue line	Bangsue – Thra Phra and Hua Lamphong – Bangkae	Construction progress about 45%
Dark green line	Bearing – Samutprakarn	Construction progress about 20%
Purple line	Bangsue – Bangyai	Construction progress about 82%

Tendered Project		
Project	Distance	Progress
Dark green line	Saphanmai – Khu Khot	Tender submission between 2 – 15 January, 2014
	Mochit – Saphanmai	Tender submission on 11 January, 2014
Waiting for Terder Within 2014		
Project	Distance	
Suburban train, dark red line	Rangsit – Thammasat University Rangsit and Bangsue – Hua Lamphong	
Suburban train, light red line	Salaya – Taling Chan – Siriraj and Bangsue – Phayathai – Huamark	
Airport rail link	Bangsue – Phayathai	
Dark green line	Samutprakarn – Bangpu	
Purple line	Bangsue – Ratburana	
Orange line	(All lines) Charansanitwong – Minburi	
Pink line	(All lines) Kaerai – Minburi	
Yellow line	(All lines) Ladprao – Sumrong	
Projects to be Completed After 2019		
Project	Distance	
Suburban train, dark red line	Hua Lamphong – Bangbon and Bangbon – Mahachai	
Suburban train, dark green line	Khu Khot – Lam Luk Ka	
Light green line	National Stadium – Yodsae	
Dark blue line	Bangkae – Buddhamonthon Sai 4	

Source : Agency for Real Estate Affairs (AREA)

The Company’s Development in 2013

February	Sriwaree Development Co., Ltd. (subsidiary) changed the company name to Helix Co., Ltd. to provide the company’s real estate construction services for both residential condominium projects and landed housing projects, including its interior design.
March	The Company launched a residential condominium project under the name “Elio Sukhumvit 64” which is located 600 metres from Udomsuk and Punnawithi BTS Stations. The project value is 1,491 million Baht.
May	<p>The company received Asia Pacific Property awards in 2013 held by International Property Awards, with 2 rewards as follows.</p> <ol style="list-style-type: none">Best Interior Design Show Home Thailand - for the 21 sq.m unit size of Ideo Mobi condominium projects.Best High Rise Architecture - For the Morph 38 project.
June	The Company has entered into a joint venture with SEA Investment Five Pte. Ltd., a subsidiary of Mitsui Fudosan Residential Co., Ltd. and a company in the Mitsui Fudosan group which is one of the largest real estate developers in Japan. The Company has invested in Ananda MF Asia Co., Ltd. for 49 percent of the total registered capital of 900 million Baht (paid-up capital of 765 million Baht). The first project developed to be developed was Ideo Q Chula-Samyan, with the project size of 6,734 million Baht. It is expected that the construction will be completed in 2016.
July	<p>The Company issued a 1-year debenture to mature in July 2014 for 2,605 million Baht, at the fixed interest rate of 5.2 percent annually.</p> <p>The Company launched Ideo Sathorn-Thra Phra, a condominium near Phonimit BTS station with a project size of 3,628 million Baht.</p>
August	<p>Launched the following two residential condominium projects</p> <ol style="list-style-type: none">Elio Del Ray is located near Udomsuk BTS station with a project size of 3,285 million Baht.Ideo Wutthakat is located near Wutthakat BTS station with a project size of 2,121 million Baht.
September	The Company launched international sales of residential projects in 2013. Its sales in Singapore, Hong Kong and Japan were 870 million Baht.

CSR: CORPORATE SOCIAL RESPONSIBILITY 2013 ▶

- October Launched three residential condominium projects which consisted of Ideo Mobi Charan-Interchange, located near Bang Khun Non MRT station with a total project value of 3,749 million Baht, Ideo Q Ratchathewi located near Ratchathewi BTS station with a total project value of 2,010 million Baht and Ideo Q Chula-Samyan located near Sam Yan MRT station with a total project value of 6,734 million Baht.
- December The Company joined the Private Sector Collective Action Coalition Against Corruption (CAC) which aims to allow the private sector to collaborate to reduce corruption.

Ananda Development Public Company Limited has the joint objectives of sustained growth in residential property development and also to fulfill its corporate social responsibilities, both internally and externally, and to preserve the environment. Such endeavors are an integral part of the policies of the Company to encourage and involve continuous efforts among employees, management, customers and business partners in activities that can be categorized into three main areas, including development of communities, preservation of the environment, and support of sports, religion and culture.

In 2013, the Company supported communities lacking proper housing. The Company and Habitat for Humanity Thailand have been working in tandem on these activities for several years to enhance the standard of living for people in deprived areas. Key deliverables included a number of multi-purpose houses handed over to the Flood Relief Center at Bangban, Ayutthaya province as a flood relief center for any unexpected natural disasters. Also, the project Khun-Dai-Baan = Khun-Hai-Baan was initiated with a signed memorandum of understanding to continue preparing basic accommodations for local residents in the Ruam-Jai-Sa-Mak-Kee community, Baan Khai, Rayong province.



Khun Chanond Ruangkritya, President & Chief Executive Officer of Ananda Development Public Company Limited and Khun Douangkamol Somsinsawas Chief Executive Officer of Habitat for Humanity Thailand inked the memorandum of understanding dated February 21 2014, entailing the developments of houses for families with living difficulties at Ruam-Jai-Sa-Mak-Kee community, Rayong province, which was referred to as the Khun-Dai-Baan = Khun-Hai-Baan project.

Results of the Corporate Social Responsibility Program 2013

The Company worked to promote social responsibilities seriously for all its stakeholders and including customers as well as employees and their families. These activities ran throughout the year. Notable activities were as follows:

1. Quality Living and Social Developments

The Company has long realized the importance of quality social housing developments. Over the past year, the Company has managed a series of CSR activities such as the Khun-Dai-Baan = Khun-Hai-Baan project to share and building proper houses for local residents in the Ruam-Jai-Sa-Mak-Kee community, Baan Khai, Rayong province, and the Rao-Rak-Bang-Ban project to support construction of the Flood Relief Center at Bangban, Ayutthaya province. In addition, the Company also took part in other social activities i.e. to liaise for help in fixing buildings and medical devices of the public health center for the Morgan community, Surin Islands, Phangnga province, to provide financial support to the residents suffering from floods in the central and eastern areas of Thailand as well as to those experiencing the impact of Typhoon Haiyan in the Philippines through the Thai Red Cross Society, to promote blood donations in cooperation with the Thai Blood Donation Center under the Thai Red Cross Society, to support the call for donations of used paper and old calendars to be used by The Bangkok School for the Blind and to support the Soi Dog Foundation.



On top of the aforesaid, given the true understanding of how essential education is to young people's future, the Company signed a memorandum of understanding about launching an educational program in bilateral collaboration with Kanchanapisek Samutprakarn Technical College so as to grow technical and information technological skills for the future.



2. Preservation of the Environment

The Company considers preservation of the environment as one of its highest priority corporate social responsibilities. The company conducts its business operations in a way that minimizes, as far as possible, any negative impact on the environment. Careful attention is paid at the outset i.e. architectural and engineering design that follows closely the accepted standards of Green Building. The Company selection process for contractors also includes an assessment of their ability to monitor and prevent environment pollution.

The Company also supported the "Beach and Under the Sea Cleaning Day" project which is held by the Kung Krabaen Bay Royal Development Study Center, Chanthaburi province, every year. The Company also held internal events for management and employees to participate and contribute to the preservation of the environment.

3. Sports, Religion and Culture

The Company recognises the benefits of sports to improve health and wellness as well as religious activities that produce a positive outlook towards the world. As an example, the Company supported the "Cancer Care Charity FUN RUN" marathon event to raise funds for the Research Centre for Cancer under the Thai Red Cross Society. It also held friendly Futsal tournaments between the Company's and business partners' teams, and a variety of traditional activities.



“The bottom line results this year”

Throughout the year, the Company has fulfilled its corporate social responsibilities for internal and external stakeholders. This is a continuing process and the Company shall continue to endeavor to improve its corporate social responsibilities activities.

REVENUE STRUCTURE ►

The Company’s main source of revenue is derived from real estate development and real estate project management. The Company also derives revenue from other businesses, including revenue from contracted construction, commissions, service fees, revenue from the sale of food and beverages, interest receivable and excess of its subsidiaries’ interest in the fair value over cost and other revenues, as illustrated in the following table.

	Unit: Million Baht					
	Financial Years Ended December 31					
	2011		2012		2013	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from real estate business	5,483.3	96.43	4,960.2	96.53	8,807.7	95.46
Revenue from contracted management of real estate development projects	62.5	1.10	20.4	0.40	214.1	2.32
Service fees	115.0	2.02	122.2	2.38	151.2	1.63
Other revenue ¹	25.2	0.44	35.4	0.69	54.5	0.59
Total	5,686.0	100.00	5,138.3	100.00	9,227.5	100.00

Remarks : 1 Other revenue includes revenue from selling food and beverages, interest receivable and excess of the Company’s subsidiaries’ interest in the fair value over the cost which is greater than costs and other revenue.



RISK FACTORS ►

Ananda Development Public Company Limited has realized how important risk management is in today’s ever changing economic climate. Effective risk management forms an integral part of processes in connection with the Company’s business operations as a going concern. Respectively, the Company has established the Risk Management Committee with duties and scope of responsibilities to closely supervise the Enterprise Risk Management and Investment Project Risk Management, analyze potential risk factors, prioritize management remediation action plans and delegate to a task force to design appropriate control measures and mitigate the specified risks to the extent deemed acceptable to the Company such that business objectives and strategies are feasible and result driven on a companywide basis. Risk factors as specified are subject to periodic review by the involved parties.

The Risk Management Committee presents to the Board of Directors each quarter for of the policies put in place by the Company to mitigate and manage risks. As an example, some of the key risk factors that may impact the Company’s financial performance and position are as follows:

1. Risks associated with the Company operating in competitive market

Competitions among residential property developers in 2013 remained dynamic, especially in Bangkok and its vicinity, where the Company’s residential property projects i.e. detached houses and condominiums, were situated. In 2012, the number of houses and condominiums newly registered in the area of Bangkok and its vicinity amounted to 102,080 units, and there were 131,645 more units registered in the year 2013. The increase in supply increased competitive pressures. (courtesy: AREA)

However, the Company is well aware of the dynamics of Thai residential property markets, and focuses on building high quality condominium and detached house projects, tailored to customer wants, in good locations, well designed and at good value for money pricing. In addition, the company is making continuous improvements in both pre- and post-sales services. Also, the company is successfully building its brand and reputation as a key competitive advantage.

2. Risks associated with acquiring land plots as planned for future project developments

The Company has no policies to acquire and hold land deemed not ready for immediate development, since having land plots in possession, especially those far from development, will lower the return on equity and assets. Thus, without a sizable land bank beforehand, the Company may be at risk of failing to acquire land in line with investment plans, or acquiring at a price that affects the return on investment and financial performance of the Company.

In order to attempts to manage this risk, the Company plans to acquire land plots sufficient to fulfill investment plans for the next twelve months and and with project lengths of approximately 2-3 years. The Company collects information through market surveys and runs preliminary feasibility analysis prior to contemplating any land plot acquisitions. Areas of interest are the locations in the central business district or in proximity to current and future of mass transit system stations. For townhouse and detached house projects, locations should be around and convenient to major infrastructure. Additionally, the Company has maintained an active network of agents to better source land acquisitions suitable for future residential property development projects.

3. Risks associated with the uptrend of construction related costs

As a consequence of continuous growth in the real estate market and the implementation of the 300 Baht minimum wage policy by the Thai government, construction related costs have a tendency to increase over time, particularly due to labor costs and construction materials.

In 2013, the construction materials index during January – November 2013 increased 0.8% when compared to the corresponding period last year (information source: Office of Permanent Secretary Ministry of Commerce). The increase was mainly attributed to rising prices of major construction materials i.e. concrete up 4.8%, cement up 6.5% and other materials up 2.5%.

The Company closely monitors prices of construction materials and wages. The Company evaluates construction related costs and expenses for each project right from the early phase of feasibility analysis in order to reflect total costs and decide on the appropriate pricing for any given project. For engaging contractors in relation to each project, the Company will select and give first priority to the contractors who have partnered the Company in business dealings and demonstrated an ability to perform works under the predetermined budget. A single main contractor will be solely in charge for each project under a fixed price turnkey construction contract, which reduces risk for cost of construction.

For certain construction materials procured on account and used by the Company, purchase orders will be prepared for each project in advance and placed directly to producers or suppliers who have regular business dealings or partnerships with the Company. The procedure calls for competitive bidding and allows the Company to agree and determine quality and price of construction materials among other terms and conditions as well as fixed date of physical deliveries beforehand. Doing so mitigates risks that may arise from future increases in prices paid for construction materials.

4. Risks associated with inability to procure skillful contractors and labor

Lack of skillful contractors and labor is still a challenge. Continuing growth in the real estate market has led to a large number of detached house and condominium development projects under way, with the still to come infrastructure projects of the Thai government likely to add further pressure to supply.

Partly in order to mitigate this risk factor the Company to established and owns a construction company, namely Helix Company Limited.. In addition to the establishment of its own contractor, the Company also aims to strengthen relationships with other contractors as a means of ensuring adequate volume of contractors for future development projects to come.

The Company also has adopted technologies in order to reduce reliance on labor., Changing in part the process of construction from Conventional Construction to Precast Construction. The process simply puts together at the site several completely built wall and components procured from factories, which helps to reduce labor required yet speeds up and maintains standards of construction work.

5. Risks associated with obtaining approval from the Environmental Impact Evaluation Bureau

Condominium projects require the Company to issue the environmental impact assessment (EIA) report and seek prior consent from the Environmental Impact Evaluation Bureau, Ministry of Natural Resources and Environment. However, the approval process is subject to the National Environment Board’s assessment of the EIA report and at the present time there are no clear guidelines for the developers to follow in demonstrating and setting appropriate measures to reduce environmental impacts that may arise from the projects. Therefore, the Company is inevitably exposed to the risk if the projects initiated by the Company are not approved for whatever reasons by the the Environmental Impact Evaluation Bureau, Ministry of Natural Resources and Environment, or the approval process takes a longer time than expected.

The Company typically engages an outside party, who serves as the licensed consultant registered with the Ministry of Natural Resources and Environment to prepare and furnish the EIA report pursuant to the requirements promulgated by the National Environmental Quality Act B.E. 2535. The Company has shown a strong track record in complying with terms and conditions stated in the EIA report post approvals obtained from the respective regulators.

GENERAL INFORMATION ►

Name	: Ananda Development Public Company Limited
Type of Business	: Business of real estate development and providing management services for real estate projects
Registration No.	: 0107554000119
Registered Capital	: Baht 333,300,000
Paid-up Capital	: Baht 333,300,000
Type of Share	: 3,333,000,000 ordinary share
Par Value	: Par value of Baht 0.01 each
Head Office	: No. 99/1 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540
Branch	: 193/39-42, 11 st Floor, Lake Rajada Office Complex, Rajadapisek Road, Klongtoey, Bangkok 10110
Telephone	: (662) 317-1155
Fax.	: (662) 317-1100
Homepage	: www.ananda.co.th and www.ideocondo.com

Juristic Entities in which the Company Holds Equity Stakes, directly and indirectly, of 10% or more as of 31 December 2013

Name/Located	Type of Business	Type of Share	Par Value (Baht)	Number of shares issued	Number of shares held	% of paid-up capital
1. Ananda Development One Co., Ltd. 99/1 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2317-1155 Fax. 0-2317-1100	Real estate Development: landed housing projects located around Suvarnabhumi Airport area	Ordinary	5	431,196,281	431,196,276	100.00
2. Ananda Development Two Co., Ltd. 99/4 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2317-1155 Fax. 0-2317-1100	Real estate Development: condominium projects located near railway mass transit stations in Bangkok and its peripheral areas	Ordinary	5	60,000,000	59,999,998	100.00
3. Baan Niravana Co., Ltd. 99/1 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2317-1155 Fax. 0-2317-1100	Real estate Development: landed housing projects located around Suvarnabhumi Airport area	Ordinary	100	7,000,000	6,999,994 ¹	100.00
4. The Agent (Property Expert) Co., Ltd. 99/4 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2655-1177 Fax. 0-2655-1175	To act as an agent in the sale / purchase and procurement of lessees	Ordinary	100	12,000	11,998	99.98

Name/Located	Type of Business	Type of Share	Par Value (Baht)	Number of shares issued	Number of shares held	% of paid-up capital
5. The Work Community Management Co., Ltd. 99/4 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2697-3300 Fax. 0-2697-3311	To provide management service for condominiums and landed housings	Ordinary	100	10,000	9,998	99.98
6. Helix Co., Ltd. 193/47 12nd Floor, Lake Rajada Office Complex, New Rajadapisek Road, Klongtoey, Bangkok 10110 Tel. 0-2697-3380-4 Fax. 0-2697-3385	Construction	Ordinary	100	892,000	891,998	100.00
7. Ideo Condo Co., Ltd. 99/4 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2317-1155 Fax. 0-2317-1100	Real estate	Ordinary	100	1,000	998	99.80
8. Bludeck Co., Ltd. 189 Moo 12, Rachedeva Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2762-0330 Fax. 0-2762-0204	To operate a sport club and restaurants	Ordinary	100	2,330,000	2,329,000	99.96

Name/Located	Type of Business	Type of Share	Par Value (Baht)	Number of shares issued	Number of shares held	% of paid-up capital
9. Bira Circuit One Co., Ltd. 99/4 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2762-0330 Fax. 0-2762-0204	To lease race tracks	Ordinary	100	450,000	449,000	99.78
10. Bira Kart Co., Ltd. 99/4 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2762-0330 Fax. 0-2762-0204	To lease Go-Kart race tracks	Ordinary	100	365,000	179,993 ²	49.31
11. Ananda MF Asia Co., Ltd. 99/1 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2317-1155 Fax. 0-2317-1100	Real estate Development	Ordinary	100	9,000,000	4,410,000	49.00
12. Bira RT Kart Co., Ltd. 99/4 Moo 14 Soi Windmill Village, Bangna-Trad Road (k.m.10.5), Bangpleeyai Sub-district, Bangplee District, Samutprakarn Province 10540 Tel. 0-2762-0330 Fax. 0-2762-0204	To sell Go-Kart parts	Ordinary	100	20,000	9,000 ³	45.00

Note : 1. Baan Niravana Co., Ltd. held 6,999,994 shares, or 100.00% by Ananda Development One Co Ltd, a subsidiary of the Company.
2. Bira Kart Co., Ltd. held 179,993 shares, or 49.31% by Ananda Development Public Company Limited, and held 185,000 shares or 50.69% by Bira Circuit One Co., Ltd.,a subsidiary of the Company.
3. Bira RT Kart Co., Ltd. held 9,000 shares, or 45.00% by Bira Kart Co., Ltd.

SHAREHOLDERS STRUCTURE AND
DIVIDEND PAYMENT POLICY ►

Shareholders Structure

The top ten shareholders of Ananda Development Public Company Limited as of latest book closing on 16 August 2013 are as follow:

No.	Name / Located	No. of Shares	% of total paid-up shares
1	Ruangkritya Group	1,972,330,700	59.17
2	Morgan Stanley & Co. International Plc	211,512,300	6.35
3	Nortrust Nominees Ltd.	180,057,300	5.40
4	Thai NVDR Co.,Ltd.	138,659,200	4.16
5	HSBC (Singapore) Nominees Pte Ltd	78,556,600	2.36
6	Nortrust Nominees Limited-NTO Sec Lending Thailand	67,325,900	2.02
7	MFC Hi-Dividend Fund	56,433,900	1.69
8	Deutsche Bank Ag, London Prime Brokerage	25,245,500	0.76
9	Bualuang Long-Term Equity Fund	24,269,600	0.73
10	The Registered Aeronautical Radio of Thailand Ltd. Provident Fund	15,002,000	0.45
Total		2,769,333,000	83.09

Ruangkritya Group consists of he following shareholders :

No.	Name / Located	No. of Shares	% of total paid-up shares
1	Mr. Chanond Ruangkritya	1,770,998,400	53.13
2	Miss Patcharavalai Ruangkritya	100,000,000	3.00
3	Miss Natthavipha Ruangkritya	96,250,000	2.89
4	Miss Monlika Ruangkritya	3,7000,800	0.11
5	Mr. Nutdanai Ruangkritya	1,381,500	0.04
Total		1,972,330,700	59.17

Other Reference Persons

Registrar

•Ordinary

Thailand Securities Depository Company Limited
62 The Stock Exchange of Thailand, Rutchadapisek Road, Klongtoey, Bangkok 10110
Tel. 0-2229-2800
Fax. 0-2359-1259

•Debentures of Ananda Development Public Company Limited No. 1/2013 Due 2014

Bangkok Bank Public Company Limited
333 Silom Road, Bang Rak, Bangkok 10500
Tel. 0-2231-4333
Fax. 0-2231-4890

Auditors

EY Office Limited (Formerly known as “Ernst & Young Office Limited”)

193/136-137, 33rd Floor, Lake Rajada Office Complex, New Rajadapisek Road, Klongtoey, Bangkok 10110
Tel. 0-2264-0777
Fax. 0-2264-0789-90
1. Mr. Sophon Permsirivallop, Certified Public Accountant (Thailand) No. 3182 and/or
2. Ms. Rungnapa Lertsuwankul, Certified Public Accountant (Thailand) No 3516 and/or
3. Mrs. Gingkarn Atsawarangsalit ,Certified Public Accountant (Thailand) No 4496

Legal Advisors

Weerawong, Chinnavat & Peangpanor Limited

540 Mercury Tower, 22nd Floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330
Tel. 0-2264-8000
Fax. 0-2657-2222

Dividend Payment Policy

•Ananda Development Public Company Limited

The Company’s Board of Directors (the “Board”) may consider making an annual dividend payment provided that such dividend payment must be approved at a shareholders’ meeting. This does not include interim dividend payments, which the Board, from time to time, has a right to approve if it views that the Company has sufficient profits to be allocated to its shareholders. In this regard, the Board must report such payments to shareholders for acknowledgement at the next shareholders’ meeting.

The Company will make dividend payments at a rate of not less than 40% of net profits after deduction of all taxes and legal reserves. The Board will consider paying dividends after taking into account shareholders’ interests. These considerations include reservation of funds for future investment, repayment of loans or for the Company’s working capital.

According to the operating performance of 2012, the Company’s separate financial statements registered a net profit of Baht 141,674,327, Baht 7,083,716 of which, or 5% of the separate net profit had been allocated as legal reserve. As the Company needed to set aside capital funds for future project expansion, the Annual General Meeting of Shareholders 2013 on April 18, 2013 had resolved that no dividend shall be paid from the 2012 profile.

•Subsidiary

Ananda Development Two Co., Ltd. (AD2)

Ananda DevelopmentTwo Co., Ltd. has a policy of paying dividends at a rate of approximately 100% of net profits after deduction of all taxes and legal reserves AD2 will consider its ability to pay dividends under the law after taking into account its cash flow position and its retained earnings.

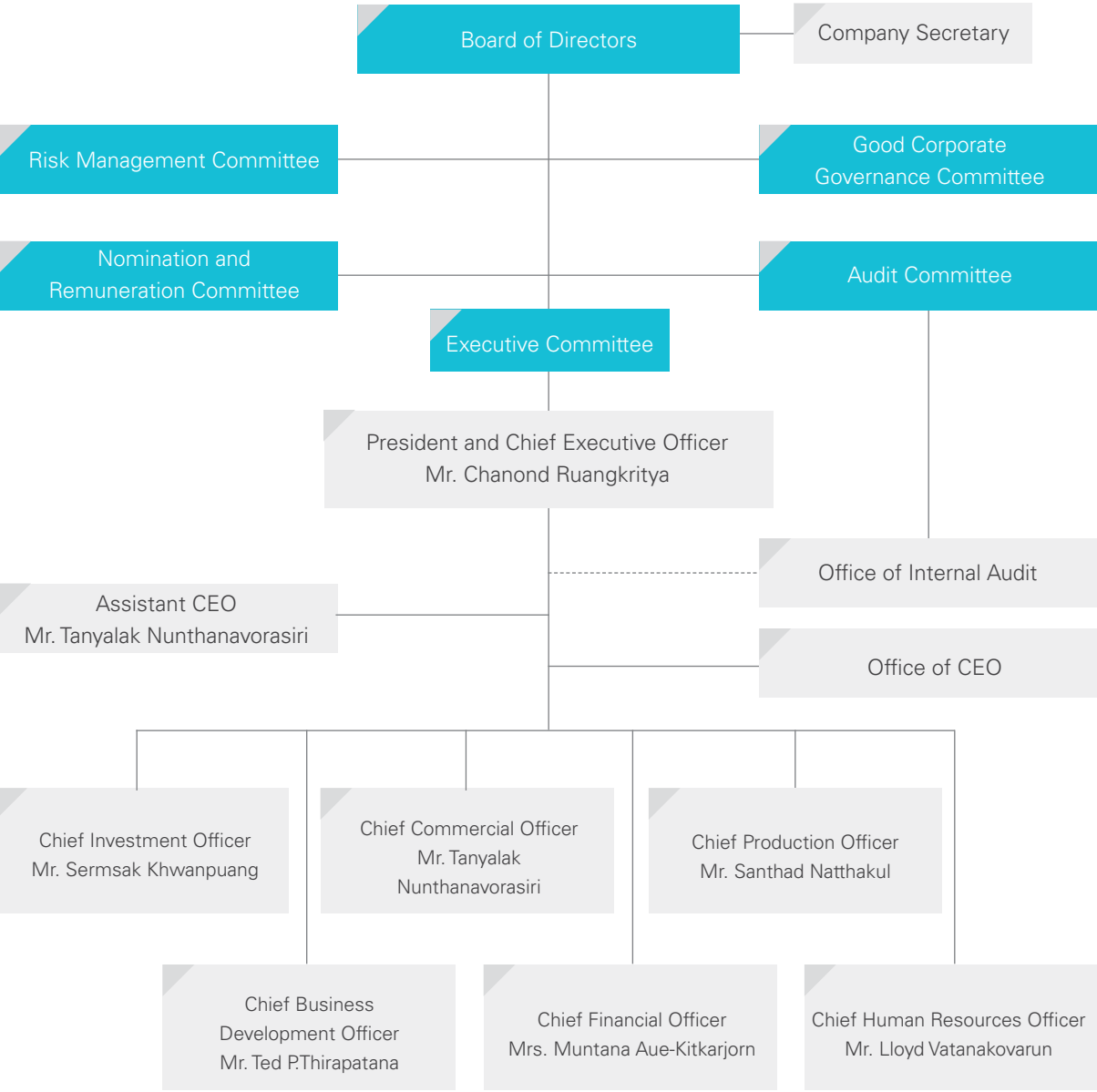
In 2013, the Board of Directors of Ananda DevelopmentTwo Co., Ltd. No. 2/2013 meeting held on May 17, 2013 approved to pay an interim dividend from retained earnings as of March 31, 2013 in the amount of 429.14 million Baht. Dividend payment was 7.00 Baht per share with a total amount of 420 million Baht or 97.87 percent of total retained earnings.

The other subsidiaries

In respect of dividend payment policies of the remaining subsidiaries, no rates of dividend payment after deduction of all taxes and legal reserves have been fixed. However, the board of the subsidiaries and/ or the shareholders of the subsidiaries will consider paying dividends after taking into account the nature of business and whether there are investment plans to expand the business of such subsidiaries.

MANAGEMENT▶

Organization Structure of the Company as of December 31, 2013



Management Structure

The Company’s management policy structure comprises the Board of Directors and 5 other Sub-Board Committees, namely the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee the Good Corporate Governance Committee and the Executive Committee.

In selecting and appointing a person to be a director or an executive of the Company, the Nomination and Remuneration Committee shall be responsible for recruiting, selecting and nominating persons with appropriate qualifications to be presented to the Board and/or at a shareholders’ meeting (as the case may be), provided that the person who is appointed as a director or executive of the Company shall have the qualifications prescribed under Section 68 of the Public Limited Company Act B.E. 2535 (1992) (as amended) and does not have character prohibited under the notification of the SEC No. ThorChor. 24/2551 re: Prerequisites of Directors and Executives of Securities Issuer Companies (as amended). In addition, the Company will also consider a candidate’s knowledge, ability and work experience.

1. Board of Directors

As of December 31, 2013, the Board of Directors consists of 8 members as follows:

Name		Position
1	Dr. Narongchai Akrasanee	Chairman
2	Mr. Nopporn Thepsithar	Vice-Chairman / Independent Director
3	Mr. Poolsak Tansitthipun	Director / Independent Director
4	Mr. Wiboon Rasmeepaisarn	Director / Independent Director
5	Mr. Chanond Ruangkritya	Director
6	Mr. Tanyalak Nunthanavorasiri	Director
7	Miss Natthavipha Ruangkritya	Director
8	Miss Patcharavalai Ruangkritya	Director

Mrs. Suwanna Vanitsombat , the Company Secretary, is the Secretary of the Board of Directors.

Scope of Power, Duties and Responsibility of the Board of Directors

The scope of power and duties of the Board of Directors are as follows :

1. To perform their duties in accordance with the law, the Company’s objectives, Articles of Association and resolutions of Board meetings and shareholders’ meetings with responsibility, care and honesty;
2. To determine details and approve the vision, business strategies, business direction, business policy, target, guidelines, operational plan and annual budget of the Company and its subsidiaries as prepared by the Executive Committee and the Management;
3. To oversee the management and performance of the Executive Committee, Chief Executive Officer, the Management or any other person assigned to perform such duties, so as to conform with any policies set out by the Board;
4. To continuously monitor the Company’s performance to be in line with the action plan and budget of the Company;
5. To ensure that the Company and its subsidiaries adopt an appropriate and efficient accounting system and to ensure that it has internal control and internal audit systems;
6. To prepare statements of financial position and statements of comprehensive income on the date which coincides with the end of the Company’s accounting period, and to execute such financial statements prior to submitting them at the annual general meeting of shareholders for further approval;
7. To consider and approve the selection and nomination of an auditor and to determine his remuneration as proposed by the Audit Committee, prior to presenting it at the annual general meeting of shareholders for further approval;
8. To make available a written corporate governance policy and to efficiently adopt such policy in order to ensure that the Company is equally responsible to each group of stakeholders;
9. To consider the appointment of a person who has the qualifications and does not have prohibited character as prescribed under the Public Limited Company Act B.E. 2535 (1992) (as amended) and the Securities Act, as well as any relevant notifications, rules and/or regulations, to be a director in the event there is a vacancy on the Board due to any reason other than retirement by rotation, and to consider and approve the appointment of directors in replacement of directors retiring by rotation, and to determine the remuneration of directors as proposed by the Nomination and Remuneration Committee, before further submitting to a shareholders’ meeting for approval;

- 10.To consider the appointment of subcommittees, e.g. the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee, the Risk Management Committee or any other subcommittees, and to prescribe the power and responsibilities of such subcommittees in order to enhance the performance of the Board;
11. To prescribe and change the directors authorized to sign on behalf of and to bind the Company ;
- 12.To consider the appointment of executives in accordance with the definition prescribed by the SEC or the Capital Market Supervisory Board and to appoint the Company’s Secretary, and to consider the remuneration of the executives as proposed by the Nomination and Remuneration Committee;
- 13.To seek professional advice from third-party organizations if it is necessary to make a proper decision; and
- 14.To encourage the Company’s directors and executives to participate in seminar courses conducted by the Thai Institute of Directors, in relation to duties and responsibilities of such directors and executives.

However, the Board of Directors, or its grantee, shall not approve transactions in which the Board of Directors or its grantee, or any person who may have any conflict of interest (as defined in the notification of the SEC or the Capital Market Supervisory Board) or may benefit in any manner which may give rise to a conflict with the Company or its subsidiaries, except where the approval of such transaction is consistent with the policy and criteria approved at a meeting of shareholders or Board meeting.

Authorized Directors who can Sign on Behalf of the Company

2 of 4 directors, namely Mr. Chanond Ruangkritya, Miss Natthavipha Ruangkritya, Mr. Tanyalak Nunthanavorasiri and Miss Patcharavalai Ruangkritya are authorized to jointly sign on behalf of the Company together with the affixation of the Company’s seal.

2. Audit Committee

As of December 31, 2013, the Audit Committee consists of the 3 following Independent Directors :

Name		Position
1	Mr. Nopporn Thepsithar	Chairman of the Audit Committee
2	Mr. Poolsak Tansitthipun	Audit Committee Member
3	Mr. Wiboon Rasmeepaisarn	Audit Committee Member

Mr. Wiboon Rasmeepaisarn has sufficient knowledge and experience for auditing the reliability of the Company’s financial statements. Mr. Chatchawan Oupani, Vice President of the Office of Internal Control, is the secretary of the Audit Committee.

Scope of power, duties and responsibility of the Audit Committee

The scope of power and duties of the Audit Committee are as follows:

1. To review and ensure that the Company provides a sufficient and accurate report of its financial statements;
2. To review and ensure that the Company has appropriate and efficient internal controls and internal audit systems, to consider the independence of the Office of Internal Audit Bureau, and to approve the appointment, transfer and termination of employment of the Chief of Internal Audit Bureau or any other unit responsible for internal audit;
3. To review and ensure that the Company complies with securities and exchange laws, regulations of the SET and the laws relating to the Company’s business;
4. To consider, recruit and nominate an independent third-party to be the Company’s auditor and to determine the auditor ’s fee, as well as to hold at least 1 meeting per year with the auditor without participation of the management;
5. To consider and ensure that the Company’s connected transactions or transactions that may result in conflicts of interest are in compliance with the law and the rules of the SET, and to ensure that such transactions are reasonable and in the best interest of the Company;
6. To prepare the Audit Committee’s report which will be disclosed in the Company’s annual report. The report must be signed by the chairman of the Audit Committee and shall contain at least the following details:

- (a) opinion on the accuracy, completeness and reliability of the Company's financial report;
 - (b) opinion on the sufficiency of the Company's audit control system;
 - (c) opinion on compliance with securities and exchange laws, regulations of the SET and the laws relating to the Company's business;
 - (d) opinion on suitability of the auditor;
 - (e) opinion on transactions which may result in conflicts of interest;
 - (f) number of meetings held by the Audit Committee and the attendance records of each member of the Audit Committee;
 - (g) comments or overall remarks obtained by the Audit Committee from the performance under the Charter; and
 - (h) other matters of which the shareholders and general investors should be informed, to the extent of their duties and responsibilities, as assigned by the Board;
7. To perform any other activities as designated by the Board with the Audit Committee's approval;
8. If the Audit Committee, in the course of their duties, finds or is suspicious of 1 of the following transactions or actions which has significantly affected the Company's financial standing and operating results has occurred, the Audit Committee shall report that transaction or action to the Board such that any rectification will be made within the time that the Audit Committee deems appropriate:
- (a) a transaction resulting in a conflict of interest;
 - (b) fraud or any major irregularity or defect in the Company's internal control system; or
 - (c) a violation of securities and exchange laws, regulations of the SET and the laws relating to the Company's business.
- If the Board of Directors or Management fails to rectify the problem within the time as specified above, any 1 member of the Audit Committee may report to the SEC or the SET that a transaction or action as specified above has occurred; and
9. To revise and propose any amendments to the scope, duties and responsibilities of the Audit Committee to reflect the current situation.

3. Risk Management Committee

As of December 31, 2013, the Risk Management Committee consists of the following 5 members:

Name	Position
1 Mr. Nopporn Thepsithar	Chairman
2 Mr. Poolsak Tansitthipun	Member
3 Mr. Tanyalak Nunthanavorasiri	Member
4 Mr. Sermsak Khwanpuang	Member
5 Miss Natthavipha Ruangkritya	Member

Mrs. Umaporn Kittipoomwong is the secretary of the Risk Management Committee

Scope of Power and Duties of the Risk Management Committee

The scope of power and duties of the Risk Management Committee are as follows:

- 1. To consider the policies and risk management framework before proposing them to the Board for approval;
- 2. To monitor the development of a risk management framework;
- 3. To monitor risk indication and assessment procedures;
- 4. To assess risk management plans, before proposing them to the Board for approval;
- 5. To report to the Board in respect of risks and risk management; and
- 6. To communicate with the Audit Committee in respect of major risks.

4. Nomination and Remuneration Committee

As of December 31, 2013, the Nomination and Remuneration Committee consists of the following 3 members:

Name	Position
1 Dr. Narongchai Akrasanee	Chairman
2 Mr. Nopporn Thepsithar	Member
3 Mr. Wiboon Rasmeepaisarn	Member

Mr. Lloyd Vatanakovarun is the secretary of the Nomination and Remuneration Committee.

Scope of Power and Duties of the Nomination and Remuneration Committee

The scope of power and duties of the Nomination and Remuneration Committee are as follows:

1. To consider the policies and criteria in nominating persons whose qualifications are appropriate for holding office as directors and key executives, and to select and propose the names of persons having appropriate qualification during a Board meeting and/or a shareholders’ meeting for appointment as the Company’s directors and key executives;
2. To review the policies and criteria in respect of the remuneration and benefits of the Company’s directors and key executives; and
3. To advise the Board in respect of remuneration of directors and key executives prior to submitting a proposal during a Board meeting and/or a shareholders’ meeting for further approval. The Board will approve the remuneration and benefits for the key executives while shareholders will approve the remuneration and benefits for the Company’s’ directors.

5. Good Corporate Governance Committee

As of December 31, 2013, the Good Corporate Governance Committee consists of the following 3 members:

Name	Position
1 Dr. Narongchai Akrasanee	Chairman
2 Mr. Nopporn Thepsithar	Member
3 Mr. Chanond Ruangkritya	Member

Mrs. Suwanna Vanitsombat is the secretary of the Good Corporate Governance Committee.

Scope of Power and Duties of the Good Corporate Governance Committee

The scope of power and duties of the Good Corporate Governance Committee are as follows:

1. To oversee and ensure that the organization performs and complies with principles of good corporate governance;
2. To consider and approve the action plans for enhancing good corporate governance practice in order to maintain and develop good corporate governance and to promote good corporate governance as the organization’s culture by regularly communicating with and educating the directors, executives and employees of the Company;
3. To monitor the performance and activities in respect of corporate social responsibility and environmental responsibility;
4. To revise and update the Company’s good corporate governance principles, the Articles of Association, the rules of the Board and the Committees, business ethics and the Employees’ Code of Conduct to be suitable for the Company’s business and to be in line with the practices of the SET, the SEC and the Capital Market Supervisory Board;
5. To set up guidelines for the report of compliance with good corporate governance principles in the Company’s annual report; and
6. To consider and approve the public relations aspect of the Company’s good corporate governance activities and the Company’s policy of disclosure of information to the public, including the improvement in the dissemination of information on the Company’s corporate governance on the Company’s website in the future.

6. Executive Committee

As of December 31, 2013, the Executive Committee consists of the following 6 members:

Name	Position
1 Mr. Chanond Ruangkritya	Chairman
2 Mr. Tanyalak Nunthanavorasiri	Member
3 Miss Natthavipha Ruangkritya	Member
4 Miss Patcharavalai Ruangkritya	Member
5 Mr. Sermsak Khwanpuang	Member
6 Mrs. Muntana Aue-kitkarjorn	Member

Mrs. Uaanuj Liangsupree is the secretary of the Executive Committee.

Scope of Power and Duties of the Executive Committee

The scope of power and duties of the Executive Committee are as follows:

1. The Executive Committee is responsible for managing the Company’s business in accordance with the objectives of the Company’s business operations, provided that management of the Company’s business shall be subject to policies, rules or orders prescribed by the Board. In addition, the Executive Committee is responsible for reviewing matters to be proposed to the Board for further approval;
2. To prepare the vision, business strategies and direction, business policies, targets, guidelines, operational plans and the annual budget of the Company and its subsidiaries, and to present the same to the Board for approval;
3. To efficiently oversee and monitor the Company’s operations in accordance with the Company’s management policies and guidelines as approved by the Board;
4. To consider and approve specific matters or any action to be taken in the ordinary course of the Company’s business within the amount or annual budget as approved by the Board and as authorized, provided that in taking such action, the Executive Committee shall not incur any liabilities or encumbrances exceeding 100 million Baht with a term of obligation of over 1 year (liabilities or encumbrances includes project finance facilities granted by financial institutions to the Company);

5. To report the result of operations for the following matters within the following period of time to the Board:
(a) quarterly report of the Company’s performance to be submitted within the timeframe prescribed by the SET;
(b) report of the auditor in respect of the Company’s financial statements, including annual and quarterly financial statements, to be submitted within the timeframe prescribed by the SET; and
(c) other reports deemed to be appropriate by the Executive Committee;
6. To consider and approve any action to be taken at each meeting of the Executive Committee, where a quorum shall be constituted when not less than half of all the members of the Executive Committee are present at such meeting;
7. At each meeting of the Executive Committee, each member of the Executive Committee has 1 vote. In the event that there is a tied vote, the chairman of the Executive Committee has a casting vote;
8. Any resolution approved by the Executive Committee shall be passed by a simple majority of all the members in attendance;
9. The meetings of the Executive Committee shall be held as deemed necessary and appropriate. Apart from regular meetings, any member of the Executive Committee may call for a special meeting, provided that advance notice of such meeting shall be delivered to the other members to allow reasonable time for the members to consider the meeting agendas;
10. The Executive Committee may establish working groups and/or appoint any person to review the matters proposed to the Executive Committee, or to take any action which will benefit the performance of duties of the Executive Committee, or to take any action on behalf of the Executive Committee, to the extent of the power granted to the Executive Committee; and
11. To authorize and/or sub-authorize a third party to take specific action on its behalf. Such authorization or sub-authorization shall be subject to the powers specified in the Power of Attorney given and/or in accordance with regulations, rules or orders prescribed by the Board. The authorization or sub-authorization of powers, duties and responsibilities of the Executive Committee shall not allow the Executive Committee or its authorized person to approve any transactions in which the Executive Committee or its authorized person may have any conflict of interest (as defined in the notification of the Capital Market Supervisory Board or the SEC) or who may benefit in any manner which may give rise to conflicts of interest with the Company or its subsidiaries.

7. Company’s Executives

As of December 31, 2013, the first 4 top-rank management of the Company from the President successively are:-

Name	Position
1 Mr. Chanond Ruangkritya	President and Chief Executive Officer
2 Mr. Tanyalak Nunthanavorasiri	Assistant CEO, Chief Commercial Officer
3 Mr. Sermsak Khwanpuang	Chief Investment Officer
4 Mrs. Muntana Aue-Kitkarjorn	Chief Financial Officer
5 Mr. Ted Poshakrishna Thirapatana	Chief Business Development Officer
6 Mr. Santhad Natthakul	Chief Production Officer
7 Mr. Lloyd Vatanakovarun	Chief Human Resources and Organization Development Officer

Scope of Power and Duties of President and Chief Executive Officer

The scope of power and duties of President and Chief Executive Officer are as follows:

1. The President and Chief Executive Officer is responsible for the overall and/or day-to-day operations of the Company’s business in accordance with the Company’s objectives, provided that the management of the Company’s business shall be subject to the policies, rules or orders prescribed by the Board and/or the Executive Committee;
2. To propose the vision, business strategies and direction, business policies, targets, guidelines, operational plans and the annual budget of the Company and subsidiaries to the Executive Committee so that the same will be further presented to the Board, and to consider the aforesaid matters with the Executive Committee and/or the Board;
3. To consider and approve specific matters or any action to be taken in the ordinary course of the Company’s business within the amount or annual budget as approved by the Board and to extent of the authorization granted, provided that, in taking such action, the Chief Executive Officer shall not incur any liabilities or encumbrances in an amount exceeding Baht 50 million with a term of obligation over 1 year liabilities and encumbrances include project finance facilities granted by financial institutions to the Company.

4. To put forward major matters to the Executive Committee, the Board or the shareholders’ meeting for approval or for any other action to be taken as may be appropriate;
5. To conduct any other affairs that may be assigned by the Board, the Executive Committee and/or at a shareholders’ meeting; and
6. To negotiate and review agreements or documents in relation to the ordinary business operations of the Company, advise and propose such matters to the Board and/or the Executive Committee and/or persons in charge of such matters for consideration, review and resolution.

However, the President and Chief Executive Officer shall not approve transactions in which the President and Chief Executive Officer, or any person may have a conflict of interest (as defined in the notification of the Capital Market Supervisory Board or the SEC) or benefit in any manner resulting in a conflict of interest with the Company or its subsidiaries.

8. Company’s Secretary

The Board of Directors Meeting No. 8/2013 on June 12, 2013 resolved to approve the appointment of Mrs Suwanna Vanitsombat to be the Company’s Secretary in compliance with the requirements of the Securities Act.

The main duties of the Company’s Secretary are to support the Board on statutory matters, undertaking arrangements for meetings of the Board, related Board Committees and the Shareholders, ensuring that the meetings conform to relevant laws and regulations, the Company’s articles of associations, individual Board and Committees charters, and best practices. This include to prepare and maintain the register of directors, notices of the Board meeting, minutes of the Board meeting, annual reports of the Company, notices to the shareholders’ meeting and minutes of the shareholders’ meeting, to keep the reports on conflicts of interest prepared by the directors or executives, to take any other action as required under the notifications of the Capital Market Supervisory Board and to deliver copies of reports on conflicts of interest under Section 89/14 prepared by the directors to the chairman of the Board and the chairman of the Audit Committee within 7 business days from the date on which the Company receives such reports.

Scope of Power and Duties of the Company’s Secretary

The scope of power and duties of the Company’s Secretary are as follows:

1. To prepare and maintain the following documents:
 - (a) register of directors;
 - (b) notices to the Board meeting, minutes of the Board meeting and annual reports of the Company; and
 - (c) notices to the shareholders’ meeting and minutes of the shareholders’ meeting;

2. To maintain the reports on conflicts of interest prepared by directors or executives; and
3. To take any other action as required under the notifications of the Capital Market Supervisory Board.

Remuneration of the Board and Executives

1. Monetary Compansation

Directors

The 2013 Annual General Shareholders’ Meeting, held on 18 April 2013, has approved 2013 remuneration of Directors. Such amount is not to exceed 8 million Baht (in 2012 the amount was set not to exceed 7.5 million Baht).

In 2013, the Nomination and Remuneration Committee had decided to pay the monthly remuneration by obligations and responsibilities and the director fee as follows:

Position	Remuneration of Director (Baht)	
	Monthly	Director Fee/Times
1 Chairman of the Board	150,000	5,000
2 Chairman of the Audit Committee	60,000	5,000
3 Member of Audit Committee	50,000	5,000
4 Director	30,000	-

Details of Individual Remuneration of the Directors in 2013

(Unit : Baht)

	Name	Position	Remu- neration	Director Fee					Bonus
				Board of Directors	Audit Committee	Risk Manage- ment Committee	Nomination and Remu- neratio Committee	Good Corporate Governance Committee	
1	Dr. Narongchai Akrasanee	Chairman of the Board	1,800,000	90,000	-	-	25,000	5,000	375,000
2	Mr. Nopporn Thepsithar	Chairman of the Audit Committee	720,000	70,000	40,000	50,000	20,000	5,000	150,000
3	Mr. Poolsak Tansitthipun	Member of Audit Committee	600,000	85,000	35,000	55,000	-	-	125,000
4	Mr. Wiboon Rasmeepaisarn	Member of Audit Committee	600,000	90,000	40,000	-	25,000	-	125,000
5	Mr. Chanond Ruangkritya	Director	360,000	-	-	-	-	-	-
6	Mr. Tanyalak Nunthanavorasiri	Director	360,000	-	-	-	-	-	-
7	Miss Natthavipha Ruangkritya	Director	360,000	-	-	-	-	-	-
8	Miss Patcharavalai Ruangkritya	Director	360,000	-	-	-	-	-	-
Total			5,160,000	335,000	115,000	105,000	70,000	10,000	775,000
Grand Total			6,570,000						

Executives

The remuneration of the Company’s executives for the year ended December 31, 2013.

Remuneration of the Executives for the year 2013		
Type of Remuneration	No. of Executives	Amount (Baht)
Salary	9	35,838,160
Bonus	9	9,183,214
Operating Expenses	9	206,433

Remarks : 2 Executive Managements in the position of Chief Commercial Officer 2 and Chief System Officer resigned effective on December 27, 2013.

2. Other Remuneration

Remuneration as the Company’s provident funds contributions paid to 9 executives during 2013 was Baht 865,896.

DIRECTORS AND EXECUTIVE MANAGEMENT
BACKGROUND ►

1 Profile Of Directors and Management

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
1. Dr. Narongchai Akrasanee Type : Independent Director Position : Chairman of the Board of Directors, Chairman of Nomination and Remuneration Committee, Chairman of Good Corporate Governance Committee Appointed date : October 5, 2012	68	<div>- Doctor of Economics Johns Hopkins University, U.S.A.</div> <div>- Master of Economics, Johns Hopkins University, U.S.A.</div> <div>- Bachelor of Economics, University of Western Australia, Australia</div> <div>Training Courses</div> <div>- Director Accreditation Program 5/2003, Thai Institute of Directors</div>	None	None	Listed Company		
					2012 – Present	Chairman of the Board of Directors, Chairman of Nomination and Remuneration Committee, Chairman of Good Corporate Governance Committee	Ananda Development Public Company Limited / Real estate development and management service for real estate projects
					2012 – Present	Chairman of Audit Committee	Malee Sampran Public Company Limited / Manufacturer and supplier of canned fruits and juices
					2006 – Present	Vice Chairman of the Board of Directors	Thai-German Products Public Company Limited / Manufacturer and supplier of stainless steel.
					2004 – Present	Chairman of the Board of Directors	MFC Asset Management Public Company Limited / Asset Management
					2003 – Present	Chairman of the Board of Directors	Brooker Group Public Company Limited / Investment Advisory and Real Estate
					Non - Listed Company		
					2012 – Present	Independent Director	AIA Group Limited / Insurance
					2011 – Present	Chairman of the Board (Thailand)	Monetary Policy Committee, Bank of Thailand
					2010 – Present	Chairman of the Board (Thailand)	Pacific Economic Cooperation Council
					2007 – Present	Director	FPRI Advisory Co., Ltd. / Management consultant. Toscana Valley Country Club Co., Ltd. / Golf
					2006 – Present	Chairman of Council	Khon Kaen University
					2005 – Present	Chairman of the Board of Directors	General Outsourcing Co., Ltd. / Advisors on commercial, industrial, manufacturing, marketing and distribution
					2004 – Present	Chairman of the Board of Operating Directors Vice Chairman of the Council	Mekong Institute

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
					Non - Listed Company		
					2002 – Present	Member of Honorary Advisory Board	Fiscal Policy Research Institute Foundation
					1997 – Present	Chairman of the Board of Directors	Seranee Holdings Co., Ltd. / Investment Advisors
					1984 – Present	Member of the Board of Directors Director of Council	Thailand Development Research Institute Foundation
2. Mr. Nopporn Thepsithar Type : Independent Director Position : Vice-Chairman of the Board of Directors, Chairman of Audit Committee, Member of Nomination and Remuneration Committee, Member of Good Corporate Governance Committee, Chairman of Risk Management Committee Appointed date : April 29, 2011	59	<div>- Bachelor of Engineering in Electrical Engineering, Chulalongkorn University</div> <div>Training Courses<div>- Audit Committee Program Class 14/2006, Thai Institute of Directors</div><div>- Director Certification Program Class 62/2005, Thai Institute of Directors</div><div>- Director Accreditation Program Class 43/2005, Thai Institute of Directors</div><div>- Finance for Non-Finance Director Program Class 21/2005, Thai Institute of Directors</div></div>	None	None	Listed Company		
					2011 – Present	Vice Chairman of the Board of Directors, Chairman of Audit Committee, Member of Nomination and Remuneration Committee, Member of Good Corporate Governance Committee, Chairman of Risk Management Committee	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					2013 – Present	Chairman of Audit Committee	Bangpakong Terminal Public Company Limited / Logistics
					2012 – Present	Audit Committee Chairman of Nomination and Remuneration Committee	Tipco Asphalt Public Company Limited / Producer and supplier of asphalt.
					2005 – Present	Chairman of Audit Committee	Union Petrochemical Public Company Limited / Importers - exporters petrochemical products
					2004 – 2011	Senior Vice President – Logistics & Exports	Siam City Cement Public Company Limited / Producer and distributor of cement
					Non - Listed Company		
					2011 – 2012	Chairman of Audit Committee	Ananda Development Two Co., Ltd. / Real estate development : Condominium
					2010 – 2011	Vice Chairman of the Board of Directors, Chairman of Audit Committee	Ananda Development Co., Ltd. / Real estate development and providing management service for real estate projects

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
3. Mr. Poolsak Tansitthipun Type : Independent Director Position : Director Member of Audit Committee Member of Risk Management Committee Appointed date : April 29, 2011	55	<div>- Master of Business Administration, Kasetsart University</div> <div>- Bachelor of Laws, Ramkamheang University</div> Training Courses <div>- Director Accreditation Program Class 50/2006, Thai Institute of Directors</div> <div>- Audit Committee Program Class 31/2010, Thai Institute of Directors</div> <div>- Director Certification Program Class 144/2011, Thai Institute of Directors</div>	None	None	Listed Company		
					2011 – Present	Director Member of Audit Committee Member of Risk Management Committee	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					2005 – Present	Member of Audit Committee	Union Petrochemical Public Company Limited / Importers - exporters petrochemical products
					Non - Listed Company		
					1997 – Present	Director	The Boss Club Co., Ltd. / Club to provide services to members
					1996 – Present	Director	Sappakit Dhurakarn Co., Ltd. / Accounting & Taxation Law
					1989 – Present	Director	B. Brothers Co., Ltd. / Office of Audit
					2011 – 2012	Member of Audit Committee	Ananda Development Two Co., Ltd. / Real estate development : Condominium
					2010 – 2011	Member of Audit Committee	Ananda Development Co., Ltd. / Real estate development and providing management service for real estate projects
4. Mr. Wiboon Rasmeepaisam Type : Independent Director Position : Director Member of Audit Committee Member of Nomination and Remuneration Committee Appointed date : April 29, 2011	52	<div>- Master of Business Administration, Thammasat University</div> <div>- Bachelor of Accounting, Chulalongkorn University</div> Training Courses <div>By Thai Institute of Directors</div> <div>- Director Accreditation Program Class 28/2004</div> <div>- Director Certification Program Class 147/2011</div> <div>- Role of the Compensation Committee Program Class 13/2011</div> <div>- Monitoring Fraud Risk Management Class 8/2012</div> <div>- Monitoring of the Quality of Financial Reporting Class 16/2012</div> <div>- Monitoring the Internal Audit Function Class 13/2012</div> <div>- Monitoring system of Internal Control and Risk Management Class 13//2012</div> <div>- Audit Committee Program Class 41//2012</div>	None	None	Listed Company		
					2011 – Present	Director Member of Audit Committee Member of Nomination and Remuneration Committee	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					2003 – Present	Director	NFC Fertilizer Public Company Limited / Production and distribution of fertilizers
					Non - Listed Company		
					2013 - Present	Director	Technor Co.,Ltd. / Importer, distributor and installation of new electronic devices. Technology and equipment on telecommunications.
					2011 – Present	Director	Thai Herb Recipe Co., Ltd / Sell products through online media
					2009 – Present	Director	Eltek Power (Thailand) Co., Ltd. / Importer, distributor and installation of new electronic devices. Technology and equipment on telecommunications.

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
					Non - Listed Company		
					2008 – Present	Director Chief Executive Officer	Simon International Asia Marketing Co., Ltd. / Importer and distributor of industrial saw blades
					1992 – Present	Director Chief Executive Officer	Warach Paisarn Co., Ltd. / Office of the Auditor
					2011 – 2012	Member of Audit Committee	Ananda Development Two Co., Ltd. / Real estate development : Condominium
					2010 - 2011	Member of Audit Committee	Ananda Development Co., Ltd. / Real estate development and management services for real estate projects
5. Mr. Chanond Ruangkritya Type : Authorized Director Position : Director, Member of Good Corporate Governance Committee, Chairman of Executive Committee, President and Chief Executive Officer Appointed date : April 29, 2011	40	<div>- Master of International Accounting and Finance, London School of Economics, U.K.</div> <div>- Bachelor of Economics, University of California at Berkeley, U.S.A.</div> <div>Training Courses</div> <div>- Director Accreditation Program Class 23/2004, Thai Institute of Directors</div>	<div>- Miss Natthavipha Ruangkritya's younger brother</div> <div>- Miss Patcharavalai Ruangkritya's elder brother</div>	None	Listed Company		
					2011 – Present	Director, Member of Good Corporate Governance Committee, Chairman of Executive Committee, President and Chief Executive Officer	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					Non - Listed Company		
					2013 – Present	Director	Ananda MF Asia Co., Ltd. / Real estate development
					2011 – Present	Director	Ideo Condo Co., Ltd. / Real estate development
					2010 – Present	Director	The Agent (Property Expert) Co., Ltd. / To act as an agent in the sale / purchase and procurement of lessees The Work Community Management Co., Ltd. / To provide management service for condominiums and landed housings
					2008 – Present	Director	Baan Niravana Co., Ltd. / Real estate development : Landed housings Bira RT Kart Co., Ltd. / To sell Go-Kart parts December Sun Co., Ltd. / Trading boats, boat rentals, boat trips
					2007 – Present	Director	Ananda Development Two Co., Ltd. / Real estate development : Condominiums
					2006 – Present	Director	Bira Circuit One Co., Ltd. / To lease race tracks

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
					Non - Listed Company		
					2005 – Present	Director	Ananda Development One Co., Ltd. / Real estate development : Landed housings Bira Kart Co., Ltd. / To lease Go-Kart race tracks Bludeck Co., Ltd. / To operate a sport club and restaurants
					2003 – Present	Director	Maduro Co., Ltd. / Real estate development
					2002 – Present	Director	Kloset Design Co., Ltd. / Commercial design garments Costume
					2001 – Present	Director	Pimanda Development Co., Ltd. / Real estate development
					2002 – 2011	Director	Windmill Architect Co., Ltd. / Design and build a house and buildings. Chiangmai Green Valley Country Club Co., Ltd. / Real estate development Chiangmai Green Valley Co., Ltd. / Real estate development
					2000 – 2012	Director	Bira Circuit Co., Ltd. / Established Raceway
					2000 – 2011	Chairman of Board of Director Chairman of Executive Committee	Ananda Development Co., Ltd. / Real estate development and management services for real estate projects
					2005 - 2009	Director	The Agent (Property Expert) Co., Ltd. / To act as an agent in the sale / purchase and procurement of lessees
6. Mr.Tanyalak Nunthanavorasiri Type : Authorized Director Position : Director, Member of Executive Committee , Member of Risk Management Committee, Assistant CEO, Chief Commercial Officer Appointed date : April 29, 2011	49	- Master of Business Administration in Management, Ramkamheang University - Bachelor of Finance, Bangkok University Training Courses - Director Accreditation Program Class 85/2010,Thai Institute of Directors	None	None	Listed Company		
					2011 – Present	Director, Member of Executive Committee, Member of Risk Management Committee, Assistant CEO, Chief Commercial Officer	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					Non - Listed Company		
					2013 - Present	Director	Ananda Development One Co., Ltd. / Real estate development : Landed housing Baan Niravana Co., Ltd. / Real estate development : Landed housing Ananda MF Asia Co., Ltd. / Real estate development

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
					Non - Listed Company		
					2011 – Present	Director	Helix Co., Ltd. / Constructing Ideo Condo Co., Ltd. / Real estate development
					2010 – Present	Director	Ananda Development Two Co., Ltd. / Real estate development : Condominium The Agent (Property Expert) Co., Ltd. / To act as an agent in the sale / purchase and procurement of lessees The Work Community Management Co., Ltd. / To provide management service for condominiums and landed housings
					2006 – Present	Director	Bira Circuit One Co., Ltd. / To lease race tracks
					2005 – Present	Director	Bludeck Co., Ltd. / To operate a sport club and restaurants Bira Kart Co., Ltd. / To lease Go-Kart race tracks
					2004 – Present	Director	Maduro Co., Ltd. / Real estate development
					2001 – Present	Director	Pimanda Development Co., Ltd. / Real estate development
					2000 - 2011	Director Senior Assistant President	Ananda Development Co., Ltd. / Real estate development and management services for real estate projects
7. Miss Natthavipha Ruangkritya Type : Authorized Director Position : Director, Member of Executive Committee, Member of Risk Management Committee, Corporate Vice President – Office of CEO Appointed date : April 29, 2011	41	<div>- Master of Business Administration in Management, Webster University, U.K.</div> <div>- Bachelor of International Business Administration, University of Richmond, U.K.</div> Training Courses <div>- Director Accreditation Program Class 85/2010, Thai Institute of Directors</div>	<div>- Mr. Chanond Ruangkritya's elder sister</div> <div>- Miss Patcharavalai Ruangkritya's elder sister</div>	None	Listed Company		
					2013 – Present	Director, Member of Executive Committee, Member of Risk Management Committee, Corporate Vice President – Office of CEO	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					2011 – 2013	Director, Member of Executive Committee, Member of Risk Management Committee, Vice President of Procurement	Ananda Development Public Company Limited / Real estate development and providing management service for real estate projects

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
					Non - Listed Company		
					2013 - Present	Director	Ananda Development One Co., Ltd. / Real estate development : Landed housing Baan Niravana Co., Ltd. / Real estate development : Landed housing
					2011 – Present	Director	Helix Co., Ltd. / Construction Ideo Condo Co., Ltd. / Real estate development
					2010 – Present	Director	Ananda Development Two Co., Ltd. / Real estate development : Condominium The Agent (Property Expert) Co., Ltd. / To act as an agent in the sale / purchase and procurement of lessees The Work Community Management Co., Ltd. / To provide management service for condominiums and landed housings
					2004 – Present	Director	Maduro Co., Ltd. / Real estate development
					2002 – Present	Director	Kloset Design Co., Ltd. / Commercial design garments Costume
					2002 – 2011	Director	Chiangmai Green Valley Country Club Co., Ltd. / Real estate development Chiangmai Green Valley Co., Ltd. / Real estate development
					2000 - 2011	Director Vice President of Procurement	Ananda Development Co., Ltd. / Real estate development and management services for real estate projects
8. Miss Patcharavalai Ruangkritya Type : Authorized Director Position : Director, Member of Executive Committee, Corporate Assistant Vice President – Office of CEO Appointed date : April 29, 2011	32	- Bachelor of Hospitality Administration, Boston University, U.S.A. Training Courses - Director Accreditation Program Class 85/2010, Thai Institute of Directors	- Miss Natthavipha Ruangkritya’s younger sister - Mr. Chanond Ruangkritya’s younger sister	None	Listed Company		
					2013 – Present	Director, Member of Executive Committee, Corporate Assistant Vice President – Office of CEO	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					2011 - 2013	Director, Member of Executive Committee, Assistant Business Development Executive	Ananda Development Public Company Limited / Real estate development and management services for real estate projects

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
					Non - Listed Company		
					2013 – Present	Director	Ananda Development One Co., Ltd. / Real estate development : Landed housing Baan Niravana Co., Ltd. / Real estate development : Landed housing Ananda MF Asia Co., Ltd. / Real estate development
					2011 – Present	Director	Ananda Development Two Co., Ltd. / Real estate development : Condominium Helix Co., Ltd. / Construction Ideo Condo Co., Ltd. / Real estate development
					2010 – Present	Director	The Agent (Property Expert) Co., Ltd. / To act as an agent in the sale / purchase and procurement of lessees The Works Community Management Co., Ltd. / To provide management service for condominiums and landed housings
					2007 – Present	Director	Bludeck Co., Ltd. / To operate a sport club and restaurants Pimanda Development Co., Ltd. / Real estate development Bira Kart Co., Ltd. / To lease Go-Kart race tracks Bira Circuit One Co., Ltd. / To lease race tracks Maduro Co., Ltd. / Real estate development
					2003 – 2013	Director	More Creation Co., Ltd. / Preparation of advertising on radio and television
					2002 – 2011	Director	Chiangmai Green Valley Country Club Co., Ltd. / Real estate development Chiangmai Green Valley Co., Ltd. / Real estate development
					2007 - 2011	Director Vice President of Design and Product Development	Ananda Development Co., Ltd. / Real estate development and management services for real estate projects

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
9. Mr. Sermsak Khwanpuang Position : Member of Executive Committee, Member of Risk Management Committee Chief Investment Officer	54	<div>- Master of Economics, National Institute of Development Administration (NIDA)</div> <div>- Bachelor of Economics, Chiangmai University</div> <div>Training Courses</div> <div>- Director Certification Program Class 18/2002, Thai Institute of Directors</div>	None	None	Listed Company		
					2011 – Present	Member of Executive Committee, Member of Risk Management Committee Chief Investment Officer	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					2006 - 2007	Chief Financial Officer	Major Cineplex Group Public Company Limited / Theaters, bowling, karaoke, ice skating, retails space and shopping center
					Non - Listed Company		
					2002 – Present	Director	Thanasathapana Co., Ltd. / Business Advisory BVP Business Consulting Co., Ltd. / Business Advisory
					2007 – 2010	Chief Financial Officer	Ananda Development Co., Ltd. / Real estate development and management services for real estate projects
10. Mrs. Muntana Aue-Kitkarjorn Position : Member of Executive Committee, Chief Financial Officer	47	<div>- Master of Accounting, Thammasat University</div> <div>- Certificate of auditor, Thammasat University</div> <div>- Bachelor of Accounting, Thammasat University</div> <div>Training Courses</div> <div>- Director Accreditation Program Class 93/2011, Thai Institute of Directors</div> <div>- Director Certification Program Class 173/2013, Thai Institute of Directors</div>	None	None	Listed Company		
					2011 – Present	Member of Executive Committee, Chief Financial Officer	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					2006 - 2010	Accounting Group Director	Minor International Public Company Limited / Restaurants, hotels and lifestyle brands distribution
					Non - Listed Company		
					2002 – Present	Director	Tycoon Tractor Co., Ltd. / Tractor parts dealer
11. Mr. Santhad Natthakul Position : Chief Production Officer	49	<div>- Master’s in Business Administration, Thammasat University</div> <div>- Bachelor’s in Technical Education in Civil Engineering, King Mongkut’s University of Technology North Bangkok</div>	None	None	Listed Company		
					2013 - Present	Chief Production Officer	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					2010 - 2013 2006 - 2010	Project Director Construction and Cost Control Department Manager	L.P.N. Development Public Company Limited / Real estate development

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
12. Mr. Ted Poshakrishna Thirapatana Position : Chief Business Development Officer	42	<div>- Master of Business Administration -Boston College, Carroll Graduate School of Management (Chestnut Hill, M A)</div> <div>- Bachelor of Science in Mechanical Engineering, North Carolina State University</div>	None	None	Listed Company		
					2013 – Present	Chief Business Development Officer	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					2012 – 2013	International BD and M&A Consultant (VP)	Central Pattana Public Company Limited / Develop and lease space in major shopping centers. And related business
					2010 - 2012	Business Development Department Head/Consultant	Siam City Cement Public Company Limited / Production and sales of cement
					2005 - 2012	Managing Director	Sansiri Public Company Limited / Real estate development
					Non - Listed Company		
					2012 – Present	Director	Zocial M Co., Ltd. / Software
					2010 – Present	Director	U.C.T. Holding Co.,Ltd. / Advisory
					2011 -2013	Executive Director, Investment Banking and M&A	Trinity Advisory 2001 Co., Ltd. / Investment Banking
13. Mr. Lloyd Vatanakovarun Position : Chief Human Resources and Organization Development Officer,	42	<div>- Master of Business Administration, University of Southern California, Marshall School of Business, U.S.A.</div> <div>- Bachelor of Science, Electrical Engineering, California State University, Long Beach, U.S.A.</div>	None	None	Listed Company		
					2013-Present	Chief Human Resources and Organization Development Officer,	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					2013	SR. Manager Corporate Strategy and HR	TIPCO Foods Public Company Limited / Manufacturer and exporter of canned pineapple and fruit juice
					2008 - 2011	Group Manager Corporate Affair and Corporate Secretary	TIPCO Asphalt Public Company Limited / Produce and distribute various types of asphalt products
					Non - Listed Company		
					2011 – 2012	HR& Admin. Manager	Sionet Asia Co., Ltd. / Research and develop children vaccines
					2005 - 2007	HR Advisor	Government Savings Bank

Name / Position / Type / Date Appointed as Director	Age	Education / Training Courses	Family Relationship between Directors and Executive	Punishment History* 5 Years	Experience History 5 Years		
					Period	Position	Organization / Company / Type of Business
14. Mrs. Suwanna Vanitsombat Position : Company Secretary	50	<div>- Master of Business Administration, Strayer University, U.S.A.</div> <div>- Bachelor of Business Administration, Assumption University</div> <div>Training Courses</div> <div>- Company Secretary Program Class 41/2011, Thai Institute of Directors</div> <div>- Company Reporting Program Class 1/2011, Thai Institute of Directors</div> <div>- Corporate Secretary Development Program , Thai Institute of Directors</div>	None	None	Listed Company		
					2013 - Present	Company Secretary	Ananda Development Public Company Limited / Real estate development and management services for real estate projects
					1992 - 2012	Assistance Vice President, Office of Management, Planning Investor Relations and Public relations Groups, Company Secretary	The Siam Industrial Credit Public Company Limited / Finance

Note * means record of penalty for offences against the securitues and Exchange B.E. 2535 or the Derivatives Act B.E. 2546

2. Changes in ANAN Shares held by Directors, Executives, Person with management’s authorization and Company Secretary in 2013

No.	Name	No. of shares*		Increase (Decrease)	Percentage of shares held As of December 31, 2013 (%)
		As of December 31, 2013	As of December 31, 2012		
1	Dr. Narongchai Akrasanee	-	-	-	-
2	Mr. Nopporn Thepsithar	-	-	-	-
3	Mr. Poolsak Tansitthipun	-	-	-	-
4	Mr. Wiboon Rasmeepaisarn	-	-	-	-
5	Mr. Chanond Ruangkritya	1,770,998,400	1,770,998,400	0	53.130
6	Mr. Tanyalak Nunthanavorasiri	3,579,800	800	3,579,000	0.107
7	Miss Natthavipha Ruangkritya	77,250,000	100,000,000	(22,750,000)	2.318
8	Miss Patcharavalai Ruangkritya	86,500,000	100,000,000	(13,500,000)	2.595
9	Mr. Sermsak Khwanpuang	1,313,500	-	1,313,500	0.039
10	Mrs. Muntana Aue- Kitkarjorn	1,455,000	-	1,455,000	0.044
11	Mr. Santhad Natthakul	30,000	N/A	N/A	-
12	Mr. Ted Poshakrishna Thirapatana	-	N/A	N/A	-
13	Mr. Lloyd Vatanakovarun	-	N/A	N/A	-
14	Mrs. Suwanna Vanitsombat	-	N/A	N/A	-

Note : 1. * Including shares of spouse and minor children as of December 31, 2013.
2. List of name No. 11 – 13 were appointed as the Executive and Company Secretary in 2013. Hence, a number of shares held as of December 31, 2012 are not applicable for comparison.
3. List of name No. 14 was appointed as the Company Secretary in 2013. Hence, a number of shares held as of December 31, 2012 are not applicable for comparison.

3. Directorship of Directors, Executive and Authority in subsidiaries, Associated and Affiliates

No.	Name													
		1	2	3	4	5	6	7	8	9	10	11	12	13
		Dr. Narongchai Akrasanee	Mr. Nopporn Thepsithar	Mr. Poolsak Tansitthipun	Mr. Wiboon Rasmeepaisarn	Mr. Chanond Ruangkritya	Mr. Tanyalak Nunthanavorasiri	Miss Natthavipha Ruangkritya	Miss Patcharavalai Ruangkritya	Mr. Sermsak Khwanpuang	Mrs. Muntana Aue- Kitkarjorn	Mr. Santhad Natthakul	Mr. Ted Poshakrishna Thirapatana	Mr. Lloyd Vatanakovarun
Ananda Development Public Company Limited		CD	CA	A	A	D,E,S	D,E	D,E	D,E	E,C	E,C	C	C	C
Subsidiary	1 Ananda Development One Co., Ltd.					D	D	D						
	2 Ananda Development Two Co., Ltd.					D	D	D						
	3 Baan Niravana Co., Ltd.					D	D	D						
	4 The Agent (Property Expert) Co., Ltd.					D	D	D						
	5 The Works Community Management Co., Ltd.					D	D	D						
	6 Helix Co., Ltd.						D	D						
	7 Ideo Condo Co., Ltd.					D	D	D						
	8 Bludeck Co., Ltd.					D	D							
	9 Bira Circuit One Co., Ltd.					D	D							
	10 Bira Kart Co., Ltd.					D	D							
Associated	1 Ananda MF Asia Co., Ltd.					D	D							
	2 Bira RT Kart Co., Ltd.					D								
Affiliates*	1 Pimanda Development Co., Ltd.					D,S	D							
	2 Maduro Co., Ltd.					D	D	D,S	D,S					
	3 Seranee Holdings Co., Ltd.	S												
	4 The Modern System Offset Co.,Ltd.			S										
	5 Sappakit Dhurakarn Co., Ltd.			S										
	6 B.Brothers Co., Ltd.			S										
	7 The Valley Co., Ltd.					S		S	S					
	8 Kloset Design Co., Ltd.							S						
	9 Mitsu Natdhanai Co., Ltd.							S						
	10 Chanond Surin Co., Ltd.							S						
	11 Khemluk Co., Ltd.							S	S					
	12 Socail M Co., Ltd.												S	
	13 U.T.C Holding Co., Ltd.												S	
	14 Nineface International Co., Ltd.												S	
	15 Auto Gym Co., Ltd.												S	

Notes : 1. Subsidiary, Associated and Affiliates shall comply with the definitions of the Office of the Securities and Exchange Commission.
2. CD = Chairman of the Board CA = Chairman of the Audit Committee A = Audit Committee D= Director E = Executive Director C = Executive S = Major Shareholder.
3. * = Directors or Executive include the persons concerned to hold shares in the company. For directors and executives to the Board. See details in section 1.

LIST OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATES ►

		As of December 31, 2013												
		Directors in Subsidiary												
No.	Name	1	2	3	4	5	6	7	8	9	10	11	12	13
		Mr. Chanond Ruangkritya	Mr.Tanyalak Nunthanavorasiri	Miss Natthavipha Ruangkritya	Miss Patcharavalai Ruangkritya	Mrs. Uanuj Liangsupree	Mr. Chutha Promchinavongs	Mr. Suwit Kiatsumphan	Mr. Jirasak Poomngen	Mr. Prachin Iamlumnao	Mr. Anothai Iamlumnao	Mr. Surasak Sirichanya	Mr. Thepari Kawinanan	Mr. Chawan Sintukiew
Subsidiary	Ananda Development Public Company Limited	D	D	D	D	D		D	D	D	D			
	1 Ananda Development One Co., Ltd.	D	D	D	D	D								
	2 Ananda Development Two Co., Ltd.	D	D	D	D	D								
	3 Baan Niravana Co., Ltd.	D	D	D	D	D								
	4 The Agent (Property Expert) Co., Ltd.	D	D	D	D	D								
	5 The Works Community Management Co., Ltd.	D	D	D	D	D								
	6 Helix Co., Ltd.		D	D	D	D	D	D						
	7 Ideo Condo Co., Ltd.	D	D	D	D	D								
	8 Bludeck Co., Ltd.	D	D		D									
	9 Bira Circuit One Co., Ltd.	D	D		D	D			D	D	D	D	D	D
	10 Bira Kart Co., Ltd.	D	D		D	D								D

Note : D = Director

GOOD CORPORATE GOVERNANCE ►

The Board has prioritized the compliance with principles of good corporate governance by highlighting the roles, duties and responsibility of the Board and the management in order to promote good corporate governance practices, increase the competitive potential of the business and create creditability for shareholders, investors and all stakeholders by managing the Company’s business operations efficiently and transparently. The Company has therefore set up a good corporate governance policy which includes 5 major principles of good corporate governance as follows:

1. Rights of Shareholders

The Company has prioritized the rights of shareholders by disseminating correct, complete, sufficient and timely information with respect to major changes that may affect the Company. In doing so, shareholders are able to make informed decisions. The Board has therefore set up the following policy:

- 1.1) The Company shall deliver the notice to convene a shareholders’ meeting together with sufficient supporting information 14 days prior to the date of the shareholders’ meeting, specifying the objectives, reasons and opinions of the Directors with respect to each meeting agenda so as to provide every shareholder the opportunity to assess the information in advance. In the event that any shareholder cannot attend the meeting, the Company will provide the opportunity to such shareholder to appoint independent directors or any third party as his/her proxy to attend the meeting on his/her behalf by using the proxy form enclosed with the notice to the meeting;
- 1.2) The Company has a policy to facilitate attendance of the shareholders by choosing an accessible venue for the shareholders’ meeting. Additionally, an appropriate time and day will be considered, with adequate time being allocated for the meeting. A map of the meeting venue will also be enclosed in the notice to the meeting;
- 1.3) Prior to the commencement of the shareholders’ meeting, the Company will announce the voting and commenting/questioning procedures for each item on the agenda. During the meeting, each shareholder will be provided equal opportunity to comment or raise questions in the meeting. The chairman of the Board will allocate time appropriately to each shareholder. The directors and relevant executives will attend the shareholders’ meeting in order to answer the questions raised therein;
- 1.4) The Company disseminates additional information and news in relation to the shareholders’ meeting to the shareholders through the Company’s website. Information, news and details, such as the notice to the shareholders’ meeting, will be posted on the Company’s website in advance so that shareholders may download the meeting agenda at their convenience and have sufficient time to study information relating to the meeting. Hard copies of information relating to the shareholders’ meeting is nonetheless delivered to shareholders;

- 1.5) The Company will ensure that minutes of the shareholders' meeting are completely and correctly recorded and include questions and major comments therein. The Company also retains a video recording of the meeting. The Company will then publish minutes of the shareholders' meeting on the Company's website for shareholders review, and deliver the minutes to the SET within 14 days from the date of the meeting; and
- 1.6) To facilitate the payment of dividends to shareholders, dividend payments are transferred directly to the shareholders' bank accounts so that shareholders will receive the dividends on time and do not suffer the risk of loss, defective or late delivery of checks.

In 2013, the Company encouraged the shareholders to exercise their rights, especially at the two general shareholder meetings in the previous year, where shareholders were to have sufficient information and time on the transactions to be decided in the shareholder meeting. The Company thus submitted the shareholders its invitation letter specifying date, time, venue, and agenda items, together with details of each agenda item, Annual Report, the Company's Articles of Association concerning the shareholder meeting, proxy forms A, forms B – as set by the Ministry of Commerce – whereas forms C can be downloaded from the Company's website, as optional proxy for shareholders, proxy procedure, clarifications about requisite documents to be presented prior to attending the meeting, and the map where the meetings took place. All of the aforementioned documents were dispatched to the shareholders as well as posted on the Company's website for prior to the date of meeting.

At the 2013 Annual General Shareholder Meeting on April 18, 2013 and the 1/2013 Extraordinary Shareholder Meeting on August 16, 2013; the Board of Directors along with the executives, the external auditor, and the Company's legal advisor were present. The Company did not deprive the shareholders of their right to authorize the proxies to participate in the meeting on behalf of them, and did not add or change the order of agenda items. In addition, before the meeting began, the meeting informed the shareholders of the voting procedure, and allocated sufficient time for the shareholders to express their opinions or ask any questions about each agenda item. Once certain shareholders expressed their opinions or asked questions about their unclear issues; the Chairman, the Board of Directors, and the related parties had answered and clarified those queries to shareholders' satisfaction. Apart from that, the Board of Directors also informally conversed with the shareholders after the meeting, in order to obtain their suggestions and exchange opinions with one another.

The Company submitted minutes of the shareholder meetings, which included important details, the vote results, as well as the queries made on each agenda items, to the SET within 14 days after the meeting date. These minutes were also posted on the Company's website.

2. Equitable Treatment of Shareholders

To ensure that shareholders are treated equitably, the Board has set up the following policy:

- 2.1) To facilitate procedures for minority shareholders to nominate candidates for directorship or propose additional agenda prior to a shareholders' meeting;
- 2.2) To set up clear requirements for considering additional agenda proposed by minority shareholders and procedures for minority shareholders to nominate candidates for directorships;
- 2.3) In a shareholders' meeting, the matters will be considered and voted on based on the agenda that was previously determined without changing any important information or adding unannounced meeting agendas during the meeting;
- 2.4) In order to assist shareholders who are unable to attend the meeting in person, such shareholders may appoint any person or an independent director as his/her proxy to attend the meeting and vote on his/her behalf. The names of the independent directors who can be authorized as proxies will be listed in the notice to the shareholders' meeting;
- 2.5) To treat all the shareholders equally, regardless of whether they are majority, minority, Thai or foreign shareholders;
- 2.6) To promote the use of ballot cards for each meeting agenda in order to ensure transparency and accountability in the event of a subsequent dispute. During the election of directors, the shareholders may vote to elect each director individually; and
- 2.7) To provide written guidelines to keep and protect the use of insider information and disseminate such guidelines to everyone in the Company for compliance, as well as require each director and executive, who has a duty to report his/her securities possession under the law, to submit such report to the Board.

For the 2014 Annual General Meeting of shareholders, the Company has invited shareholders to nominate a person deemed qualified, knowledgeable and competent as their representatives to be a director and to propose the agenda of the 2014 Annual General Shareholders' in advance since 28 October 2013 until 15 January 2014. The Company announced such notice to Securities Exchange of Thailand and on its website www.ananda.co.th under section "Investor Relations" and select "Shareholder".

3. Roles of Stakeholders

The Company recognizes the rights of each group of stakeholders: internal stakeholders, which include shareholders and employees, external stakeholders, which include customers, business partners, creditors, competitors, the public sector and other organizations, as well as relevant neighboring communities which have supported the Company in its bid to enhance its competitive potential and profitability. The Company Board of Directors has set the Code of Business Ethics to be responsible specifically for promoting ethics and loyalty in creative ways covering security of community. The following policy shall be deemed as a long-term value-adding goal of the Company:

3.1) Treatment of and responsibility to shareholders

The Company realizes that the shareholders are the owners of the business and that the Company has a duty to create value for the shareholders in the long-term. The Company therefore requires its employees to perform their duties based on the following guidelines:

- 3.1.1) To perform their fiduciary duties and make decisions carefully for the equal benefit of each shareholder and the shareholders as a whole;
- 3.1.2) To oversee that the operations are in order so as to ensure that the Company has good financial standing and operating results and to present the Company’s reports on its overall situation, operating results, financial and accounting standing and other reports regularly and accurately;
- 3.1.3) To report to the shareholders on the future trends of the Company, both positive and negative based on projections, with the relevant supporting information and reasoning;
- 3.1.4) Not to seek any benefit for itself or other persons by using the Company’s information which has not been publicly disclosed and not to take any action in a manner which may give rise to conflicts of interest; and
- 3.1.5) The Company shall treat each shareholder equally at a shareholders’ meeting.

3.2) Compliance with laws, regulations and rules issued by the Government

In operating its business, the Company has prioritized compliance with laws, regulations, rules issued by the government authorities. In particular, the Company will avoid any action which may result in the relevant government authorities or officials taking action against the Company and it will focus on building good relationships with them in an appropriate and permitted manner, such as having discussions in public places as well as greetings on special occasions and festivals. The Company’s practice on this matter is as follows:

- 3.2.1) To be as accurate as possible when contacting government officials or authorities; and
- 3.2.2) To be aware of the fact that the laws, regulations or rules of each government authority may contain different conditions, processes or procedures with which the Company shall acknowledge and strictly comply with.

3.3) Treatment of and responsibility to Employees

The Company is aware that its employees are the most valuable asset of the Company and are crucial to achieve the Company’s goals. The Company has therefore set up the following policy of fair treatment with respect to opportunities, remuneration, appointment, transfer and capacity enhancement:

- 3.3.1) To treat each employee with respect for their honor, dignity and right of privacy;
- 3.3.2) To keep the working environment safe for employees’ lives and property;
- 3.3.3) The appointment, transfer, reward and punishment of any employee shall be done based on good faith and the knowledge, capacity and suitability of such employees;
- 3.3.4) To prioritize knowledge and capacity enhancements of employees by offering them continuous improvement programs which include training, seminars and workshops;
- 3.3.5) To provide fair remuneration to employees based on market conditions, business competition, nature of business, operating results and the Company’s financial standing;
- 3.3.6) To avoid any unfair action that may affect the employment stability of employees; and
- 3.3.7) To provide each employee with opportunities to give suggestions or raise complaints with respect to their work and to devise viable solutions thereafter so as to benefit each party and establish good relationships in the work place.

3.4) Treatment of and Responsibility to Customers

The Company focuses on the development of real estate and intends to create, present and manage its products and services to its customers at a high standard. Accordingly, the following policies have been put in place:

- 3.4.1) To supply and develop products and services which respond to customers’ needs;
- 3.4.2) To deliver products and services of a high quality and under fair conditions;

- 3.4.3) To provide correct and sufficient information in respect of products and services such that customers will be able to make informed decisions, and not to exaggerate in advertisements or communications with customers in such a way that customers may be misled in relation to the quality, quantity or conditions of products and services provided;
- 3.4.4) To establish a procedure allowing customers to register complaints, such that the Company can resolve problems for customers in a timely manner and use such information to improve or develop its products and services in the future; and
- 3.4.5) To maintain customer confidentiality and not disclose or misuse such information.

3.5) Treatment of and responsibility to the Company’s Business Partners and Contractual Parties

The Company treats its business partners and contracting parties equally, especially those which the Company deems to be instrumental to the success of the Company’s business, such that all parties may mutually benefit, under the following practice:

- 3.5.1) The Company intends to supply its products and services efficiently under the following principles:
 - To compete based on equal information obtained;
 - To put in place guidelines in relation to assessment and selection of business partners and contractual parties;
 - To prepare contracts that are fair to both parties;
 - To set up a management and monitoring system to ensure compliance with the conditions of the contracts and to prevent any irregularity at each step of the supply chain; and
 - To make payment to business partners and contractual parties on time and on the basis of the agreed conditions of payment;
- 3.5.2) The Company is focused on developing and maintaining sustainable relationships with its business partners and contracting parties by having clear objectives on the quality of products and services rendered, based on both monetary value and mutual trust;
- 3.5.3) To prohibit executives and employees from directly or indirectly receiving any personal benefit from the Company’s business partners and contracting counterparts; and
- 3.5.4) Not to use the information obtained from any procurement process for personal benefit or to benefit other persons.

3.6) Treatment of and Responsibility to Creditors

The Company operates its business under the following principles as part of its assurance to creditors:

- 3.6.1) To strictly comply with the conditions stipulated under contracts or as agreed; and
- 3.6.2) The Company will inform its creditors in advance to jointly consider a solution in the event it is unable to comply with the agreed conditions.

3.7) Treatment of and Responsibility to Competitors

The Company operates its business with the goal of achieving long term sustainability, and to become a leading company in the real estate industry based on fair and equal competition by adhering to the following practice:

- 3.7.1) To compete with other real estate development companies within the framework of healthy competition;
- 3.7.2) Not to seek the confidential information of its competitors by fraudulent or inappropriate methods in order to benefit the Company’s business operations;
- 3.7.3) Not damage the reputation of its competitors; and
- 3.7.4) Not to take any action which infringes the intellectual property rights of the Company’s competitors or other persons.

3.8) Responsibility to Society

The Company is aware of its place in society and is keen to promote sustainable growth in relation to society and the environment. The Company, in accordance with its corporate social responsibility policy, has continuously undertaken the following, in line with its business operations:

- 3.8.1) To operate its business with the goal of protecting the environment and to strictly comply with applicable environmental laws and rules;
- 3.8.2) To have a clear corporate social responsibility policy to be complied with by everyone within the Company;
- 3.8.3) To encourage the Company’s employees to be conscious of and responsible to the environment and society;

- 3.8.4) To respect traditions, customs and cultures of each area in which the Company has business operations;
- 3.8.5) To participate in activities, either organized by itself or in cooperation with the public, private and community sectors to help improve society, the quality of life in the community and the environment in areas where the Company's business operations are located;
- 3.8.6) To cooperate with the communities and the activities they partake in areas where the Company's business operations are located, where appropriate; and
- 3.8.7) To respond efficiently and in a timely manner to any incident which is caused by the Company's business operations and which affects the community and environment by fully cooperating with the relevant authorities and agencies.

Any stakeholder may make inquiries, raise complaints or provide information on any violation of law, inaccuracy in the financial reports, defective internal control system or violation of business ethics of the Company to any independent director or member of the Audit Committee. The complaints and information received will be kept confidential. The member of the Audit Committee will then direct an investigation into such matter, seek a solution thereto (if possible) and deliver a report to the Board of Directors.

4. Disclosure of Information and Transparency

- 4.1) The Board ensures that it discloses financial information and other information in relation to the business and operating results of the Company in a correct, complete, regular, timely fashion, reflecting the Company's actual financial and operating standing and business outlook.
- 4.2) The Board oversees the strict compliance with laws, rules and regulations in relation to transparency, disclosure and dissemination of information, both in the Thai and English language on the Company's website, through mass media and the channels of the SET for the information of shareholders and other relevant persons. The Board will also revise and amend the dissemination of information in line with the requirements prescribed by the SET and the Office of the SEC.
- 4.3) The Company assigns investor relations officers to contact investors and shareholders. The Company regularly holds meetings to analyze the Company's performance and disseminate information such as financial and general information to shareholders, securities analysts, credit rating companies and relevant authorities through various channels such as reports submitted to the SET and the Office of the SEC as well as the Company's website. In addition, the Company also regularly discloses information both in the Thai and English language on the Company's website for its shareholders' information. The information on the Company's website is regularly updated and contains the Company's vision, mission statement, financial statements, public

relations news, annual reports and information on the shareholding structure of the Company, its executives and majority shareholders.

In 2013, activities by the Investor Relations Division for disclosure of the Company's information can be summarized as follows:

Forms of Activities	Person/Times
Investor Visit (Person)	283
Analyst Visit (Person)	85
Investor and Analyst Site Visit (Times)	21
Quarterly Analyst Meeting (Times)	4
Investor Conference and Road Show (Times)	9
Conference Call (Times)	7
Opportunity Day (Times)	1
Company Event (Times)	1

Furthermore, the Company regularly holds press conferences and media events as well as issues press releases to publicize and promote its activities.

Interested persons can contact the Investor Relations Division at:
Investor Relations Division,
The Ananda Development PCL,
11th Floor, Lake Ratchada Building, 139/39-42 Ratchadapisake Road, Kwaeng Khlongtoei,
Khet Khlongtoei, Bangkok 10110
Phone: 0-2697-3300 Fax: 0-2697-3311
E-mail: ir@ananda.co.th
Website: www.ananda.co.th

- 4.4) The Company focuses on the generation of financial reports which accurately and correctly represent the financial and operating standing of the Company, based on accounting information in accordance with general acceptable accounting principles.
- 4.5) The Company will disclose information with regard to each director and their respective roles and duties, the various committees and information such as the number of meetings held, the attendance records of each director in the past year and the remuneration of directors and key executives in the Company’s annual report (Form 56-2) and annual registration statement (Form 56-1).

5. Responsibility of the Board

The Board is responsible to shareholders in respect of the conduct of the Company’s business operations as well as compliance with the law, the Company’s Articles of Association and resolutions of shareholders’ meetings.

5.1) Structure and Committees

5.1.1) Board

Composition of Board

The Board consists of individuals with appropriate knowledge, ability and experience in operating a business. The Board is responsible for prescribing the policies, vision, strategy, targets, mission statement, business plans and budgets of the Company. The Board also oversees the management to ensure that their duties are performed efficiently and effectively in accordance with the Company’s policies, objectives, Articles of Association, legal framework, resolutions of the Board and shareholders’ meeting with responsibility, honesty, care and are subject to principles of good practice to achieve maximum economic value and stability to the Company’s business and the shareholders.

Pursuant to the Articles of Association, the Board shall consist of at least 5 directors, one-third or more of whom shall be independent and must appoint at least 3 independent directors. The independent directors shall possess the full qualifications as prescribed in the notifications of the Capital Market Supervisory Board and the SET. At least half (1/2) of the total number of directors shall be domiciled in Thailand.

Each director can independently perform his/her duties and exercise his/her discretion in making a decision. Each director is free to raise questions, comment on or object to any perceived conflict which may have a detrimental effect on the shareholders or stakeholders.

Term of directorship

At each annual general meeting of shareholders, one-third of all the present directors or, if their number is not a multiple of 3, then the number of directors nearest to one-third of the total board composition, shall retire from office. The directors retiring from office in the first and second years after registration of the Company shall be selected by means of drawing lots. In subsequent years, the director who has held office the longest shall retire. A retiring director is eligible for re-election.

The term of membership within each sub committees is 3 years from the date of appointment and shall be the same as of the Board of Directors. Any retiring member in each sub committees may bere-elected.

In addition, for transparency and corporate governance purpose, the Company has set forth the principle that the tenure of an independent director in general should normally not exceed three consecutive terms.

Apart from retiring on rotation, the directorship may be terminated by:

- 1. death;
- 2. resignation;
- 3. lack of qualification or being disqualified under the law;
- 4. a shareholders’ meeting resolved to terminate a particular director ’s directorship. A voting majority of not less than three quarters of shareholders with voting rights present, corresponding to not less than half of the shares held by the shareholders with voting rights present, must be obtained; or
- 5. termination under order of a court in Thailand.

Qualification of Independent Directors

The Company only nominates members of the Audit Committee/independent directors whose qualifications are in accordance with the notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued dated December 15, 2008 (as amended), as follows:

- 1. Holding shares not exceeding 1.0% of the total number of shares with voting rights of the Company, its parent company, subsidiaries, associates, major shareholders or controlling persons, including shares held by related persons of such independent director;

2. Neither being nor having been directors participating in the management, employees, staff or advisor receiving a regular salary from the Company, or controlling person of the Company, parent company, subsidiaries, associates, subsidiary company in the same level, major shareholders or controlling persons of the Company, unless the foregoing status has ended not less than 2 years prior to the date of filing an application with the Office of the SEC. However, such prohibited characteristic shall not include the case where an independent director used to be a government official or an advisor of a government unit which is a major shareholder of or controlling person of the Company;
3. Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including the spouse of child, executive, major shareholder, controlling person, or persons to be nominated as executive or controlling person of the Company or its subsidiaries;
4. Neither having or used to have a business relationship with the Company, parent company, subsidiaries, associates, major shareholders or controlling persons of the Company, in the manner which may interfere with his independent judgment, and neither being nor used to be indirect significant shareholder or controlling person of any person having a business relationship with the Company, parent company, subsidiaries, associates, major shareholders or controlling persons of the Company, unless the foregoing relationship has ended not less than 2 years.

Such business relationships include commercial transactions made in the ordinary course of business, renting or leasing property, transactions in relation to assets or services, granting or receipt of financial support by receiving or giving loans, guarantees, providing assets as collateral, and any other similar actions, which result in the Company or its counterparty being subject to indebtedness payable to the other party in the amount equivalent to 3% or more of the Company’s net tangible assets or Baht 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated according, mutatis mutandis, the method for calculation of value of connected transactions under the notification of the Capital Market Supervisory Board governing rules on connected transactions. Moreover, in considering such indebtedness, it shall include the indebtedness incurred during the period of 1 year prior to the date on which the business relationship with the same person commences;

5. Neither being nor having been the auditor of the Company, parent company, subsidiaries, associates, major shareholders or controlling persons of the Company, and not being a significant shareholder, controlling person or partner of an audit firm carrying out the audit of the Company, the parent company, subsidiaries, associates, major shareholders or controlling persons of the Company, unless the foregoing relationship has ended not less than 2 years prior to the date of filing an application with the Office of the SEC;

6. Neither being nor having been a professional service provider, including legal advisor or financial advisor receiving fees exceeding Baht 2 million per annum from the Company, the parent company, subsidiaries, associates, major shareholders or controlling persons of the Company, and not being a significant shareholder, controlling person or partner of such professional service provider, unless the foregoing relationship has ended not less than 2 years prior to the date of filing an application with the Office of the SEC;
7. Not being a director appointed to be a representative of directors of the Company, major shareholder or shareholder who is a related person of the major shareholder;
8. Not undertaking any business of similar nature to and which competes with the Company or its subsidiaries, or not being a significant partner in a partnership or being a director participating in management, employee, staff, advisor receiving a regular salary from or holding shares in a proportion exceeding 1 % of the total number of shares with voting rights of another company operating a business of similar nature to and which competes with the Company or its subsidiaries; and
9. Not having any other characteristics which may prevent him or her from expressing an independent opinion on the Company’s operations.

Segregation of Positions

The Company has required the positions and capacities of the chairman of the Board, the chairman of the Audit Committee, and the President which must not be the same person or a person in the same family. So that each position is clear duty, responsibility and can comment freely. This will permit an appropriate check-and-balance system, to enhance governance and transparency of internal operations.

Chairman of the Board

The chairman of the Board must have requisite knowledge, ability, experience and appropriate qualifications before he is appointed. The chairman of the Board is responsible for leading the Board and chairs meetings of the Board and shareholders. The chairman of the Board shall be liable to the Board in managing the Company in accordance with the guidelines and policies of the Board.

Membership of Other Company Boards

The Company has laid down a clear policy regarding membership of other company boards, which is in line with ethical practices as prescribed by the relevant supervisory

bodies, such as the Stock Exchange of Thailand. The Stock Exchange of Thailand has recommended that a director of a listed company shall not hold positions in more than five listed companies.

In addition, the Company has established internal practical guidelines for directorship of other companies, requiring directors to notify the Nomination and Remuneration Committee in advance before assuming any position in companies or organizations so that the Nomination and Remuneration Committee may review the appropriateness of the appointment and compliance with relevant laws and regulations. The company secretary shall regularly inform the Board of the membership status of each director. Information on membership in the Boards of other listed companies is disclosed to profile of directors in shareholders on this Annual Report and it shows that no directors are holding positions in more than five other listed companies.

Nomination of Directors

In nominating directors, the Company seeks out persons who have adequate knowledge, ability, experience, good working records, leadership qualities, farsightedness, morality, ethics and attitude. Such persons must dedicate adequate time to oversee the Company’s business operations and have appropriate qualifications suitable to the Company’s business strategy. The nomination process shall be both transparent and credible to the shareholders.

In appointing directors to the Board, the Nomination and Remuneration Committee is responsible for recruiting and selecting persons with the requisite knowledge, ability and experience related to business as well as majority shareholders of the Company who have business experience which will benefit the Company. However, the appointment of new directors shall be approved at a meeting of the Board of Directors and/or a shareholders’ meeting (as the case may be). According to the Company’s Articles of Association, the election of directors at a shareholders’ meeting shall be in accordance with the following rules and procedures:

- (1) a shareholder shall have 1 vote per share;
- (2) each shareholder shall use all his or her votes to elect 1 or several persons as a director or directors. However, he or she may not divide his or her votes among multiple candidates; and
- (3) the persons who receive the most votes in ranking order will be elected as directors up to the number of directors the Company shall have or elect at that meeting. In the event that the persons being elected in subsequent order have equal votes but their election will exceed the number of directors required to be elected in that meeting, the chairman of the meeting shall have a casting vote.

Company’s Secretary

The Company’s Secretary is appointed by the Board and possesses the duties and responsibility as specified in the scope of power, duties and responsibility of the Company’s Secretary.

5.1.2) Committees

The Board appoints certain directors to form committees for the performance of specific duties to study and review specific matters. The term of membership within the committees shall be the same as that of the Board.

At present, the Company has five committees appointed by the Board of Directors comprising: the Audit Committee; the Risk Management Committee; the Nomination and Compensation Committee, Good Corporate Governance Committee and the Executive Committee. Each of these committees has its roles and responsibilities clearly defined in its charter.

Audit Committee

Audit Committee consists of 3 or more independent directors, who are qualified pursuant to qualification of Independent Directors and additional qualification as follows:

- 1. cannot be a director assigned by the Board to make any decision on the business operation of the Company, the parent company, subsidiaries, associates, majority shareholders or controlling persons of the Company;
- 2. cannot be a director of the parent company, subsidiary company or a subsidiary company which is listed;
- 3. have sufficient knowledge and experience to perform duties as a member of the Audit Committee, provided that at least 1 member of the Audit Committee shall have sufficient knowledge and experience for auditing the reliability of financial statements;

The Board appoints the chairman of the Audit Committee or the appointed members of the Audit Committee elect 1 member among them to be the chairman of the Audit Committee. Chief of the Office of Internal Audit shall act as the secretary of the Audit Committee.

The criteria and procedure of appointing members of the Audit Committee is similar to the criteria and procedure to appoint the Company’s director. The term of membership within the committee is 3 years from the date of appointment. Any member of the Audit Committee retiring on rotation may be re-elected. In the

case of a vacancy of member’s office in the Audit Committee by any reason other than a retirement on rotation, the Board shall elect a candidate who is well-qualified to be a memberof the Audit Committee to ensure that the number of members of the Audit Committee is consistent with the requirement prescribed by the Board. The person so appointed shall remain in office for the same period of time as the vacating director was entitled to remain in office.

Risk Management Committee

Risk Management Committee consists of 5 members of whom at least 2 shall be independent directors.

The Risk Management Committee reports directly to the Board of Directors. The term of membership within the committees is 3 years from the date of appointment. Any retiring member of the Risk Management Committee may be re-elected.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are selected and are ultimately appointed by the Board of Directors. At least one third of all the members of the Nomination and Remuneration Committee shall be independent directors.

The Nomination and Remuneration Committee shall report directly to the Board of Directors. Chief Human Resource Officer shall act as the secretary of the Nomination and Remuneration Committee.

The term of membership within the committees is 3 years from the date of appointment. Any retiring member of the Nomination and Remuneration Committee may be re-elected.

Good Corporate Governance Committee

The members of the Good Corporate Governance Committee are selected and appointed from candidates who have knowledge and experience in the area of good corporate governance. At least one third of all the members of the Good Corporate Governance Committee shall be independent directors.

The Good Corporate Governance Committee shall report directly to the Board of Directors. The Company Secretary is as secretary of the Good Corporate Governance Committee.

The term of membership within the committees is 3 years from the date of appointment. Any retiring member of the Good Corporate Governance Committee may be re-elected.

Executive Committee

The Board appoints the Executive Committee by selecting directors or key executives of the Company who are capable of managing the Company’s regular business operations, set up policies, business plans, budgets, management structure and oversees and monitor the Company’s operational results as per the policy set forth by the Board of Directors.

5.2) Duties and Responsibility

In overseeing the Company’s business operations, apart from ensuring that business operations are in accordance with the law, the Company’s objectives, Articles of Association, as well as the resolutions of the shareholders’ meeting, the Board prescribes its own roles, duties and responsibilities.

5.3) Meeting of the Board

The Company’s requirements for a meeting of the Board are as follows:

- 1) The Board shall hold a meeting at least once every 3 months and hold additional special meetings as and when necessary. The notice of the meeting shall be given to the directors at least 7 days prior to the date of such meeting, and at least half of the total number of directors shall attend such meeting to constitute a quorum.
- 2) The agenda for the meeting shall be clearly specified. The chairman of the Board and the Chief Executive Officer should jointly consider and select the matters to be form the meeting agenda. The Company’s Secretary shall ensure that the directors obtain the relevant documents prior to the meeting to allow sufficient time to study and consider the matters.
- 3) The Board shall receive all necessary information in a timely fashion prior to each meeting. The directors may directly and independently contact the Company’s Secretary to obtain additional information as necessary. The Company’s Secretary has a duty to comply with all applicable laws and regulations in this regard.
- 4) The chairman of the Board shall allocate sufficient time for the Management to present documents or information for discussion. Each director is encouraged to express his/her opinion prior to the conclusion of the meeting.
- 5) The Board should provide opportunities to non-executive directors to hold their own meetings, without participation by the management, as may be appropriate in order to discuss issues pertaining to the management. The results of such meetings should be presented to the Chief Executive Officer.

- 6) The Board encourages the Chief Executive Officer and President to invite key executives to attend Board meetings. This will allow the key executives to provide intimate details of the addition, succession plans may be discussed.
- 7) As the meeting progresses, directors who have or may have conflicts of interest in respect of any item on the agenda shall abstain from voting and must leave the meeting when the item is being deliberated.
- 8) Records of each meeting must be made in writing and kept. The minutes shall be certified by the Board and be made available for examination by the Board and related persons subsequently.

Details of Director Attendance Records in 2013

(Unit : Time)

Name		Board of Directors	Audit Committee	Risk Management Committee	Nomina- tion and Remunera- tion Committee	Good Corporate Governance Committee	Executive Committee	Share holders' Meeting
1	Dr. Narongchai Akrasanee	18/18	-	-	5/5	1/1	-	2/2
2	Mr. Nopporn Thepsithar	14/18	8/8	10/11	4/5	1/1	-	2/2
3	Mr. Poolsak Tansitthipun	17/18	7/8	11/11	-	-	-	1/2
4	Mr.Wiboon Rasmeepaisarn	18/18	8/8	-	5/5	-	-	2/2
5	Mr. Chanond Ruangkritya	18/18	-	-	-	1/1	17/17	2/2
6	Mr. Tanyalak Nunthanavorasiri	17/18	-	11/11	-	-	17/17	2/2
7	Miss Natthavipha Ruangkritya	17/18	-	8/11	-	-	17/17	2/2
8	Miss Patcharavalai Ruangkritya	16/18	-	-	-	-	17/17	2/2
9	Mr. Sermsak Khwanpuang	-	-	8/11	-	-	17/17	-
10	Mrs. Muntana Aue-Kitkarjorn	-	-	-	-	-	17/17	-

5.4) Self-Assessment

Board assessment is divided into 2 parts covering: 1) self- assessment of individual Board members and 2) assessment of the Board as a whole.

In 2013 the Board assessment was conducted on the first year. The Company has been arranging the self-assessment for the Company’s directors, according to the Good Corporate Governance principles, by using the Stock Exchange of Thailand’s assessment form as a guideline in preparing the Company’s. The directors will review and assess their own performances as the Company’s director in the past year, thus filling in the assessment form that comprises of 7 topics, namely role and duties of directors strategic and business plan, risk management and internal control, supervision against conflict of interests, monitoring of financial and operating reports, board of directors meetings and others (nomination process, remuneration review). The Company takes the comments or recommendations received from the assessment into account in order to enhance the effectiveness of the Board performance and for the best interest of the Company in respect of good corporate governance. Furthermore, the performance assessment can be used as information to support the Board’s recommendation to shareholders to reflect directors who retire by rotation.

5.5) Remuneration of Directors

The Board prescribed that the Nomination and Remuneration Committee shall consider and propose the criteria to determine the remuneration of directors, with such determination of remuneration to be approved at a shareholders’ meeting. The criteria for determining the remuneration of directors is as follows:

- 1) the Company’s operating results and size of business in comparison with the remuneration of directors of other companies listed on the SET having similar type and size of business;
- 2) experience, roles, duties and scope of responsibility of each director;
- 3) benefit to be obtained by the Company based on the contribution of that director; and
- 4) the remuneration must be able to attract individuals who possess requisite qualifications to join the Company as a director or an executive, depending on the Company’s situation and requirements.

5.6) Items with Possible Conflict of Interests

The Board is knowingly cautious about possible conflict of interests and connected transactions, and therefore carefully, fairly, and transparently consider such transactions as to their appropriate effects. Where there is an event, at a Board of Directors’ meeting, that a director happens to have any conflict of interest in a particular agenda, such director would abstain from voting and not attend the meeting at the consideration of the related matter.

5.7) Development Scheme for Directors and Executives

The Board has a policy to promote, train and educate directors, members of the Audit Committee and executives in relation to good corporate governance. In the event there is a change of directors or if new directors are appointed, the management will provide the new directors with documents and information which will introduce them to the nature of the Company’s business and the Company’s business operation strategy and ultimately aid them in carrying out their duties.

Each of the Company’s directors has been trained by the Thai Institute of Directors: some directors have passed the Director Accreditation Program (“DAP”) while others have passed the Director Certification Program (“DCP”) from the said institution.

In 2013, Mrs. Muntana Aue-Kitkarjorn, Executive, attended Director Certification Program (DCP) by Thai Institute of Directors Association Thailand.

With regard to the plan for development and succession of top executives, the Company is in the process of pertinent formulation in details.

5.8) Internal Control

The Board shall ensure that the Company has an internal control system covering finance and operations which is in line with the relevant laws, rules and regulations, and ensure that there are effective checks and balances mechanisms to protect and maintain the Company’s assets. The Company has implemented chains of command for approvals in this regard, and it is the responsibility of executives and employees to ensure that such checks and balances are adhered to. The Company shall also reduce its operating regulations into writing and establish an independent Internal Audit Bureau to assess the performance of each operating unit against the regulations. The assessment of efficiency and sufficiency of the internal control of each operating unit shall also be conducted.

5.9) Supervision of Usage of Internal Information

The Board recognizes the importance of good corporate governance. In order to ensure transparency and prevent the misuse of the Company’s internal, non-public information for personal benefit, the Company has set out an internal information policy restricting the use of the Company’s information.

- 1. The Company has informed its directors, executives and persons holding managerial positions, including their equivalents or higher in the accounting and finance departments of their obligation to prepare and submit reports disclosing the possession of securities in respect of themselves, their spouse and minor children, to the Office of the SEC pursuant to Section 59 of the Securities Act. They have also been informed of the corresponding penalties set out in Section 275 of the Securities Act.
- 2. The Company requires its directors, executives and persons holding managerial positions, including their equivalent or higher in the accounting and finance departments to prepare and submit reports disclosing the possession of securities in respect of themselves, their spouse and child to the Company’s Secretary prior to their submission of the same to the SEC. The report shall be prepared and submitted within 30 days of the date of appointment of the director or executive. Any change in possession of securities is to be reported within 3 working days from the date of the purchase, sale, transfer or receipt of transfer of securities.
- 3. The Company requires its directors, executives and persons holding managerial positions, including their equivalent or higher in the accounting and finance departments and relevant operators who have access to internal information which may materially affect the share price of the Company, to avoid trading of the Company’s securities for a specified period before the disclosure of financial statements or the status or financial condition of the Company, or until the Company has disclosed such information to the public. The Company will provide notification in writing to its directors, executives and persons holding managerial positions, including their equivalent or higher in the accounting and finance departments,

at least 30 days prior to the disclosure of such information to the public, not to trade in the Company’s securities until at least 24 hours after such disclosure. The Company also requires such material information not to be disclosed to any third party.

Should it be determined that the above rules were breached for personal benefit, the disciplinary sanctions imposed by the Company may vary from a written reprimand, wage reduction, suspension of work without pay or termination of employment. The severity of the sanction imposed shall be determined based on whether the breach was intended and the severity of the misconduct.

In this regard, the Company has stated policy for “Code of Conduct for Directors” and “Code of Conduct for Management and Employees” are shown at the general public on Intranet and the Company’s website www.ananda.co.th under the sequence of menu headings “Company profile,” “Good Corporate Governance,” and then “Code of Conduct.”

5.10) Annual Report

The Board is responsible for the Company’s financial statements as well as financial information which appear in the annual report. The financial statements are prepared in accordance with generally accepted accounting principles of Thailand. The Company has applied suitable accounting policies on a consistent basis and has exercised careful judgment to ensure sufficient disclosure of important information in the notes to the financial statements. The Board has also appointed the Audit Committee to be responsible in ensuring the quality of the Company’s financial reports and to provide any opinions it may have to the Board.

INTERNAL CONTROLS AND RISK MANAGEMENT ►

The Board of Directors and Management have a direct responsibility to establish and maintain the internal control system. This includes regular reviews and assessments of the internal control system’s effectiveness to enable the business to achieve the highest benefits for the shareholders, on the principle of fairness to all stakeholders. The Board of Directors has appointed the Audit Committee to review the suitability and effectiveness of the internal control system, setup by the Management, to ensure appropriate and sufficient internal control system, in accordance with the Stock Exchange of Thailand’s guidelines and the internal control’s principles of the Committee of Sponsoring Organizations of the Treadway Commission (COS), covering management control, operational control, financial control and compliance control.

The Audit Committee has continuously reviewed the internal control system. This includes the monitoring of results from the internal audit on the Company’s internal control system and reporting of auditor’s opinion such results to the Board of Directors.

Considering the aforementioned factors, together with the internal control system and operations established by the Company, the Board of Directors has agreed with the Auditor Committee that the Company’s internal control system is adequate and suitable to protect the Company’s assets from any misuse or wrongful use without power by the Management and/or employees and to prevent material damages that could arise from such misuse. In the past, the Audit Committee and the Board of Directors have never received any notice whatsoever of significant defects from the internal audit as well as considered the observations of auditor’s opinion that there are no significant defects on the Company’s internal control

The assessment of the Company’s internal control system in 5 areas can be detailed as follows:

1. Organization and Environment

- 1.1 The Board of Directors has established clear vision, mission and purpose as a practice for the Management and employees. In addition, it has set up systems, which includes Balanced Scorecard (BSC) and Key performance Indicators (KPIs), to measure the results from implementation, to guide the executions and to monitor the results against the targets.
- 1.2 The Board of Directors has established an appropriate organization structure and has it adjusted according to the change in environment to support the business growth. The approval authority and duties are clearly defined; hence, enabling agile operations suitable for business conditions.

- 1.3 The Board of Directors has established business ethics in writing for the directors and employees as practice guidelines. In addition, there are trainings for new employees for understanding and acknowledgement of such practice. The management has developed in writing rules and assigned responsibilities in accounting, finance and procurement, which were informed to all employees to follow.
- 1.4 The Board of Directors has established a policy to participate in the announcement of intention to fight anti-corruption during year-end 2013.

2. Risk Management

- 2.1 Current organization structure is comprised the Risk Management Committee, including independent directors and executive directors, who are responsible for setting and reviewing risk management policy framework and risk management structure, as well as offering guidance on risk management suitable for the strategic direction and business plan. In addition, it also supervises, monitors, and reviews the report of material risk management matters. With that being said, there is also the Risk Management Subcommittee, comprising representatives from management. The Assistant Chief Executive Officer serves as the chairman of the subcommittee to implement the risk management policy by assessing risk factors, impacts and probability and prepare the risk management plan in accordance with changing risks, both internal and external.
- 2.2 The Risk Management Subcommittee determines the Company’s risk appetite and Key Risk Indicator (KRI) as a guide to manage business and integrate risk management system with organization’s strategic planning process. The responsible party for risk management will directly report to the office of the CEO who responsible for organization’s strategic planning and business plan, coordinate and continuously follow the progress of the action plan for risk control. With that being said, the responsible party must report the process of risk management to the Risk Management Subcommittee and Risk Management Committee respectively to ensure that the risk management achieves the objectives and strategic goals as determined.

3. Control Activities

- 3.1 The Company’s organization adjustment and authority delegation to management in various departments were done in order to achieve suitable internal control. This also includes improvement of the Committee such as Corporate Marketing Committee, Production Improvement Committee and Procurement Committee to balance its operations.
- 3.2 The Company has established policies, rules, procedures and practices in writing to control the operational activities and to guide employees in accordance with the organization’s goal. In 2013, the Company has revised and updated rules regarding purchasing/procurement aiming for transparency, effectiveness and agility in operations and suitable internal control.

- 3.3 The Company has established the Key Performance Indicators (KPIs) as a tool for planning and to control and follow the performance of the management. This tool will compare the actual performance with target to illustrate the Company’s achievement against the goal.
- 3.4 The Company has determined each management’s authority and for each type of transaction’s approvable credit limits in writing in Table of Authority for each level of management. This will support the expansion and growth of the Company and facilitate the Company’s check and balance process.
- 3.5 The Company clearly separates significant responsibilities apart. This includes the separation between approval, transaction recording, data processing, property maintenance to enable revision, in accordance with check and balance principles.
- 3.6 The Company requires that in order to enter into any transaction classified as connected transaction, it needs to receive an approval from the Audit Committee and to follow guidelines stipulated by the Stock Exchange of Thailand (SET).

4. Information Systems and Data Communications

- The Company has provided sufficient information for efficient operations and has disclosed information to employees, directors and third parties as follows:
- 4.1 The Company has communicated through the Intranet system, enabling all employees to receive information on policies, rules/regulation of the Company necessary for operations. It also enables management to follow up the sales results of each investment project and compare it with daily target and to report total sales, transfers (to be transferred) against targets to the high management level on a monthly basis.
 - 4.2 The Company has developed and changed Enterprise Resource Planning system from Microsoft Symanic AX to SAP ECC6 for associated company (construction business) so that the information can be processed more efficiently and can be used widely across the organization for both analysis and operation.
 - 4.3 The Company has hired a consultant to evaluate the control of information technology systems, Windows Server 2003, SQL Server and Microsoft Dynamic AX, in order to improve and increase the effectiveness of the internal control for information technology systems.
 - 4.4 President/Chief Executive Officer holds weekly business meetings between the executive directors to monitor work progress and fix problems (if any); hence, equip management of all levels with sufficient information to operate and make decisions.
 - 4.5 The Company has kept all documents used for preparation of financial statements and accounting records and other important documents in categories.

- 4.6 The Company has established procedures in whistleblowing or making complaints for non-compliance of ethics –the whistleblower could inform such causes to the President/Chief Executive Officer and Internal Audit.
- 4.7 Before the Committee Meeting, the committee will receive an invitation to meeting and supplements containing necessary and sufficient information prior to the date of the meeting in a timely manner. In addition, meeting minutes will be recorded for reference and audit.
- 4.8 The Audit Committee to hold a meeting between auditors and management to review accounting preparation in accordance with generally accepted accounting standards.
- 4.9 The Company discloses the information through the Stock Exchange of Thailand (SET)’s system and through the website www.ananda.co.th to disseminate information to the third parties to enable the shareholders and investors to receive complete and correct Company’s information in a timely manner sufficient for making decisions.

5. Tracking System

- 5.1 The Company has set a clear target for the year 2013 in order to guide the management and employees and has established Balanced Scorecard (BSC) and Key Performance Indicators (KPIs) to measure the results from implementation. In addition, the President/Chief Executive Officer holds weekly business meetings between the executive directors to monitor work progress and fix problems (if any).
- 5.2 The Company has nominated EY Office Limited (formerly known as Ernst & Young Office Limited) –an independent auditor to be an external auditor for the financial year 2013 who was appointed by the General Meeting of Shareholders. The Auditors were responsibility for the audit credit ability of the Company’s financial reports for quarters, and the fiscal year form the Auditor’s report. It then, will report the result to the Audit Committee. It has opined that significant deficiency of the Company’s internal control system cannot be found. Auditors, audit and express an opinion on the financial statements of the Company Annual and unaudited interim financial statements of the Company. Based on observations from the audit report of the auditor. The Audit Committee considered that such observations are not significant deficiencies in internal control system of the Company.
- 5.3 The Company by the internal audit has reviewed the appropriateness and sufficiency of the internal control system. The head of the internal audit appointed, removed and relocated from the Audit Committee has the responsibility to review the internal control plan for the year 2013 and report to the management of the audited departments to correct or improve the procedures. This also includes the independent report of the monitoring results to the Audit Committee. In this regard, the evaluation result from the past does not show any significant deficiency of the Company’s internal control system.

- 5.4 The Company has assessed its internal control system in 2013 using the guidelines from the Securities and Exchange Commission (SEC) and reported the evaluation results to the Audit Committee and the Board of Directors respectively.

Related Party Transactions

The Company disclosed information regarding business transactions with its subsidiaries and related parties (related by way of common shareholders and/or common directors) under item 7 of notes to the financial statements for the year ended December 31, 2013 page 179

Items with Possible Conflict of Interests

The Company’s Board of Directors and executives are knowingly cautious about possible conflict of interests and connected transactions, and therefore carefully, fairly, and transparently consider such transactions as to their appropriate effects. Where there is an event, at a Board of Directors’ meeting, that a director happens to have any conflict of interest in a particular agenda, such director would abstain from voting and not attend the meeting at the consideration of the related matter. The Company has set measures for standard practice as follows:-

Measures or Procedures for Approving Connected Transactions

In the event of any connected transaction of the Company with a person who may have a conflict of interest or has an interest in such matter, the Audit Committee will provide an opinion on the necessity of the Company to enter into the transaction, provided that the terms and conditions of such connected transaction be consistent with the market practice and the consideration for such transaction shall be appraisable and comparable with market prices. In the event that there is no comparable price, the price for such connected transaction shall be deemed to be reasonable and in the best interest of the Company and the Company’s shareholders. In the event that the Audit Committee does not have the appropriate expertise to evaluate the connected transaction, the Company will engage an independent expert to provide an opinion on the connected transaction to be considered by the Board of Directors, the Audit Committee or at a shareholders’ meeting, as the case may be. The person who may have a conflict of interest or has an interest in such matter shall not be entitled to vote in respect of the meeting agenda for such connected transaction. The details of the connected transaction will be disclosed in the notes to the financial statements to be reviewed or audited by the Company’s auditor, in the Company’s annual reports and annual registration statement.

ANALYSIS OF OPERATING RESULTS
AND FINANCIAL POSITIONS ►

Policy relating to Future Connected Transactions

For any future connected transaction, the Company shall comply with the Securities and Exchange Act, regulations, notifications, orders or rules of the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as Thailand’s generally accepted accounting standards in respect of information disclosure on related persons or businesses as prescribed by the Certified Public Accountant Association of Thailand and the Company’s Regulations.

Should the Company enter into a connected transaction, the Company will arrange for the Audit Committee to provide an opinion as to the appropriateness of such transaction. In the event that the Audit Committee has no skill and expertise in relation to such connected transaction, the Company will seek an opinion from an expert (such as an appraiser) who is independent. Such opinion of the Audit Committee or the independent expert will be used to support a decision of the Board of Directors or shareholders, as the case may be, so as to provide assurance that the transaction will not result in a misappropriation of benefits between the Company and its shareholders. The Company will take into account the best interests of all shareholders when considering whether to enter into such transaction.

The Company and its subsidiaries agree not to enter into any connected transaction with their directors, executives or related persons of the Company or its subsidiaries, unless such transaction was concluded on normal commercial terms in the same manner as any reasonable man would have based on similar circumstances and without influential commercial bargaining power of an individual in the capacity of a director, executive or related person.

Every quarter, the Audit Committee will review the list of the Company’s businesses with the connected transactions and related persons.

Operating Results in 2013

In 2013, the Company had total revenue of 9,227.5 million Baht, an increase from 5,138.3 million Baht during the same period in the year 2012 or equivalent to an increase of 79.6 percent. At year-end 2013, the Company had total net profits of 811.5 million Baht or equal to the net profit margin 8.8 percent of the total revenue, an increase from 199.0 million Baht losses. With that being said, the operating results and financial positions of the Company in 2013 are detailed as follows:

In 2013, the Company transferred 2,123 units of condominium and single-detached houses of which the total value of the transfer were 8,807.7 million Baht, an increase of 77.6 percent from the year 2012, which transferred 1,274 units of condominium and single-detached houses which recorded total revenue from the sale of real estate of 4,960.2 million Baht. The revenue from sale of real estate in the year 2013 accounted for 95.5 percent of Company’s total revenues.

	31 Dec 2013		31 Dec 2012		Change	
	Value	Percent	Value	Percent	Value	Percent
Recognition of revenue (units)	2,123		1,274		849	66.6
Revenue from the sale of real estate (Million Baht)	8,807.7	100.0	4,960.2	100.0	3,847.4	77.6
Cost of real estate sold (Million Baht)	5,529.4	62.8	3,355.8	67.7	2,173.6	64.8
Gross profit (Million Baht)	3,278.3	37.2	1,604.4	32.3	1,673.9	104.3

Cost of Real Estate Sold

For the year 2013, the cost of real estate sold was 5,529.4 million Baht or an equivalent of 62.8 percent of the revenue from the sale of real estate. Meanwhile, the cost of real estate sold in year 2012 represented 67.7 percent of the the revenue from the sale of real estate. The decrease in cost of real estate sold in year 2013 as a percentage of real estate revenue resulted from the effective cost control, which resulted in an increase in the gross profit to 1,673.9 million Baht or equivalent to a gross profit margin of 37.2 percent, an increase from the year 2012 gross profit margin of 32.3 percent

Revenue from Sale and Services

	31 Dec 2013		31 Dec 2012		Change	
	Baht in millions	Percent	Baht in millions	Percent	Baht in millions	Percent
Revenue from project management services & commission	214.1	58.6	20.4	14.3	193.7	949.9
Revenue from services	122.2	33.5	94.0	65.9	28.2	30.0
Revenue from the sale of food and beverages	28.9	7.9	28.2	19.8	0.8	2.7
Total Revenue from Sale and Service	365.3	100.00	142.61	100.00	222.7	100.00

In 2013, the revenue from project management services and commission were 214.1 million Baht came from the management of Ideo Q Chula-Samyan, which the Company invested together with SEA Investment Five Pte. Ltd., and owns 49% of the shares. This increased the revenue for 2013 in the amount of 193.7 million Baht from 2012.

Service income came from the Company’s subsidiaries. This includes the property management revenue from The Works Community Management Co., Ltd., the revenue from commission from The Agent (Property Expert) Co., Ltd., the revenue from services from fitness center from Bludeck Co., Ltd., the revenue from services from the racetrack from Bira Circuit One Co., Ltd. and Bira Kart Co., Ltd. and etc. In 2013, the Company’s service income totaled 122.2 million Baht, an increase of 30 percent due to the growth of revenue from project management services and revenue from commission from the increasing number of projects.

Revenue from the sale of food and beverages came from Bacco, a restaurant operated by Bludeck Co., Ltd., which provides services to the customers of the fitness center. It has been in operation since 2010. In 2013, the revenue from the sale of food and beverages were 28.9 million Baht close to the 2012 revenue which was 28.2 million Baht.

Selling and Administrative Expense

	31 Dec 2013		31 Dec 2012		Change	
	Baht in millions	Percent	Baht in millions	Percent	Baht in millions	Percent
Selling expenses	932.7	43.7	532.9	41.3	399.8	47.3
Transfer expenses & Specific Business tax	351.4	16.4	212.5	16.5	138.8	16.4
Total selling expenses	1,284.1	60.1	745.4	57.7	538.7	63.7
Administrative expenses	852.4	39.9	545.6	42.3	306.8	36.3
Total Selling and Administrative Expenses	2,136.4	100.00	1,290.9	100.00	845.5	65.5

Selling expenses of the Company are mainly comprised of commission expenses, marketing expenses, sales promotion expenses, ownership transfer fees, specific business tax and other expenses.

For the year 2013, selling expenses were 1,284.1 million Baht consisting of Selling Expenses totaling 932.7 million Baht and Special Business Tax and Transfer fees of 351.4 million Baht. The Selling Expenses were mainly promotion and marketing expenses for the transfer of housing and condominiums and also included supporting the sales of 6 new condominium projects with a total project value of 16,000 million Baht. The Special Business Tax and Transfer Fees increased by 138.8 million Baht from the previous year, which was in line with the increase in real estate revenue in 2013.

Administrative expenses are comprised of employee salaries, utilities expenses, miscellaneous expenses, depreciation and other expenses.

In 2013, administrative expenses increased by 306.8 million Baht, or 36.3 percent from the previous year. This was due mainly from increased personnel and other administrative expenses to support the expansion of the business and the number of projects under development, which totaled 17 projects as of 31 December 2013.

Other Expenses

In 2013, the Company recorded expenses derived from amortization expense on the excess of the fair value of the sale and purchase agreement with the customers as other expenses. This was due to the appraisal of fair value during the purchase price allocation process following the acquisition in 2010. In this regard, in 2013, the value of “the sale and purchase agreement with the customers” totaled 119.5 million Baht, compared to with the year 2012, the aforementioned amortization expense totaled 349.7 million Baht.

Finance Costs

For 2013, Finance Costs were 112.2 million Baht or 1.2 percent of total revenues, an increase of 92.5 million Baht from last year. During 2013, the company issued a 1 year unsecured debenture in the amount of 2,605 million Baht to decrease the average cost of debt and remain in line with the company’s business plan.

Income Tax Expenses

Income Tax Expenses for 2013 were 212.9 million Baht or 2.3 percent of total revenues, an increase of 263.9 million Baht baht from 2012 and in line with the increased revenue in 2013.

Statement of Financial Position

Assets

Total assets as of 31 December 2013 were 12,481.8 million Baht, representing an increase of 2,987.9 million Baht or 31.5 percent from year end last year, total assets were 9,493.9 million Baht. Details of notable change are set out below:

Trade and Other Receivables

The Company has policies to recognize revenue from the sale of real estate upon the transfer of ownership to customers. Advances, deposits and contractual payments shall not be recognized as revenue, yet recorded as advance payments from customers. In this regard, there are no trade receivables recorded as a result of revenue from the sale of real estate. Trade receivables in this context are referred as to the pending collection of project management fees with the majority of which being considered connected transactions.

Trade and other receivables as of 31 December 2013 were 351.3 million Baht, accounting for 2.8 percent of total assets, They were mainly composed of receivables from related parties, which derived from the project management services & commission of Idea Q Chula-Samyan amounting to 144.1 million Baht where the Company held 49 percent in this project. Additionally, the accounts receivable from the financial institution was 152.9 million Baht.

Real Estate Development Costs

Costs associated with development of real estate projects as incurred prior to the completion of ownership transfer are recognized in the Company’s statement of financial position under real estate development costs and will be recognized as costs of real estate sold in the Company’s statement of comprehensive income upon the transfer of ownership to customers.

Real estate development costs as of 31 December 2013 were 7,911.8 million Baht, accounting for 63.4 percent of total assets and representing an increase of 1,896.9 million Baht or 31.5 percent from the figure of 6,014.9 million Baht as reported last year.

Advance Payments for Constructions

The real estate development business in general entails outsourced contractor to deal with construction works for the Company’s projects. Such a contractor typically requires advance payments. Upon each periodical payment made to the contractor, the Company shall take part of the amount paid as a deduction for offsetting against the advance payments until the entire payment made upfront has been fully recovered. Futhermore, the Company will also deducts for partial retention and return in full to the contractor after the period of retention pursuant to the contruction works performed has come to an end. In 2013, the Company managed to launch 6 projects and thereby recognized advance payments for constructions in the amount of 410.4 million Baht, representing an increase of 271.8 million Baht from the figure of 138.6 million Baht as reported last year due to 6 additional projects.

Investments in Joint Venture

In June 2013, the Company entered into a joint venture agreement with SEA Investment Five Pte. Ltd., a subsidiary of Mitsui Fudosan Residential Co., Ltd. managed under the Mitsui Fudosan group of companies which is known as one of the leading players in real estate development business in Japan. The Company established a joint investment for 49 percent of equity interest in Ananda MF Asia Co., Ltd. With a total authorized share capital of 900 million Baht and a paid-up share capital of 765 million Baht. The investee firm called for subscriptions and payments for ordinary shares issued, which accounted for 85 percent of authorized share capital and as of 31 December 2013, the net investment value was 347 million Baht.

Investment Properties

In 2012, the Company adopted reclassification from real estate development costs, particularly those being involved with the area leased out to retail shops in AD2’s condominium projects to investment properties. The reason was that such leased area is in fact not available for sales, yet held in possession for the lease arrangement with retail shops. Investment properties as of 31 December 2013 were 150.1 million Baht, which derived in full from real estate development costs.

Property, Buidings and Equipments

Property, buildings and equipments as of 31 December 2013 were 509.7 million Baht, representing a 21.1 percent increase from the figure of 420.9 million Baht as reported last year. In 2013, the increase in property, buildings and equipment was mainly attributed to the investment of additional office space for supporting the added staff in the year 2013.

Intangible Assets

In 2013, intangible assets were 59.3 million Baht, representing a decrease of 95.5 million Baht from the figure of 154.8 million Baht as reported last year. Intangible assets mainly comprised of computer software and assets under installations. From 2010 onwards, the Company included the fair value of the agreements to buy and sell condominiums entered into between the Company and customers as a result of the acquisition of AD2, which since then caused a significant increase to the Company’s intangible assets. These agreements will be subject to amortization and recognized as expenses upon the transfer of ownership to customers. Intangible assets decreased in 2013 due to the aforesaid amortizations of agreements to buy and sell condominiums entered into between the Company and customers during 2011 – 2013.

Liabilities

Total liabilities as of 31 December 2013 were 6,603.2 million Baht, representing an increase of 2,179.3 million Baht from the figure of 4,423.9 million Baht or an increase 49.3 percent as reported last year. Details of notable change are set out below:

Trade and Other Payables

The majority of trade and other payables as of 31 December 2013 were 989.0 or 15 percent of total liabilities, an increase of 620.4 million Baht from last year, as all of Trade payables were from unrelated parties such as Construction companies and Marketing agencies.

Debentures

In July 2013, the Company issued a 1-year debenture, which will mature in July 2014 for the total amount of 2,605 million Baht at an embedded interest rate of 5.2 percent per annum. As of 31 December 2013, the net amount of debenture was 2,597.8 million Baht. In issuing the debentures, the Company incurred costs of approximately 14 million Baht, which it recorded as a deduction against the value of the debentures. The Company will amortize these issue costs over the term of the debentures, to increase the value of the debentures.

As of 31 December 2013, the company had the Debt to Equity ratio = 1.1 times; the Interest Bearing Debt to Equity ratio = 0.7 time.

Advance Received from Customers

Cash received from customers before the date of transfer of ownership of their respective condominium units in the form of such as advances, deposits and contractual payments is recorded as advances received from customers, and will be subject to amortization and recognized as revenue upon the actual transfer of ownership. In this regard, advances, deposits and contractual payments accounted for approximately 10 percent to 25 percent of the selling price, depending on the policy promoted

respective to each project. In 2013, advances received from customers were 811.9 million Baht, accounting for 12.3 percent of total liabilities and representing a 1.7 percent increase from the figure as reported last year.

Long-term Loans

In 2013, the Company’s long-term loans-net current portion were 1,520.4 million Baht, accounting for 23.0 percent of total liabilities and representing a decrease from the figure of 586.1 million Baht as correspondingly reported last year. The decrease was mainly because the company managed to finish the transfer ownership and recognized revenues from Ideo Mobi projects. Cash collected served as a basis for enabling the Company to make full repayments of pre-finance loans granted to the Ideo Mobi projects.

Shareholders’ Equity

Shareholders’ equity as of 31 December 2013 was 5,878.6 million Baht, accounting for 47.1 percent of total liabilities. Shareholders’ equity and increased due to profits generated for the year from a large number of condominium units successfully transferring to customers for the year. As of 31 December 2013, the Return on Equity ratio was 14.8 percent.

Statement of Cash Flows

Cash Flows from Operating Activities

In 2013, the Company used cash flow in operating activities in the total amount of 583.3 million Baht. Major sources of cash outflow supported the ongoing 17 ongoing real estate projects.

Cash Flows from Investing Activities

In 2013, cash flows used in investment activities were 948.7 million Baht. Major sources of cash outflow were the investment in Ananda MF Asia Co., Ltd in the amount of 441 million Baht and repayment for the share purchase of Ananda Development One amounted in 500 million Baht.

Cash Flows from Financing Activities

In 2013, financing activities provided the Company with net cash flows of 1,737 million Baht. Such inflows were mainly derived from the issuance of 1-year debentures worth 2,605 million Baht that will mature in 2014 and feature an interest rate of 5.2 percent per annum. The proceeds were utilized on purpose to support investments in carrying out the Company’s real estate development projects. In 2013, the Company managed to finish the transfer of ownership and recognized revenues from the Ideo Mobi projects. Cash collected served as a basis for enabling the Company to make full repayments of pre-finance loans granted to the Ideo Mobi projects.

Auditor’s Remuneration

The Audit committee of the Company has reviewed the qualifications of the auditor, taking into account the key considerations including the extent to which audit works can be performed independently, appropriately and accountably with neither potential conflict of interest nor any possible cause of transactions that may arise and lead to the concern of conflict of interest with the Company, subsidiaries, management, major shareholders and related parties. In addition, the audit committee also takes responsibility for determining the proper compensation based on the scope of work to the auditor each year, whereby the audit committee shall present to the annual general meeting of shareholders for approvals regarding the details of selected auditor i.e. qualifications, proposed scope of work and fees.

Company	Auditor		Audit Fee	
	2012	2013	2012	2013
Ananda Development Public Company Limited	EY Office Limited (formerly known as Ernst & Young Office Limited)		1,600,000	1,750,000
Subsidiaries			2,360,000	3,255,000
Total			3,960,000	5,005,000

Factors that may cause a significant impact to future business operations and financial position

The Company conducts itself in strict compliance with each real estate development plan from the sales management process to construction and ownership transfer to customers in attempts to achieve the objectives, both operating- and financial-wise. As a result, the Company has a fair level of liquidity sufficient to foster continuous growth to date. At the present, the Company manages 6 condominium projects that are equated with approximately 6,444 units for project value in a total of 16,232 million Baht.

Accounting Policy

During the current year, the Company and its subsidiaries made the changes to the financial statements to its significant accounting policies, as a result of the adoption of Thai Accounting Standard 12 Income Taxes. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders’ equity.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company and its subsidiaries have changed this accounting policy in this current year and restated the prior year’s financial statements, presented as comparative information, as though the Company and its subsidiaries had initially recognised the tax effects as deferred tax assets or liabilities.

Government Policy

The government previously announced plan to invest in basic infrastructure including an expansion of public transport such as the BTS Sky train and MRTA to alleviate the severity of traffic congestion. The company expects to gain advantages from such government policies since the Company’s core business is developing condominium projects along the mass transit networks. Another factor is the price of petrol which remains high enough to sway for consumers to invest in a condominium in order to save expenses derived from commuting. Furthermore, the government’s tax cut scheme for first time home buyers which offers a maximum 10 percent tax deduction on houses costing up to 5 million Baht will boost sales since the CoOmpany’s condominiums fall in the price range.

Economic Fluctuation & Political Turmoil

Global economic fluctuation & Political Turmoil; may have effects on Thailand and its consumers’ confidence. The consumer’s buying power may decrease or be delayed. The sale period of the Company’s projects may need to be extended which in turn may impact the Company’s results of operations and financial conditions.

RESPONSIBILITY OF THE BOARD OF DIRECTORS FOR FINANCIAL REPORTING ►

The Board of Directors is responsible for the Company's financial statements, consolidated statements, including other financial information appearing in the Annual Report.

The Company's financial statement and information are to be done according to generally accepted accounting standard, under appropriately and regularly practiced accounting policy, and careful discretion; thus enabling its shareholders, investors and the public to access sufficient, accurate, and timely information. In this regard, the Board of Directors takes into account of assigning the audit directors, being experienced and competent in financial and accounting systems, to consider and select the Company's external auditor from the auditing offices that are of acceptable universal standard and certified by the Securities and Exchange Commission.

As mentioned above, the Board of Directors has appointed the Audit Committee to take responsibility for the audit creditability of the Company's financial reports for quarters and the fiscal year. The responsibility also includes making recommendations about the internal control review, so that the information in the Company's financial statements is prepared according to the objectives under the good corporate governance system.

In the year 2013. The EY Office Limited (formerly known as Ernst & Young Office Limited) was appointed to prepare the Company's financial statements and information. The Board of Directors had regularly and closely reviewed the reports every quarter, and considered that the both the Company's and its consolidated financial statements including any other financial information were done under the generally accepted with Thai financial reporting standards, the appropriate and regularly-practiced accounting policy, and careful discretion; with the sufficient, accurate, and timely information disclosure.



(Dr. Narongchai Akrasanee)
Chairman



(Mr. Chanond Ruangkritya)
President and Chief Executive Officer

Independent Auditor's Report

To the Shareholders of Ananda Development Public Company Limited

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

Emphasis of matter

I draw attention to Note 4 to the financial statements regarding the change in accounting policy due to the adoption of Thai Accounting Standard 12 Income Taxes. The Company has restated the consolidated and separate financial statements for the year ended 31 December 2012, presented herein as comparative information, to reflect the adjustment resulting from such change. The Company has also presented the consolidated and separate statements of financial position as at 1 January 2012 as comparative information, using the newly adopted accounting policy for income taxes. My opinion is not qualified in respect of this matter.



Sophon Permsirivallop
Certified Public Accountant (Thailand) No. 3182
EY Office Limited
(Formerly known as Ernst & Young Office Limited)
Bangkok: 27 February 2014

Statement of financial position

Ananda Development Public Company Limited and its subsidiaries
As at 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		As at	As at	As at	As at	As at	As at
		31 December 2013	31 December 2012	1 January 2012	31 December 2013	31 December 2012	1 January 2012
		(Restated)			(Restated)		
Assets							
Current assets							
Cash and cash equivalents	8	2,308,812,060	2,058,526,884	62,179,851	1,965,326,726	1,697,763,205	8,658,241
Current investments	9	-	100,000,000	-	-	100,000,000	-
Trade and other receivables	7, 10	351,308,539	21,122,950	95,117,011	323,684,686	327,598,653	473,630,585
Project management in progress	11	10,931,312	-	164,263,357	167,521,303	184,469,414	204,435,819
Inventories	12	654,479	1,029,780	1,226,122	61,221	58,415	-
Real estate development costs	13	7,911,819,967	6,014,880,205	6,958,457,073	6,293,445,299	3,779,959,559	2,625,562,063
Land development costs	14	1,529,245	1,529,245	1,529,245	1,529,245	1,529,245	1,529,245
Advance payments for constructions	7	410,403,947	138,589,651	55,379,935	462,248,192	126,599,712	-
Short - term loans to and interest receivable from related parties	7	-	-	-	852,320,670	30,994,684	21,864,547
Other current assets		206,331,169	195,252,700	75,380,825	137,623,340	155,714,136	42,554,820
Total current assets		11,201,790,718	8,530,931,415	7,413,533,419	10,203,760,682	6,404,687,023	3,378,235,320
Non - current assets							
Restricted financial institution							
deposits/withdrawal conditions	15	9,363,372	87,340,619	410,909,834	7,487,828	332,510	10,030
Investments in associates	16	177,548	75,598	10,264,736	-	-	7,756,925
Investments in subsidiaries	17	-	-	-	2,875,361,583	3,540,922,013	2,813,790,088
Investment in joint venture	18	347,019,603	-	-	441,000,000	-	-
Long - term loans to and interest receivable from related parties	7	81,793,619	-	-	90,214,541	-	-
Subordinated long - term loans to and interest receivable from related parties	7	-	-	114,557,790	-	104,439,573	1,226,616,894
Investment properties	19	150,126,813	108,842,686	-	-	-	-
Property, buildings and equipment	20	509,653,399	420,892,817	443,478,643	195,403,404	130,509,735	150,069,298
Intangible assets	21	59,328,381	154,797,471	525,024,355	55,320,051	25,292,963	27,456,172
Deferred tax assets	33	65,332,908	150,327,913	61,894,073	62,356,457	134,251,273	6,954,807
Other non - current assets		57,255,770	40,704,703	35,092,441	19,714,369	25,235,466	20,288,323
Total non - current assets		1,280,051,413	962,981,807	1,601,221,872	3,746,858,233	3,960,983,533	4,252,942,537
Total assets		12,481,842,131	9,493,913,222	9,014,755,291	13,950,618,915	10,365,670,556	7,631,177,857

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

Statement of financial position (continued)

Ananda Development Public Company Limited and its subsidiaries
As at 31 December 2013

(Unit: Baht)							
		Consolidated financial statements			Separate financial statements		
	Note	As at 31 December 2013	As at 31 December 2012	As at 1 January 2012	As at 31 December 2013	As at 31 December 2012	As at 1 January 2012
			(Restated)			(Restated)	
Liabilities and shareholders' equity							
Current liabilities							
Short - term loans							
from financial institutions	22	-	-	17,957,375	-	-	17,957,375
Trade and other payables	7, 23	989,041,925	368,645,246	456,719,598	683,187,600	216,979,467	257,662,391
Current portion of share							
purchase payable	17	250,000,000	500,000,000	-	250,000,000	500,000,000	-
Debentures	24	2,597,751,361	-	-	2,597,751,361	-	-
Unbilled payables		14,825,041	403,820	4,930,335	23,054,816	6,595,134	14,779,054
Advances received from project							
management services	7, 11	16,282,678	-	680,724,052	567,267,342	697,040,615	791,406,567
Advances received from customers	7	811,905,759	798,241,668	672,680,178	757,392,434	578,157,439	5,900,000
Short - term loans from and interest							
payable to related party	7	-	-	-	1,194,825,188	-	-
Subordinated short - term loans from							
and interest payable to related party		-	-	-	-	-	32,847,986
Promissory notes		-	-	443,842,500	-	-	443,842,500
Provision for loss on project management	11	-	-	7,413,216	5,759,396	6,678,676	7,413,216
Current portion of liabilities under							
finance lease agreements	25	11,900,442	1,433,000	1,576,877	5,654,143	1,433,000	1,546,848
Current portion of long - term loans	26	44,511,109	42,754,782	4,009,104,386	-	-	3,563,088,696
Income tax payable		34,116,564	82,848,977	334,126,783	-	-	-
Retention payables	7	180,267,473	114,573,367	115,759,903	99,511,865	17,954,017	2,554,228
Other current liabilities		65,873,852	106,071,931	52,565,500	44,709,207	70,342,140	34,709,189
Total current liabilities		5,016,476,204	2,014,972,791	6,797,400,703	6,229,113,352	2,095,180,488	5,173,708,050
Non - current liabilities							
Share purchase payable							
- net of current portion	17	-	250,000,000	-	-	250,000,000	-
Liabilities under finance lease agreements							
- net of current portion	25	31,896,342	1,315,395	2,748,395	17,992,906	1,315,395	2,748,395
Long-term loans - net of current portion	26	1,520,360,765	2,106,487,764	2,065,108,337	1,520,360,763	2,014,033,513	2,065,108,337
Deferred tax liabilities	33	8,355,996	29,001,041	181,089,220	-	-	-
Provision for long - term							
employee benefits	27	26,128,191	22,167,016	18,506,605	22,069,882	20,115,016	17,154,827
Total non - current liabilities		1,586,741,294	2,408,971,216	2,267,452,557	1,560,423,551	2,285,463,924	2,085,011,559
Total liabilities		6,603,217,498	4,423,944,007	9,064,853,260	7,789,536,903	4,380,644,412	7,258,719,609

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

Statement of financial position (continued)

Ananda Development Public Company Limited and its subsidiaries
As at 31 December 2013

(Unit: Baht)							
	Consolidated financial statements			Separate financial statements			
	As at	As at	As at	As at	As at	As at	
Note	31 December 2013	31 December 2012	1 January 2012	31 December 2013	31 December 2012	1 January 2012	
	(Restated)			(Restated)			
Shareholders' equity							
Share capital	29, 30						
Registered							
3,333,000,000 ordinary shares of Baht 0.10 each							
(1 January 2012: 3,666,300,000 ordinary shares of Baht 0.10 each)	333,300,000	333,300,000	366,630,000	333,300,000	333,300,000	366,630,000	
Issued and fully paid up							
3,333,000,000 ordinary shares of Baht 0.10 each							
(1 January 2012: 2,000,000,000 ordinary shares of Baht 0.10 each)	333,300,000	333,300,000	200,000,000	333,300,000	333,300,000	200,000,000	
Share premium on ordinary shares	5,210,297,103	5,210,297,103	-	5,210,297,103	5,210,297,103	-	
Retained earnings (deficit)							
Appropriated - statutory reserve	31	33,330,000	25,258,366	18,174,650	33,330,000	25,258,366	
Unappropriated (deficit)	297,786,596	(506,926,175)	(300,825,093)	584,154,909	416,170,675	154,283,598	
Other components							
of shareholders' equity	3,910,934	8,039,921	32,552,474	-	-	-	
Total shareholders' equity (capital deficit)	5,878,624,633	5,069,969,215	(50,097,969)	6,161,082,012	5,985,026,144	372,458,248	
Total liabilities and shareholders' equity	12,481,842,131	9,493,913,222	9,014,755,291	13,950,618,915	10,365,670,556	7,631,177,857	

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

Statement of comprehensive income

Ananda Development Public Company Limited and its subsidiaries
For the year ended 31 December 2013

(Unit: Baht)					
Note	Consolidated financial statements		Separate financial statements		
	2013	2012	2013	2012	
		(Restated)		(Restated)	
Profit or loss:					
Revenues					
Revenue from sale of real estate	7	8,807,659,332	4,960,210,417	5,618,594,091	5,800,000
Revenue from project management services	7	103,326,478	20,396,848	268,795,204	132,169,272
Commission income	7	110,809,855	-	159,007,966	76,320,817
Service income		122,215,311	94,006,730	-	-
Revenue from sale of food and beverages		28,985,392	28,209,894	1,108,563	1,075,360
Trademark income	7	-	-	133,448,606	246,604,912
Interest income	7	25,249,409	7,164,216	25,421,810	44,439,806
Dividend income	7, 17	-	-	419,999,986	945,741,193
Other income		29,282,035	28,283,163	10,106,967	4,408,607
Total revenues		9,227,527,812	5,138,271,268	6,636,483,193	1,456,559,967
Expenses					
Cost of real estate sold		5,529,401,579	3,355,815,198	3,731,357,246	4,283,278
Cost of project management services and cost of commission income		106,602,152	14,482,795	220,348,810	70,871,713
Cost of services		95,023,736	66,361,532	-	-
Cost of food and beverages		9,965,903	11,925,389	462,518	621,884
Selling expenses		1,284,052,485	745,390,567	893,053,999	224,923,608
Administrative expenses		852,385,110	545,553,099	596,465,314	409,530,982
Other expenses					
Amortisation of agreements to buy and to sell condominium signed with customers		119,503,028	349,741,437	-	-
Loss from impairment of investments in subsidiaries	17	-	-	770,000,000	285,000,000
Total expenses		7,996,933,993	5,089,270,017	6,211,687,887	995,231,465
Profit before share of profit (loss) from investments in associates and joint venture, finance cost and income tax expense					
Share of profit from investments in associates	16.2	101,950	8,345,217	-	-
Share of loss from investment in joint venture	18.2	(93,980,398)	-	-	-
Profit before finance cost and income tax expense		1,136,715,371	57,346,468	424,795,306	461,328,502
Finance cost					
Finance cost associated with the acquisition		-	(287,518,043)	-	(287,518,043)
Other finance cost	7	(112,241,226)	(19,774,104)	(119,775,194)	(32,136,132)
Profit (loss) before income tax expense		1,024,474,145	(249,945,679)	305,020,112	141,674,327
Tax income (expense)	33	(212,937,483)	50,928,313	(130,840,583)	127,296,466
Profit (loss) for the year		811,536,662	(199,017,366)	174,179,529	268,970,793

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

Statement of comprehensive income (continued)

Ananda Development Public Company Limited and its subsidiaries
For the year ended 31 December 2013

(Unit: Baht)					
Note	Consolidated financial statements		Separate financial statements		
	2013	2012	2013	2012	
		(Restated)		(Restated)	
Other comprehensive income:					
Actuarial gains arising from defined benefit plan of employees	27	1,559,679	-	2,345,424	-
Income tax effect		(311,936)	-	(469,085)	-
		1,247,743	-	1,876,339	-
Other comprehensive income for the year		1,247,743	-	1,876,339	-
Total comprehensive income for the year					
		812,784,405	(199,017,366)	176,055,868	268,970,793
Earnings per share					
Basic earnings per share	34				
Profit (loss) for the year		0.24	(0.09)	0.05	0.13
Weighted average number of ordinary shares (shares)		3,333,000,000	2,105,620,219	3,333,000,000	2,105,620,219

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

Statement of changes in shareholders' equity

Ananda Development Public Company Limited and its subsidiaries
For the year ended 31 December 2013

(Unit: Baht)

Consolidated financial statements									
	Note	Issued and fully paid up share capital	Share premium on ordinary shares	Retained earnings (deficit)		Other components of equity		Total	
				Appropriated - statutory reserve	Unappropriated (deficit)	Other changes by the owners			
						Surplus on business combination under common control	Valuation surplus of the fair value of assets from an acquisition		Total other components of shareholders' equity
Balance as at 31 December 2011 - as previously reported		200,000,000	-	18,174,650	(362,719,166)	2,239,713	30,312,761	32,552,474	(111,992,042)
Cumulative effect of change in accounting policy for deferred tax	4	-	-	-	61,894,073	-	-	-	61,894,073
Balance as at 31 December 2011 - as restated		200,000,000	-	18,174,650	(300,825,093)	2,239,713	30,312,761	32,552,474	(50,097,969)
Amortisation of valuation surplus		-	-	-	-	-	(24,512,553)	(24,512,553)	(24,512,553)
Total comprehensive income for the year - as restated		-	-	-	(199,017,366)	-	-	-	(199,017,366)
Increase in ordinary shares	29	133,300,000	5,210,297,103	-	-	-	-	-	5,343,597,103
Appropriated retained earnings to statutory reserve		-	-	7,083,716	(7,083,716)	-	-	-	-
Balance as at 31 December 2012 - as restated		333,300,000	5,210,297,103	25,258,366	(506,926,175)	2,239,713	5,800,208	8,039,921	5,069,969,215
Balance as at 31 December 2012 - as previously reported		333,300,000	5,210,297,103	25,258,366	(657,254,088)	2,239,713	5,800,208	8,039,921	4,919,641,302
Cumulative effect of change in accounting policy for deferred tax	4	-	-	-	150,327,913	-	-	-	150,327,913
Balance as at 31 December 2012 - as restated		333,300,000	5,210,297,103	25,258,366	(506,926,175)	2,239,713	5,800,208	8,039,921	5,069,969,215
Amortisation of valuation surplus		-	-	-	-	-	(4,128,987)	(4,128,987)	(4,128,987)
Total comprehensive income for the year		-	-	-	812,784,405	-	-	-	812,784,405
Appropriated retained earnings to statutory reserve		-	-	8,071,634	(8,071,634)	-	-	-	-
Balance as at 31 December 2013		333,300,000	5,210,297,103	33,330,000	297,786,596	2,239,713	1,671,221	3,910,934	5,878,624,633

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

Statement of changes in shareholders' equity (continued)

Ananda Development Public Company Limited and its subsidiaries
For the year ended 31 December 2013

(Unit: Baht)

	Note	Separate financial statements			
		Issued and fully paid up share capital	Share premium on ordinary shares	Retained earnings	
				Appropriated - statutory reserve	Total shareholders' equity
Balance as at 31 December 2011					
- as previously reported		200,000,000	-	18,174,650	147,328,791
Cumulative effect of change in accounting policy for deferred tax	4	-	-	-	6,954,807
Balance as at 31 December 2011 - as restated		200,000,000	-	18,174,650	154,283,598
Total comprehensive income for the year - as restated		-	-	-	268,970,793
Increase in ordinary shares	29	133,300,000	5,210,297,103	-	-
Appropriated retained earnings to statutory reserve		-	-	7,083,716	(7,083,716)
Balance as at 31 December 2012 - as restated		333,300,000	5,210,297,103	25,258,366	416,170,675
Balance as at 31 December 2012					
- as previously reported		333,300,000	5,210,297,103	25,258,366	281,919,402
Cumulative effect of change in accounting policy for deferred tax	4	-	-	-	134,251,273
Balance as at 31 December 2012 - as restated		333,300,000	5,210,297,103	25,258,366	416,170,675
Total comprehensive income for the year		-	-	-	176,055,868
Appropriated retained earnings to statutory reserve		-	-	8,071,634	(8,071,634)
Balance as at 31 December 2013		333,300,000	5,210,297,103	33,330,000	584,154,909

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

Cash flow statement

Ananda Development Public Company Limited and its subsidiaries
For the year ended 31 December 2013

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
(Unit: Baht)				
Cash flows from operating activities				
Profit (loss) before tax	1,024,474,145	(249,945,679)	305,020,112	141,674,327
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Decrease in real estate development costs				
as a result of transfer to cost of sales	5,529,401,579	3,355,815,198	3,731,357,246	4,283,278
Decrease in project management in progress				
as a result of transfer to cost of services	106,602,152	14,482,795	220,348,810	70,871,713
Depreciation and amortisation	185,844,072	444,279,591	41,174,192	74,509,531
Doubtful accounts (reversal)	8,871,199	1,553,253	(130,000)	1,553,253
Long-term employee benefits expenses	5,520,854	4,673,371	4,300,290	3,973,149
Reversal of provision for loss on project management	-	(7,413,216)	(919,280)	(734,540)
Loss on writes - off of interest receivable	-	11,629,015	-	11,629,015
Loss on impairment of investments in subsidiaries	-	-	770,000,000	285,000,000
Loss on sales/writes - off of buildings, equipment and vehicles	8,224,720	134,781	6,746,920	132,023
Write-off withholding tax deducted at source	742,363	-	-	-
Transfer deferred financial fees to finance cost	32,302,833	60,252,036	32,302,834	59,552,036
Share of profit from investments in associates	(101,950)	(8,345,217)	-	-
Share of loss from investment in joint venture	93,980,398	-	-	-
Interest income	(25,249,409)	(7,164,216)	(25,421,810)	(44,439,806)
Dividend income	-	-	(419,999,986)	(945,741,193)
Interest expenses	81,630,578	247,040,111	88,270,965	260,102,139
Profit (loss) from operating activities before changes in operating assets and liabilities	7,052,243,534	3,866,991,823	4,753,050,293	(77,635,075)
Operating assets (increase) decrease				
Trade and other receivables	(329,907,371)	1,032,825	4,192,152	(339,992,527)
Project management in progress	(117,533,464)	149,780,562	(203,400,699)	(50,905,308)
Inventories	375,301	196,342	(2,806)	(58,415)
Real estate development costs	(7,269,347,757)	(1,777,205,098)	(6,046,627,199)	(971,356,197)
Advance payments for constructions	(280,815,495)	(83,209,716)	(335,648,480)	(126,599,712)
Other current assets	5,415,783	(117,000,054)	15,767,383	(139,811,607)
Other non-current assets	(35,394,777)	1,521,314	(13,095,260)	13,783,604

Cash flow statement (continued)

Ananda Development Public Company Limited and its subsidiaries
For the year ended 31 December 2013

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
(Unit: Baht)				
Operating liabilities increase (decrease)				
Trade and other payables	587,638,703	25,840,013	433,317,330	164,580,858
Unbilled payables	14,421,221	(4,526,515)	16,459,682	(8,183,920)
Advances received from project management services	16,282,678	(21,468,396)	(129,773,273)	(94,365,952)
Advance received from customers	13,664,091	122,565,448	179,234,995	572,257,439
Other current liabilities	19,991,056	7,551,950	50,419,915	51,032,740
Provision for long - term employee benefits	-	(1,012,960)	-	(1,012,960)
Cash flows from (used in) operating activities	(322,966,497)	2,171,057,538	(1,276,105,967)	(1,008,267,032)
Cash received from income tax refund	7,698,783	17,362,114	7,471,429	3,819,944
Cash paid for corporate income tax	(223,068,563)	(458,757,044)	(66,323,766)	(24,317,943)
Net cash flows from (used in) operating activities	(538,336,277)	1,729,662,608	(1,334,958,304)	(1,028,765,031)
Cash flows from investing activities				
Decrease (increase) in restricted financial institution deposits/withdrawal conditions	77,977,247	330,888,761	(7,155,318)	(322,480)
Decrease (increase) in current investments	100,000,000	(100,000,000)	100,000,000	(100,000,000)
Increase in short - term loans to related parties	-	-	(815,365,793)	(275,918,104)
Cash received from long-term loans to related party	-	-	-	3,615,821
Cash received from subordinated long - term loans to related parties	-	-	104,439,573	783,520,633
Cash paid for long-term loans to related parties	(80,850,000)	-	(89,110,000)	-
Cash paid for subordinated long-term loans to related parties	-	-	-	(11,065,385)
Cash paid for share purchase payable regarding investment in subsidiary	(500,000,000)	-	(500,000,000)	-
Cash paid for investment in subsidiary	-	(134,622,468)	(104,439,570)	(254,375,000)
Cash paid for investment in joint venture	(441,000,000)	-	(441,000,000)	-
Dividend income	-	-	419,999,986	747,741,210
Interest income	24,157,573	5,653,419	18,208,891	4,452,523
Proceeds from sales of buildings, equipment and vehicles	2,567,765	2,056	2,567,765	2,056
Cash paid for acquisitions of buildings, equipment and intangible assets	(131,554,810)	(65,416,178)	(111,892,636)	(52,920,838)
Net cash flows from (used in) investing activities	(948,702,225)	36,505,590	(1,423,747,102)	844,730,436

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

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

Cash flow statement (continued)

Ananda Development Public Company Limited and its subsidiaries For the year ended 31 December 2013

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cash flows from financing activities				
Decrease in short - term loans from financial institutions	-	(18,138,904)	-	(18,138,904)
Increase in short - term loans from related party	-	-	1,187,770,457	-
Cash received from subordinated short - term loans from related party	-	-	-	1,195,291,456
Repayments of promissory notes	-	(443,842,500)	-	(443,842,500)
Cash received from debentures	2,605,000,000	-	2,605,000,000	-
Cash paid for liabilities under finance lease agreements	(16,454,510)	(1,576,877)	(12,618,346)	(1,546,848)
Cash received from long - term loans	3,462,615,949	1,698,748,747	3,225,345,849	1,327,362,919
Repayment of long - term loans	(4,056,672,714)	(5,816,334,992)	(3,728,704,691)	(5,013,556,526)
Cash paid for financial fees	(34,411,700)	(149,003,722)	(34,411,700)	(146,539,761)
Cash paid for interest expenses	(222,753,347)	(428,947,524)	(216,112,642)	(415,164,884)
Proceeds from increase in share capital	-	5,598,600,000	-	5,598,600,000
Cash paid for expenses incurred in making the offering	-	(209,325,393)	-	(209,325,393)
Net cash flow from financing activities	1,737,323,678	230,178,835	3,026,268,927	1,873,139,559
Net increase in cash and cash equivalents	250,285,176	1,996,347,033	267,563,521	1,689,104,964
Cash and cash equivalents at beginning of year	2,058,526,884	62,179,851	1,697,763,205	8,658,241
Cash and cash equivalents at end of year	2,308,812,060	2,058,526,884	1,965,326,726	1,697,763,205
Supplemental cash flows information				
Non - cash transactions				
Payable for purchase of investment in subsidiary	-	750,000,000	-	750,000,000
Dividend receivable	-	-	-	197,999,983
Payables for expenses incurred in making the offering	-	20,007,601	-	20,007,601
Transfer of real estate development costs to investment properties	48,537,613	113,714,509	-	-
Transferred real estate development costs to buildings	15,341,530	9,090,210	15,341,530	-
Amortisation of valuation surplus of the fair value of assets from an acquisition	4,128,987	24,512,553	-	-
Motor vehicles acquired under finance lease agreements	57,502,900	-	33,517,000	-
Offset subordinate short - term loans from and interest payable to related party with subordinate long-term loans to and interest receivable from related parties, and trade receivables - related parties	-	-	-	1,245,225,346
Offset interest receivable of subordinate long-term loans from related parties with other payables - related parties	-	-	-	80,265,582
Actuarial gains arising from defined benefit plan of employees	1,559,679	-	2,345,424	-

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

Notes to consolidated financial statements

Ananda Development Public Company Limited and its subsidiaries For the year ended 31 December 2013

1. Corporate information

Ananda Development Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in development and sale of real estate, provision of house construction service and management in real estate development projects. Its registered address is 99/1 Moo 14, Bangna -Trad Km. 10.5 Rd., Bangpleeeyai, Bangplee, Samutprakarn.

On 7 December 2012, the Stock Exchange of Thailand approved the listing of the Company’s ordinary shares, to begin trading from 7 December 2012.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Ananda Development Public Company Limited (“the Company”) and the following subsidiaries (“the subsidiaries”).

Subsidiaries’ name	Nature of business	Country of incorporation	Percentage of shareholding	
			2013	2012
			Percent	Percent
Ananda Development Two Co., Ltd.	Development of real estate projects	Thailand	100.00	100.00
Ananda Development One Co., Ltd.	Development of real estate projects	Thailand	100.00	100.00
Blue Deck Co., Ltd.	Development of real estate, sale of food and beverages, and service sport club members	Thailand	99.96	99.96
The Agent (Property Expert) Co., Ltd.	Real estate brokerage	Thailand	99.98	99.98
The Works Community Management Co., Ltd.	Management of juristic person	Thailand	99.98	99.98
Bira Circuit One Co., Ltd.	Services about car racetrack	Thailand	99.78	99.78
Bira Kart Co., Ltd.	Services about car racetrack	Thailand	49.31	49.31
(50.69% equity interest held by Bira Circuit One Co., Ltd.)				
Helix Co., Ltd. (formerly known as “Srivaree Development Co., Ltd.”)	Manufacturer and distributor of building materials	Thailand	100.00	100.00
Ideo Condo Co., Ltd.	Advertising production	Thailand	99.80	99.80

The subsidiary which the Company owns through Ananda Development One Company Limited is as follow:

Subsidiaries’ name	Nature of business	Country of incorporation	Percentage of shareholding	
			2013	2012
			Percent	Percent
Baan Niravana Co., Ltd.	Development of real estate	Thailand	100.00	100.00

b) Acquisition of investment in 2012

The consolidated financial statements exclude the 2011 financial statements of Ananda Development One Company Limited, in which the Company then held an interest of 51.74%, because the Company had no control over such company and it was not considered to be subsidiary. However the Company recognised share of the profit of this associate at 5% in accordance with the profit sharing percentage stipulated in the Articles of Association.

Subsequently, in December 2012, the Company acquired a further 48.26% interest in ordinary and preferred shares of Ananda Development One Company Limited from the former shareholders, for a price of Baht 1,004 million. As a result, the Company holds a 100% stake in that company and it became a subsidiary of the Company.

Ananda Development One Company Limited is the sole shareholder of Baan Nirawana Company Limited, and therefore Baan Nirawana Company Limited also became a subsidiary of the Company.

The Company has considered the acquisition of Ananda Development One Company Limited in accordance with the requirements of Thai Financial Reporting Standard No. 3 (Amended 2009) Business Combination and concluded that this acquisition is, in substance, an asset acquisition.

- c) Subsidiaries are fully consolidated being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- f) Investments in the subsidiaries as recorded in the Company’s books of account are eliminated against the equity of the subsidiaries in consolidated financial statements.

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

3. New accounting standards

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

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

Accounting standards:	
TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
Financial Reporting Standard:	
TFRS 8	Operating Segments

Accounting Standard Interpretations:

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

Accounting Treatment Guidance for Transfers of Financial Assets

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements, except for the following accounting standard.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company and its subsidiaries have changed this accounting policy in this current year and restated the prior year's financial statements, presented as comparative information, as though the Company and its subsidiaries had initially recognised the tax effects as deferred tax assets or liabilities. The cumulative effect of this change in accounting policy has been presented in Note 4 to the financial statements.

(b) Accounting standards that will become effective in the future**Effective date****Accounting Standards:**

TAS 1 (revised 2012)	Presentation of Financial Statements	1 January 2014
TAS 7 (revised 2012)	Statement of Cash Flows	1 January 2014
TAS 12 (revised 2012)	Income Taxes	1 January 2014
TAS 17 (revised 2012)	Leases	1 January 2014
TAS 18 (revised 2012)	Revenue	1 January 2014
TAS 19 (revised 2012)	Employee Benefits	1 January 2014
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates	1 January 2014
TAS 24 (revised 2012)	Related Party Disclosures	1 January 2014
TAS 28 (revised 2012)	Investments in Associates	1 January 2014
TAS 31 (revised 2012)	Interests in Joint Ventures	1 January 2014
TAS 34 (revised 2012)	Interim Financial Reporting	1 January 2014
TAS 36 (revised 2012)	Impairment of Assets	1 January 2014
TAS 38 (revised 2012)	Intangible Assets	1 January 2014

Effective date**Financial Reporting Standards:**

TFRS 2 (revised 2012)	Share - based Payment	1 January 2014
TFRS 3 (revised 2012)	Business Combinations	1 January 2014
TFRS 4	Insurance Contracts	1 January 2016
TFRS 5 (revised 2012)	Non - current Assets Held for Sale and Discontinued Operations	1 January 2014
TFRS 8 (revised 2012)	Operating Segments	1 January 2014

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives	1 January 2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32	Intangible Assets - Web Site Costs	1 January 2014

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non - cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

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

4. Cumulative effect of changes in accounting policies due to the adoption of new accounting standard

During the current year, the Company and its subsidiaries made the changes described in Note 3 to the financial statements to its significant accounting policies, as a result of the adoption of Thai Accounting Standard 12 Income Taxes. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	As at 31 December 2013	As at 31 December 2012	As at 1 January 2012	As at 31 December 2013	As at 1 December 2012	As at 1 January 2012
Statements of financial position						
Increase in deferred tax assets	65,333	150,328	61,894	62,356	134,251	6,955
Increase in unappropriated retained earnings	65,333	150,328	61,894	62,356	134,251	6,955

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December 2013	31 December 2012	For the years ended 31 December 2013	31 December 2012
Statements of comprehensive income				
Profit or loss:				
Increase (decrease) in income tax expense	84,683	(88,434)	71,426	(127,296)
Increase (decrease) in profit for the year	(84,683)	88,434	(71,426)	127,296
Increase (decrease) in basic earnings per share (Baht)	(0.03)	0.04	(0.02)	0.06
Other comprehensive income:				
Decrease in actuarial gain arising from defined benefit plan of employees	312	-	469	-

5. Significant accounting policies

5.1 Revenue recognition

Sales of land and houses and sales of residential condominium units

Sales of land and houses and sales of residential condominium units are recognised as revenue when the construction works are completed and the ownerships have been transferred to buyers after all payments are received from the buyers.

Rendering of project management and construction

Service income from construction or project management contracts is recognised on the basis of percentage of completion, and the consideration of the percentage of completion is arrived at based on the proportion of actual construction costs or projects management cost incurred up to the end of the year to the total anticipated service costs. Allowance for the total anticipated loss on construction and project management projects will be made in the accounts as soon as the possibility of loss is ascertained.

The recognised revenues which have not yet been due as per contracts have been shown under the caption of "Unbilled receivables" in the statements of financial position.

Sales of food and beverages

Revenues from sale of food and beverages represent the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowance.

Rendering of services

Service revenue with respect to brokerage revenue is recognised when service is completed, and represents the invoiced value, excluding value added tax.

Service revenue is recognised when services have been rendered, and represents the invoiced value, excluding value added tax.

Service income from sport club member is recognised on the straight-line basis over the subscription period.

Interest income

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

5.2 Cost recognition

Cost of land and houses sold and cost of residential condominium units sold

In determining the cost of land and houses sold and cost of residential condominium units sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to land and houses sold on the basis of the salable area and to residential condominium units sold on the basis of the salable area weighted to the selling price of the unit, and then recognised as costs in profit or loss concurrently with revenue from sales.

Development costs are stated at cost, consisting of cost of land, design fees, utilities, construction and related interest.

Cost of project management and construction services

In determining cost of construction services, the total anticipated construction costs are attributed to each construction project and then recognised as cost of services in profit or loss on the basis of percentage of completion.

In determining cost of project management services, the total anticipated costs are attributed to each management project and then recognised as cost of services in profit or loss on the basis of portion of revenue recognition.

The recognised cost of construction which have not yet been due have been shown under the caption of “Unbilled payables” in the statements of financial position.

The actual cost of services incurred but not yet recognised as cost of services in profit or loss has been regarded as “Construction in progress” and “Project management in progress” in the statements of financial position.

Construction in progress and project management in progress include the cost of raw materials, direct labour and other expenses incurred for each project. Such construction in progress is valued at the lower of cost or net realisable value.

5.3 Cash and cash equivalents

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

5.4 Trade accounts receivable

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

5.5 Inventories

Inventories are valued at the lower of average cost and net realisable value.

5.6 Real estate development costs

Land and construction in progress are stated at cost less provision for loss on diminution in value of projects. The details of cost calculation are as follows:

- | | |
|--------------------------|--|
| Land | - Cost of land is recorded using the average method, and calculating it separately for each project. |
| Construction in progress | - Construction in progress consists of the cost of construction, public utility costs and interest capitalised to cost of projects by recording cost of construction and public utilities based on the actual cost incurred. |

5.7 Investments

- a) Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method.

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

5.8 Investment properties

Investment properties in the consolidated financial statements are measured initially at their fair value on the date of business acquisition plus additional costs incurred for which such total cost is regarded as cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

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

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

5.9 Land development costs

Land development costs are stated at cost less allowance for loss on diminution in value of projects (if any). Cost comprises the costs of land, land development costs, design and construction costs, other related costs and borrowing costs for construction.

5.10 Land held for development

Land held for development represents real estate set aside for future projects, and comprises the costs of land, land development costs and related expenses. Land held for development is stated at cost less allowance for loss on impairment of assets (if any).

5.11 Property, buildings and equipment/Depreciation

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

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

Buildings and structure	20 - 30	years
Temporary buildings	12 - 14	months
Equipment	5	years
Furniture, fixtures and office equipment	5	years
Motor vehicles	5 and 7	years

Restaurant operating equipment, consisting of crockery, glassware and utensils, is determined annually by a physical count, and valued at net book value, after deducting an appropriate portion of depreciation.

Depreciation is included in determining income.

No depreciation is provided for land and assets under installation and under construction.

5.12 Borrowing costs

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

5.13 Intangible assets

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

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

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

	Useful lives	
Computer software	5 and 10	years
Deferred franchise fee	6	years
Agreements to buy and to sell condominium signed with customers	By conveyancing	

5.14 Deferred financial fees

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees. A portion of deferred financial fees proportionate to the amount of the loan facility already drawn is presented as a deduction against the related loan account and amortised using the effective interest rate method over the term of the loans.

The amortisation of deferred financial fees is included in profit or loss.

5.15 Related party transactions

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

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

5.16 Long - term leases

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

Leases of property, buildings 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.

5.17 Foreign currencies

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

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Gains and losses on exchange are included in determining income.

5.18 Impairment of assets

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

An impairment loss is recognised in profit or loss.

5.19 Employee benefits

Short - term employee benefits

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

Post - employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

The defined benefits liability comprises the present value of the defined benefit obligation.

5.20 Provisions

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

5.21 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

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

Deferred tax

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

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

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

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

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. 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 judgement regarding whether significant risk and rewards of ownership of the leased asset have 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.

Land development costs estimation

In recognising revenue and cost from sales of land, the Company needs to estimate all land development costs, including land costs, land improvement costs, design and construction costs, other related costs and borrowing costs for construction, to be used in calculation of revenue and cost. The management estimates these costs based on their business experience and revisit the estimation on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

Project management costs estimation

In recognising revenue and cost from project management, the Company has to estimate all project management costs, comprising payroll cost, promotional expenses and other related costs. The management estimates these costs based on their business experience and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs. The important factors in estimating the cost of project management are the expected duration of the project and personnel costs. These factors are uncertain, and depend on the overall state of the economy.

Project development costs estimation

In calculating cost of condominium and cost of land and buildings sold, the Company and subsidiaries have to estimate all project development costs, comprising land and land improvement costs, design and construction costs, public utility costs, borrowing costs and other related costs. The management estimates these costs based on their business experience and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

Impairment of investment in subsidiaries and associates

The Company treats investments in subsidiaries and associates as impaired if the business operations of such companies are severely impacted by the economic crisis and the investments will take time to recover their value. The management determines devaluation of such investments based on management’s judgment. The use of different estimates and assumptions could affect the amounts of allowances for impairment of investments in subsidiaries and associates and adjustments to the allowances may therefore be required in the future.

Depreciation and amortisation

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

In determining amortisation of intangible assets with finite lives, the management is required to make estimates of the useful lives of the Company’s intangible assets and to review estimate useful lives when there are any changes.

In addition, the management is required to review buildings and equipment and intangible assets 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 cost. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Provision for condominium care warrantee

In recording provision for condominium care warrantee, the management estimates the expenses expected to be incurred as a result of providing such warrantee based on past experiences of actual expenses claimed.

Deferred tax assets

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

Post - employment benefits under defined benefit plans

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

Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management of the Company and its subsidiaries has used judgement to assess the results of the litigation and believes that such provision for contingent liabilities (if any) as at the end of reporting period is appropriated.

7. Related party transactions

The relationships between the Company and related parties are summarised below.

Name	Relationship
Ananda Development Two Co., Ltd.	Subsidiary
Ananda Development One Co., Ltd.	Subsidiary (being associate until 17 December 2012)
Baan Niravana Co., Ltd.	Subsidiary (being associate until 17 December 2012)
Blue Deck Co., Ltd.	Subsidiary
The Agent (Property Expert) Co., Ltd.	Subsidiary
The Works Community Management Co., Ltd.	Subsidiary
Bira Circuit One Co., Ltd.	Subsidiary
Bira Kart Co., Ltd.	Subsidiary
Helix Co., Ltd. (formerly known as “Srivaree Development Co., Ltd.”)	Subsidiary
Ideo Condo Co., Ltd.	Subsidiary
Bira RT Kart Co., Ltd.	Associate
Ananda MF Asia Co., Ltd.	Joint Venture
Chanond Leasing Co., Ltd.	Common shareholders/Common directors
Maduro Co., Ltd.	Common shareholders/Common directors
Pimanda Development Co., Ltd.	Common shareholders/Common directors
Chiangmai Greenvalley Countryclub Co., Ltd.	Common shareholders/Common directors (no common shareholders/common directors since August 2012)
Greenvalley Properties Co., Ltd.	Common shareholders/Common directors
Greenpark Co., Ltd.	Common shareholders/Common directors
St. Andrews 2000 Co., Ltd.	Common shareholders/Common directors
Mitsu Natdhanai Co., Ltd.	Common shareholders/Common directors
PYI Consulting Co., Ltd.	Common directors (no common directors since October 2012)
Bira Circuit Co., Ltd.	Common directors (no common directors since May 2012)
Directors	Directors of the Company and its subsidiaries

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		
	2013	2012	2013	2012	Pricing policy
Transactions with subsidiary companies					
(eliminated from the consolidated financial statements)					
Project management income	-	-	165.5	111.8	Contract price by the project and 6.5% of project value, as specified in contract
Commission income	-	-	48.2	76.3	2.5% of sale value for contract completed and transferred during the year
Trademark income	-	-	133.4	246.6	5% of sale value for contract completed and transferred during the year
Interest income	-	-	6.6	39.8	MLR + 2%, MLR + 2.1%, 7% per annum and interest rate on 12 - month fixed deposit at bank (2012: 2.5%, MLR+0.1%, MLR+2%, MLR+2.1%, MLR+2.2% and MOR+1.725% per annum)
Dividend income	-	-	420.0	945.7	As declared
Construction cost	-	-	41.2	-	Market price
Interest expenses	-	-	7.9	17.6	MOR - 1.4% per annum and interest rate on 12 - month fixed deposit at bank (2012: 2.75%, 3%, MLR+0.2%, MLR+1.1% and MOR+1.875% per annum)
Transactions with associated companies					
Project management income	-	20.4	-	20.4	Contract price by the project and 6.5% of project value, as specified in contract
Interest income	-	1.5	-	1.5	1.5% per annum
Transactions with joint venture					
Project management income	103.3	-	103.3	-	Contract price by the project and 7.5% of project value, as specified in contract
Commission income	110.8	-	110.8	-	2.5% of sale value for contract completed and transferred during the year
Interest income	0.9	-	0.9	-	6% per annum
Transactions with related parties					
Revenue from sale of real estate	214.6	-	-	-	Market price
Service income	0.1	-	-	-	Market price
Rental expenses	-	1.2	-	-	Annual contract prices and other compensation 7% of revenue

The balances of the accounts as at 31 December 2013 and 2012 between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Trade and other receivables - related parties (Note 10)				
Subsidiaries	-	-	100,021	313,997
Joint venture	148,415	-	148,415	-
Related parties	2,146	2,146	2,146	2,146
Total	150,561	2,146	250,582	316,143
Less: Allowance for doubtful accounts	(2,146)	(2,146)	(2,146)	(2,146)
Total trade and other receivables - related parties, net	148,415	-	248,436	313,997
Advance payments for constructions - related party				
Subsidiary	-	-	88,392	-
Trade and other payables - related parties (Note 23)				
Subsidiaries	-	-	6,909	27,942
Joint venture	59,754	-	59,754	-
Total trade and other payables - related parties	59,754	-	66,663	27,942
Advances received from project management services - related parties				
Subsidiaries	-	-	550,984	697,040
Joint venture	16,283	-	16,283	-
Total advances received from project management service - related parties	16,283	-	567,267	697,040
Advances received from customers - related parties				
Directors	2,983	2,169	2,683	2,036
Retention payable - related parties				
Subsidiaries	-	-	178	-

As at 31 December 2013 and 2012, the balance of loans between the Company and those related companies and the movement are as follows:

		(Unit: Thousand Baht)							
		Consolidated financial statements							
		Balance as at 1 January 2013		Increase		Decrease		Balance as at 31 December 2013	
		Loans	Interest	Loans	Interest	Loans	Interest	Loans	Interest
Long-term loans to and interest receivable from related party									
Joint venture									
Ananda MF Asia Co., Ltd.		-	-	80,850	944	-	-	80,850	944
		(Unit: Thousand Baht)							
		Separate financial statements							
		Balance as at 1 January 2013		Increase		Decrease		Balance as at 31 December 2013	
		Loans	Interest	Loans	Interest	Loans	Interest	Loans	Interest
Short-term loans to and interest receivable from related parties									
Subsidiaries									
Ananda Development One Co., Ltd.		-	-	832,550	2,925	(350,000)	(288)	482,550	2,637
Baan Niravana Co., Ltd.		-	-	293,084	1,378	-	-	293,084	1,378
Blue Deck Co., Ltd.		16,060	43	5,950	606	-	-	22,010	649
Bira Circuit One Co., Ltd.		6,892	1,806	-	620	-	-	6,892	2,426
Helix Co., Ltd. (formerly known as “Srivaree Development Co., Ltd.”)		859	46	43,500	523	(19,359)	(187)	25,000	382
The Works Community Management Co., Ltd.		5,099	190	9,640	383	-	-	14,739	573
Total short-term loans to and interest receivable from related parties		28,910	2,085	1,184,724	6,435	(369,359)	(475)	844,275	8,045
Long-term loans to and interest receivable from related parties									
Subsidiary									
Blue Deck Co., Ltd.		-	-	8,260	161	-	-	8,260	161
Joint venture									
Ananda MF Asia Co., Ltd.		-	-	80,850	944	-	-	80,850	944
Total Long-term loans to and interest receivable from related parties		-	-	89,110	1,105	-	-	89,110	1,105
Subordinated long-term loans to and interest receivable from related party									
Subsidiary									
Ananda Development One Co., Ltd.		104,439	-	-	-	(104,439)	-	-	-
Short-term loans from and interest payable to related party									
Subsidiary									
Ananda Development Two Co., Ltd.		-	-	1,962,770	7,861	(775,000)	(806)	1,187,770	7,055

Short - term loans to and short - term loans from related parties

Short-term loans to and short - term loans from related parties are unsecured and due at call. During 2013, interest was charged at the rates of MLR + 2%, MLR + 2.1%, MOR - 1.4% per annum and interest rate on 12-month deposit at bank.

Long - term loans to related party

During 2013, the Company granted loans of Baht 8.3 million to a subsidiary. The loans are unsecured and due within 2 years and carry interest at a rate of 7% per annum.

On 1 October 2013, the Company entered into a shareholder loan agreement with Ananda MF Asia Company Limited (“the joint venture”) and a foreign company and an individual, who are both shareholders of the joint venture, in accordance with the conditions and loan facilities stipulated in the joint venture agreement as described in Note 18, whereby loan facilities totaling Baht 900 million are to be granted by the shareholders. The loan facilities proportionate to the Company’s interest amounted to Baht 441 million, comprising loans of Baht 81 million to be granted in October 2013, Baht 196 million to be granted in 2014, and Baht 164 million to be granted in 2015. On 17 October 2013, the joint venture requested the first drawdown, amounting to Baht 81 million in proportion to the Company’s interest, and the Company granted such loan to the joint venture on 22 October 2013.

Loans to the joint venture are unsecured, with interest charged at a rate of 6% per annum. The principal and accrued interest are due on 31 July 2016, and the loans can be prepaid or the payment schedule extended, with the agreement of the lenders.

Subordinated long - term loans to and interest receivable from related parties

On 14 December 2012, the Company entered into an amendment agreement to the subordinated convertible instruments agreement, to adjust the outstanding balances between Ananda Development One Company Limited and the Company. The Company agreed to waive accrued interest of Ananda Development One Company Limited with an outstanding balance as of 18 December 2012 of Baht 11.6 million, and agreed that no interest would be charged after such date, in accordance with the Share Sale and Purchase Agreement of Ananda Development One Company Limited.

On 3 January 2013 the Company received payment of subordinated loans amounting to Baht 104 million from Ananda Development One Company Limited, and the Company used this money to make payment for 21 million additional ordinary shares of such company as described in Note 17.

Directors and management's benefits

During the years ended 31 December 2013 and 2012, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Short - term employee benefits	51,023	26,107	51,023	26,107
Post - employment benefits	4,418	934	4,418	934
Total	55,441	27,041	55,441	27,041

Guarantee obligations with related parties

The Company and its subsidiaries have outstanding guarantee obligations with its related parties, as described in Note 37.8.

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cash	3,540	1,194	2,010	744
Bank deposits	2,305,272	2,057,333	1,963,317	1,697,019
Total	2,308,812	2,058,527	1,965,327	1,697,763

As at 31 December 2013, bank deposits in saving accounts and fixed deposits carried interests between 0.5% and 2.15% per annum (2012: between 0.62% and 3.0% per annum) (the Company only: between 0.5% and 2.0% per annum, 2012: between 0.62% and 3.0% per annum).

9. Current investments

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2013	2012
Deposit at bank with an original maturity more than three months	-	100,000

As at 31 December 2012, fixed deposit carried interest at a rate of 2.90% per annum.

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	144,163	-	37,494	39,990
Past due				
Up to 3 months	-	-	110,722	-
Over 12 months	-	-	73,835	73,835
Total trade receivables - related parties	144,163	-	222,051	113,825
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	6,666	8,039	2,008	4,002
Past due				
Up to 3 months	1,112	798	6	9
3 - 6 months	1,638	1,275	-	-
6 - 12 months	909	603	1	-
Over 12 months	12,694	12,734	12,694	12,734
Total	23,019	23,449	14,709	16,745
Less: Allowance for doubtful debts	(7,565)	(7,565)	(7,565)	(7,565)
Total trade receivables - unrelated parties, net	15,454	15,884	7,144	9,180
Total trade receivables - net	159,617	15,884	229,195	123,005
Other receivables				
Dividend receivable - related party	-	-	-	198,000
Advances - related parties	6,398	2,146	28,166	3,905
Other receivables - financial institutions	152,912	-	35,000	-
Other receivables - related parties	-	-	365	413
Other receivables - unrelated parties	35,000	5,841	33,577	5,024
Total	194,310	7,987	97,108	207,342
Less: Allowance for doubtful debts	(2,618)	(2,748)	(2,618)	(2,748)
Total other receivables	191,692	5,239	94,490	204,594
Trade and other receivables - net	351,309	21,123	323,685	327,599

The Company does not set aside an allowance for doubtful accounts for long outstanding trade accounts receivable - related parties since the Company still has outstanding debts to those related parties that are represented in advances received from project management services account.

11. Gross amount due from customers for management work / Gross amount due to customers for management work

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Amount of contract revenue recognised as revenue in the year	103,326	20,397	268,795	132,169
Aggregate amount of project management costs incurred to date	913,989	819,295	1,223,206	1,066,579
The recognised profits to date	706,182	686,618	1,045,815	949,675
	1,620,171	1,505,913	2,269,021	2,016,254
Sum of progress billings	(1,625,522)	(1,505,913)	(2,674,526)	(2,535,504)
	(5,351)	-	(405,505)	(519,250)
Gross amount due from customers for management work	-	-	-	-
Gross amount due to customers for management work	(5,351)	-	(405,505)	(519,250)
	(5,351)	-	(405,505)	(519,250)

Advances received from project management services are recognised as income based on the stage of completion.

12. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Foods and beverages	654	1,030	61	58
Total	654	1,030	61	58

13. Real estate development costs

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cost of land	5,113,942	4,258,859	3,942,853	2,484,843
Construction in progress	2,017,750	843,600	1,792,985	769,517
Project management fee	227,611	272,884	164,472	103,830
Show houses	151,733	26,916	119,880	-
Capitalised interest cost	400,784	612,621	273,255	421,770
Total real estate development Costs	7,911,820	6,014,880	6,293,445	3,779,960

Land and construction thereon of projects of the Company and subsidiaries have been pledged as collateral for credit facilities obtained from domestic commercial banks.

The Company and its subsidiaries capitalised borrowing costs in the cost of land and construction in progress for the year 2013 amounting to Baht 230 million (2012: Baht 368 million) (the Company only: Baht 198 million, 2012: Baht 336 million).

Additional information of the projects

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Total estimated sale value of projects	58,019,008	40,621,150	26,173,149	9,622,509
Total sale value of units with signed agreements to buy and sell, or units sold	41,945,422	27,843,461	17,335,301	6,642,266
Percentage of sale value of units with signed agreements to buy and sell, or units sold	72.30%	68.54%	66.23%	69.03%

The Company and its subsidiary had the following numbers of condominium units, land and construction thereon in already - launched projects, which will be transferred to the buyers and recognised as revenue in the future:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Total outstanding condominium units, land and construction thereon	9,761 units	5,314 units	7,354 units	2,509 units
Units, land and construction thereon with purchase and sale contracts	4,255 units	2,132 units	4,026 units	1,929 units
Units, land and construction thereon without purchase and sale contracts	5,506 units	3,182 units	3,328 units	580 units

14. Land development costs

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2013	2012
Land	929	929
Land development costs	600	600
Total	1,529	1,529

15. Restricted financial institution deposits/withdrawal conditions

The balances represented saving deposits of the Company and a subsidiary which were pledged with the financial institutions to secure letters of guarantee.

The balances as at 31 December 2012 and 1 January 2012 represent savings deposit accounts of the Company and its subsidiaries, which the rights over these deposits have been transferred to financial institutions. The Company and its subsidiaries can withdraw cash from these deposits when they comply with the conditions specified in loan agreements.

16. Investments in associates

16.1 Details of associates

(Unit: Thousand Baht)

Associates' name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2013	2012	2013	2012	2013	2012
			(%)	(%)				
Bira RT Kart Co., Ltd. (45% held by Bira Kart Co., Ltd.)	Sale of spareparts and vehicle parts	Thailand	45	45	900	900	178	76

The consolidated statements of financial position as at 31 December 2013 included investments in associates presented under the equity method amounting to Baht 0.2 million (2012: Baht 0.1 million) and the consolidated statements of comprehensive income for the year ended 31 December 2013 included shares of profit from an associate amounting to Baht 0.1 million (2012: shares of profit from two associates amounting to Baht 8 million) which are recorded based on financial statements prepared by the management of the associate and have yet to be audited by its auditor. The Company believes that the share of profit from associate recorded by the Company would not materially differ had the respective financial statements been audited by its auditor.

16.2 Share of profit (loss) and dividend received

During the years, the Company has recognised its share of profit (loss) from investments in associates in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Associates' name	Consolidated financial statements	
	Share of profit (loss) from investments in associates during the years	
	2013	2012
Ananda Development One Co., Ltd.	-	8,563
Bira RT Kart Co., Ltd.	102	(218)
Total	102	8,345

During the years 2013 and 2012, the Company did not receive dividend income from the associates.

16.3 Summarised financial information of associates

Financial information of the associated companies is summarised below.

(Unit: Million Baht)

Associates' name	Paid-up capital as at 31 December		Total assets as at 31 December		Total liabilities as at 31 December		Total revenues for the year ended 31 December		Profit (loss) for the year ended 31 December	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Bira RT Kart Co., Ltd.	2.00	2.00	0.55	0.83	0.19	0.67	0.68	1.37	0.21	(0.48)

17. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Investment proportion		Cost		Allowance for impairment of investments		Net	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
			%	%						
Ananda Development Two Co., Ltd.	300,000	300,000	100.00	100.00	2,459,532	2,459,532	(945,000)	(285,000)	1,514,532	2,174,532
Ananda Development One Co., Ltd.	2,155,981	67,181	100.00	100.00	1,143,572	1,039,132	(27,000)	(27,000)	1,116,572	1,012,132
Blue Deck Co., Ltd.	233,000	233,000	99.96	99.96	232,900	232,900	(110,000)	-	122,900	232,900
The Agent (Property Expert) Co., Ltd.	1,200	1,200	99.98	99.98	1,200	1,200	-	-	1,200	1,200
The Works Community Management Co., Ltd.	1,000	1,000	99.98	99.98	1,000	1,000	-	-	1,000	1,000
Bira Circuit One Co., Ltd.	45,000	45,000	99.78	99.78	44,900	44,900	(27,000)	(27,000)	17,900	17,900
Bira Kart Co., Ltd. (50.69% held by Bira Circuit One Co., Ltd.)	36,500	36,500	49.31	49.31	17,999	17,999	(6,000)	(6,000)	11,999	11,999
Helix Co., Ltd. (formerly known as "Srivaree Development Co., Ltd.")	89,200	89,200	100.00	100.00	89,200	89,200	-	-	89,200	89,200
Ideo Condo Co., Ltd.	100	100	99.80	99.80	59	59	-	-	59	59
Total					3,990,362	3,885,922	(1,115,000)	(345,000)	2,875,362	3,540,922

Acquisition of investment in Ananda Development One Company Limited from the former shareholders

On 14 December 2012 and 28 December 2012, the Company entered into Share Sale and Purchase Agreement ("SPA") and amendment agreement relating to the SPA with TMW Ananda GMBH ("the seller"), which was incorporated in Germany, Ananda Development One Company Limited ("ADO") and Baan Nirawana Company Limited ("BN"), which is a subsidiary of ADO, in order to acquire 48.26% of the ordinary shares and preferred shares of ADO from the seller. This included the additional ordinary shares to be issued by ADO with respect to the seller's intention to exercise its right as a long-term subordinated loan creditor to order ADO to repay the loan, and then itself use the payment to settle the price of the additional shares that ADO is to issue, in accordance with the SPA. The settlement of the subordinated long - term loans and the additional share capital of ADO was to take place in January 2013, with the Company to pay a consideration of Baht 1,004 million, separated into four installments as follow:

First payment	Baht 254 million	On 18 December 2012
Second payment	Baht 250 million	Within 30 June 2013
Third payment	Baht 250 million	Within 31 December 2013
Fourth payment	Baht 250 million	Within 30 June 2014

On 18 December 2012, ADO and BN provided the seller with three promissory notes issued by ADO and BN and apled by a financial institution, in an aggregate amount of Baht 750 million, as a guarantee of the second, third and fourth payments.

As at 31 December 2013, the Company presented the fourth payment of Baht 250 million as "Current portion of share purchase payable" in the statement of financial position (2012: the Company presented the second and third payments, totaling Baht 500 million, as "Current portion of share purchase payable" and presented the fourth payment of Baht 250 million as "Share purchase payable - net of current portion").

In addition, the SPA stipulates that subsequent to 18 December 2012 the following actions are to be taken by the various parties.

- The Company is to exercise its right as a long - term subordinated loan creditor to order ADO to repay the loan, and then itself use the payment to settle the price of the additional shares that ADO is to issue. On 3 January 2013 the Company received payment of subordinated loans amounting to Baht 104 million from ADO, and the Company used this money to make payment for 21 million additional ordinary shares of ADO.
- The seller is to exercise its right as a long-term subordinated loan creditor to order ADO to repay the loan, and then itself use the payment to settle the price of the additional shares that ADO is to issue. During 3 - 11 January 2013 the seller received payment of subordinated loans amounting to Baht 1,984 million from ADO, and the seller used this money to make payment for 397 million additional ordinary shares of ADO. Subsequently, the seller transferred the additional ordinary shares to the Company.
- ADO increased its registered share capital by Baht 2,089 million, from Baht 67 million to Baht 2,156 million, by issuing 417,759,985 new ordinary shares of Baht 5 each and allocating these new shares to the existing shareholders. ADO registered the increase in its share capital with the Ministry of Commerce on 14 January 2013.

As a result of the above share acquisition, the Company became the parent company of ADO and BN, since ADO is the sole shareholder of BN.

The 2012 consolidated financial statements included statements of financial position of ADO and BN as of 31 December 2012, and the statements of comprehensive income of ADO and BN as from the acquisition date. The Company has analysed the acquisition in accordance with the requirements of Thai Financial Reporting Standard No. 3 (Amended 2009) Business Combinations and concluded that this acquisition in substance is an asset acquisition.

Total costs of net assets acquisition

(Unit: Million Baht)

Carrying balances of investments at the previous proportion the Company had in Ananda Development One Company Limited before this acquisition	
- Investment accounted for under equity method (at the proportion before this acquisition as at 17 December 2012)	19
Acquisition price	1,004
Total costs of net assets acquisition	1,023

Fair value of assets and liabilities obtained

Assets and liabilities of Ananda Development One Company Limited and Baan Niravana Company Limited obtained as of 17 December 2012 according to the allocation of total costs of net assets acquisition are presented as follows.

(Unit: Million Baht)

Cash and cash equivalents	120
Real estate development costs	564
Prepaid project management expenses	660
Other current assets	30
Restricted deposits at financial institution	7
Other non-current assets	1
Total assets	1,382
Trade and other payables	87
Advance received from customers	3
Retention payables	25
Other current assets	20
Long - term loans	120
Long - term subordinated loans from the Company	104
Total liabilities	359
Net assets obtained at acquisition date	1,023

Finance cost associated with the acquisition

In November 2010, the Company purchased the investment of 49% of ordinary shares and preferred shares of Ananda Development Two Co., Ltd. The Company used external sources of finance for this transaction, giving rise to finance costs associated with the acquisition which included related interest and front - end fees. These finance costs are not costs arising in the normal course of the operations of the Company but relate to a specific, one - off action performed in 2010. The Company is principally engaged in the development and sale of real estate, provision of house construction services and management of real estate development projects. Therefore, such finance costs would not have occurred, if the Company had not entered into the above transaction.

Income tax liability on acquisition of an entity

In the purchase price allocation process of the acquisition of Ananda Development Two Co., Ltd. in 2010, there were assessment of the fair value of tax expenses which as a result of increasing in fair valuation of inventories and intangible assets. This amount has been presented as income tax liability on acquisition in the statements of financial position.

Dividend received

Dividend received from Ananda Development Two Co., Ltd. during the years ended 31 December 2013 and 2012 amounting to Baht 420 million and Baht 946 million, respectively.

18. Investment in joint venture

18.1 Details of investment in joint venture

Investment in joint venture represents investment in entity which is jointly controlled by the Company and other company. Details of this investment are as follows:

(Unit: Thousand Baht)

Jointly controlled entity	Nature of business	Shareholding percentage	Separate financial statements		Consolidated financial statements	
			Cost		Carrying amounts based on equity method	
			2013	2012	2013	2012
			(%)	(%)		
Ananda MF Asia Company Limited	Real estate development	49	-	441,000	-	347,020

On 18 June 2013, the Company entered into a joint venture agreement with a foreign company to incorporate a company which would principally engage in development of real estate in Thailand. The Company would hold a 49% interest in that company. In addition, the agreement stipulated that the shareholders are required to provide financial support in the form of loan facilities, as stipulated in the joint venture agreement.

On 18 July 2013, Ananda MF Asia Company Limited was incorporated as a limited company, domiciled in Thailand, in accordance with the joint venture agreement. It has a registered share capital of Baht 900 million, and its major shareholders are the Company and the foreign company. It has called up 85% of its registered share capital, and the Company made payment in proportion to its interest, amounting to Baht 375 million, on 25 July 2013. Subsequently, on 17 October 2013, the joint venture called up an additional 15% of its registered share capital, meaning it has now called up 100% of its registered share capital. The Company made share payment in proportion to its interest, amounting to Baht 66 million, on 22 October 2013.

On 1 October 2013, the Company entered into a shareholder loan agreement with Ananda MF Asia Company Limited (“the joint venture”) and a foreign company and an individual, who are both shareholders of the joint venture, in accordance with the conditions and loan facilities stipulated in the joint venture agreement as described above, whereby loan facilities totaling Baht 900 million are to be granted by the shareholders. The loan facilities proportionate to the Company’s interest amounted to Baht 441 million, comprising loans of Baht 81 million to be granted in October 2013, Baht 196 million to be granted in 2014, and Baht 164 million to be granted in 2015. On 17 October 2013, the joint venture requested the first drawdown, amounting to Baht 81 million in proportion to the Company’s interest, and the Company granted such loan to the joint venture on 22 October 2013.

18.2 Share of loss and dividend received

During the year 2013, the Company recognised its share of loss from investment in the joint venture as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
	Share of loss from investments in joint venture during the year
Jointly controlled entity	
Ananda MF Asia Company Limited	(93,980)

During the year 2013, the Company did not receive dividend income from the joint venture.

18.3 Summarised financial information of jointly controlled entity

Ananda MF Asia Company Limited

The Company’s proportionate shares of the assets, liabilities, revenue and expenses of Ananda MF Asia Company Limited, according to proportion under joint venture agreement, are as follows:

	(Unit: Million Baht)
	As at 31 December 2013
Current assets	1,003
Non - current assets	22
	1,025
Current liabilities	590
Non - current liabilities	82
	672
Net assets	353
	(Unit: Million Baht)
	For the year ended 31 December 2013
Revenue	-
Cost of sales	-
Selling and administrative expenses	(109)
Loss before finance cost and tax income	(109)
Finance cost	(1)
Tax income	22
Loss for the year	(88)

During the third quarter of 2013, Ananda MF Asia Company Limited entered into a loan agreement with a facility amounting to Baht 2,600 million with a financial institution. The loan carries interest at the rate of MLR - 1.25% per annum and the loan is payable within 48 months since the first drawdown. The loan is secured by mortgages of land and future construction thereon of the joint venture. As at 31 December 2013, this loan has yet to be drawn down.

19. Investment properties

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Office building for rent	
	2013	2012
Cost	162,252	113,715
Less: Accumulated depreciation	(12,125)	(4,872)
Net book value	150,127	108,843

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2013	2012
Net book value at beginning of year	108,843	-
Transfers from real estate development cost	48,538	113,715
Depreciation charged during the year	(7,254)	(4,872)
Net book value at end of year	150,127	108,843

The fair value of the investment properties as at 31 December 2013 and 2012 stated below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2013	2012
Office building for rent	203,470	129,650

The fair values of the above investment properties have been determined based on valuations performed by an independent valuer. The fair value of the office building for rent has been determined using the income approach. The main assumptions used in the valuation are yield rate, long - term vacancy rate and long - term growth in real rental rates.

Investment properties of the subsidiary have been pledged as collateral for credit facilities obtained from a financial institution.

20. Property, buildings and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Land and land improvements	Buildings and temporary buildings	Equipment	Furniture, fixture and office equipment	Vehicles	Assets under installation and under construction	Total
Cost:							
1 January 2012	200,822	192,824	24,550	55,123	42,382	49,055	564,756
Additions	4	1,444	1,240	7,726	-	43,516	53,930
Disposals/writes - off	-	(3,974)	(4)	(2,558)	-	-	(6,536)
Transfers from real estate development cost	-	9,091	-	-	-	-	9,091
Transfers in (out)	-	71,506	296	20,581	-	(92,383)	-
Increase from acquisition of subsidiary	-	-	6	7	-	-	13
31 December 2012	200,826	270,891	26,088	80,879	42,382	188	621,254
Additions	1,896	16,206	4,536	20,235	38,595	57,189	138,657
Disposals/writes - off	-	(72,746)	(48)	(7,528)	(11,596)	-	(91,918)
Transfers from real estate development cost	-	15,341	-	-	-	-	15,341
Transfers in (out)	-	22,372	838	8,100	-	(31,310)	-
31 December 2013	202,722	252,064	31,414	101,686	69,381	26,067	683,334
Accumulated depreciation:							
1 January 2012	671	44,225	11,461	32,825	32,095	-	121,277
Depreciation for the year	793	56,231	4,570	21,014	2,863	-	85,471
Depreciation on disposals/writes - off	-	(3,974)	(4)	(2,422)	-	-	(6,400)
Increase from acquisition of subsidiary	-	-	6	7	-	-	13
31 December 2012	1,464	96,482	16,033	51,424	34,958	-	200,361
Depreciation for the year	519	26,285	5,450	16,815	5,379	-	54,448
Depreciation on disposals/writes - off	-	(62,810)	(48)	(6,707)	(11,563)	-	(81,128)
31 December 2013	1,983	59,957	21,435	61,532	28,774	-	173,681
Net book value:							
31 December 2012	199,362	174,409	10,055	29,455	7,424	188	420,893
31 December 2013	200,739	192,107	9,979	40,154	40,607	26,067	509,653
Depreciation charged for the year:							
2012 (Baht 6 million included in cost of services, and the balance in administrative expenses)							85,471
2013 (Baht 6 million included in cost of services, and the balance in administrative expenses)							54,448

(Unit: Thousand Baht)

	Separate financial statements						Total
	Land and land improvements	Buildings and temporary buildings	Equipment	Furniture, fixture and office equipment	Vehicles	Assets under installation and under construction	
Cost:							
1 January 2012	53,122	52,845	1,494	35,888	39,818	48,975	232,142
Additions	4	1,347	342	6,914	-	42,287	50,894
Disposals/writes - off	-	(3,974)	(4)	(2,551)	-	-	(6,529)
Transfers in (out)	-	70,385	296	20,581	-	(91,262)	-
31 December 2012	53,126	120,603	2,128	60,832	39,818	-	276,507
Additions	1,896	11,009	353	16,810	35,809	29,577	95,454
Disposals/writes - off	-	(70,362)	(48)	(7,528)	(11,596)	-	(89,534)
Transferred from real estate development costs	-	15,341	-	-	-	-	15,341
Transfers in (out)	-	18,033	-	7,123	-	(25,156)	-
31 December 2013	55,022	94,624	2,433	77,237	64,031	4,421	297,768
Accumulated depreciation:							
1 January 2012	671	25,630	1,342	24,867	29,563	-	82,073
Depreciation for the year	793	49,309	169	17,216	2,832	-	70,319
Depreciation on disposals /writes - off	-	(3,974)	(4)	(2,417)	-	-	(6,395)
31 December 2012	1,464	70,965	1,507	39,666	32,395	-	145,997
Depreciation for the year	519	18,399	203	12,588	4,880	-	36,589
Depreciation on disposals /writes - off	-	(61,903)	(48)	(6,707)	(11,563)	-	(80,221)
31 December 2013	1,983	27,461	1,662	45,547	25,712	-	102,365
Net book value:							
31 December 2012	51,662	49,638	621	21,166	7,423	-	130,510
31 December 2013	53,039	67,163	771	31,690	38,319	4,421	195,403
Depreciation charged for the year (as included in administrative expenses in statements of comprehensive income):							
2012							70,319
2013							36,589

As at 31 December 2013, the Company and its subsidiaries had equipment under finance lease agreements with net book values amounting to Baht 59 million (2012: Baht 6 million) (the Company only: Baht 36 million, 2012: Baht 6 million).

As at 31 December 2013, certain buildings and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 84 million (2012: Baht 46 million) (the Company only: Baht 68 million, 2012: Baht 42 million).

As at 31 December 2012, the Company and its subsidiaries mortgaged property, buildings and equipment amounting to Baht 163 million (the Company only: Baht 34 million) as collateral to secure credit facilities of short - term and long - term loans obtained from financial institutions. During the current year, the Company and its subsidiaries have redeemed all mortgages of the property, buildings and equipment from the financial institutions.

Two subsidiaries have entered into land leases agreements with a company, the proprietary rights over all structures on the land amounting to Baht 21 million (2012: Baht 22 million) are to be transferred to that company at the end of the agreements (September 2035 and December 2036).

21. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements					Separate financial statements			
	Computer software	Agreements to buy and to sell condominium signed with customers	Deferred franchise fee	Assets under installation	Total	Computer software	Deferred franchise fee	Assets under installation	Total
Cost									
As at 1 January 2012	44,672	748,079	467	631	793,849	44,315	467	631	45,413
Additions	409	-	467	1,314	2,190	247	467	1,314	2,028
Transfers in (out)	1,795	-	-	(1,795)	-	1,795	-	(1,795)	-
As at 31 December 2012	46,876	748,079	934	150	796,039	46,357	934	150	47,441
Additions	7,759	-	-	27,298	35,057	7,314	-	27,298	34,612
Transfers in (out)	-	-	-	-	-	-	-	-	-
As at 31 December 2013	54,635	748,079	934	27,448	831,096	53,671	934	27,448	82,053
Amortisation									
As at 1 January 2012	18,042	250,783	-	-	268,825	17,957	-	-	17,957
Amortisation	4,142	368,149	126	-	372,417	4,065	126	-	4,191
As at 31 December 2012	22,184	618,932	126	-	641,242	22,022	126	-	22,148
Amortisation	4,578	125,793	155	-	130,526	4,430	155	-	4,585
As at 31 December 2013	26,762	744,725	281	-	771,768	26,452	281	-	26,733
Net book value									
As at 31 December 2012	24,692	129,147	808	150	154,797	24,335	808	150	25,293
As at 31 December 2013	27,873	3,354	653	27,448	59,328	27,219	653	27,448	55,320

Agreements to buy and to sell condominium signed with customers include intangible assets acquired through business combination. These assets are amortised on the transfer of ownerships to buyers after all payments are received from the buyers.

22. Short - term loans from financial institutions

During 2013, the Company entered into a promissory note credit agreement with facility amounting to Baht 1,000 million with a financial institution. The loan carries interest at the rate of MOR - 1.5% per annum and the loan is payable within March 2014, whenever condominium units are redeemed, in accordance with conditions in the agreement. The loan is secured by mortgages of land and future construction thereon of the Company and a subsidiary and guarantee provided by the subsidiary. The loan contains covenants relating to various matters stipulated in the agreement. As at 31 December 2013, there was no outstanding loan balance from the above promissory note credit facility.

During 2013, the Company entered into overdraft agreements granting facilities of Baht 30 million with financial institutions. The overdraft carries interest at the rate of MOR per annum and is secured by the mortgage of land and future construction thereon of the Company. The overdraft contains covenants relating to various matters stipulated in the agreements.

As at 31 December 2013, the Company's promissory note facility which has not yet been drawn down amounted to Baht 284 million and the Company's overdraft facilities which have not yet been drawn down amounted to Baht 30 million.

As at 31 December 2012, the overdraft facility of a subsidiary which had not yet been drawn down amounted to Baht 10 million. The subsidiary cancelled such facility during the current year.

23. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Trade payables - related parties	-	-	2,609	823
Trade payables - unrelated parties	440,783	147,964	319,647	115,432
Other payables - related parties	-	-	4,300	24,961
Other payables - unrelated parties	188,020	101,430	101,622	18,132
Advances from related parties	59,754	-	59,754	2,158
Accrued expenses	300,485	119,251	195,256	55,473
Total trade and other payables	989,042	368,645	683,188	216,979

24. Debentures

On 4 July 2013, the Company issued Baht 2,605 million of one-year debentures (comprising 2,605,000 units of Baht 1,000 each) to the public. The debentures are registered, senior, unsecured, without a debentureholders' representative, and bear interest at a fixed rate of 5.20% per annum, payable quarterly. They mature in July 2014. In issuing the debentures, the Company incurred costs of approximately Baht 14 million, which are recorded as a deduction against the value of the debentures. The Company will amortise these issue costs over the term of the debentures, to increase the value of the debentures.

25. Liabilities under finance lease agreements

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Liabilities under finance lease agreements	48,915	2,874	26,621	2,874
Less: Deferred interest expense	(5,119)	(126)	(2,974)	(126)
Total	43,796	2,748	23,647	2,748
Less: Portion due within one year	(11,900)	(1,433)	(5,654)	(1,433)
Liabilities under finance lease agreements				
- net of current portion	31,896	1,315	17,993	1,315

The Company and its subsidiaries have entered into the finance lease agreements with leasing company for rental of equipment for use in their operations, whereby they are committed to pay rental on a monthly basis. The term of the agreements is generally 3 - 5 years. Finance lease agreements cannot be cancelled.

Future minimum lease payments of the Company and its subsidiaries required under the finance lease agreements are as follows:

(Unit: Thousand Baht)

	31 December 2013		
	Consolidated financial statements		
	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	14,165	34,750	48,915
Deferred interest expense	(2,265)	(2,854)	(5,119)
Present value of future minimum lease payments	11,900	31,896	43,796

(Unit: Thousand Baht)

31 December 2013		
Separate financial statements		
Less than 1 year	1 - 5 years	Total
Future minimum lease payments	6,786	19,835
Deferred interest expense	(1,132)	(2,974)
Present value of future minimum lease payments	5,654	23,647

(Unit: Thousand Baht)

31 December 2012		
Consolidated financial statements		
Less than 1 year	1 - 5 years	Total
Future minimum lease payments	1,526	1,348
Deferred interest expense	(93)	(33)
Present value of future minimum lease payments	1,433	2,748

(Unit: Thousand Baht)

31 December 2012		
Separate financial statements		
Less than 1 year	1 - 5 years	Total
Future minimum lease payments	1,526	1,348
Deferred interest expense	(93)	(33)
Present value of future minimum lease payments	1,433	2,748

26. Long - term loans

(Unit: Thousand Baht)

Loans	Credit facilities (Million Baht)	Interest rate (% p.a.)	Repayment schedule	Consolidated financial statements		Separate financial statements	
				2013	2012	2013	2012
1	315 (2012: 775)	MLR	Payment the interest at the end of each month and repayment principal upon redemption of residential condominium unit of the project sold at the rate of 75% of the selling price and not less than amount per square meter as stated in the contract within November 2014	-	392,201	-	392,201
2	621 (2012: 1,362)	MLR - 0.25 and MLR	Payment the interest at the end of each month and repayment principal upon redemption of residential condominium unit of the project sold at the rate of 75% of the selling price and not less than amount per square meter as stated in the contract within October 2014	-	736,751	-	736,751
3	297 (2012: 570)	MLR	Payment the interest at the end of each month and repayment principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount per square meter as stated in the contract within August 2014	-	348,475	-	348,475
4	520 (2012: 1,209)	MLR	Payment the interest at the end of each month and repayment principal upon redemption of residential condominium unit of the project sold at the rate of 75% of the selling price and not less than amount per square meter as stated in the contract within December 2014	-	565,347	-	565,347
5	1,840	MLR - 1 (month 1 - 12), MLR - 0.5 (month 13 - 37)	Payment the interest at the end of each month and repayment principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount per square meter as stated in the contract within February 2016	714,505	-	714,505	-

				(Unit: Thousand Baht)			
				Consolidated		Separate	
Credit facilities		Interest rate	Repayment schedule	financial statements		financial statements	
Loans	(Million Baht)	(% p.a.)		2013	2012	2013	2012
6	825	MLR -1	Payment the interest at the end of each month and repayment principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount per square meter as stated in the contract within 48 months from the first drawdown date	160,000	-	160,000	-
7	760	MLR - 1.25	Payment the interest at the end of each month and repayment principal upon redemption of land in the project at the rate of 70% of the selling price not less than amount per square meter as stated in the contract within 36 months from date of the loan agreement	330,910	-	330,910	-
8	1,468	MLR - 1 (month 1 - 24) MLR - 0.75 (from month 25)	Payment the interest at the end of each month and repayment principal upon redemption of land in the project at the rate of 70% of the selling price not less than amount per square meter as stated in the contract within 36 months from date of the loan agreement	334,000	-	334,000	-
9	265 (2012: 295)	MLR + 1.5	Payment the interest at the end of each month and repayment principal upon redemption of land in the project at the rate of 70% of the selling price within December 2018	13,681	43,798	-	-
10	1,034 (2012: 1,135)	MLR + 1	Payment the interest at the end of each month and repayment principal upon redemption of land in the project at the rate per square wah as stated in the contract within December 2018	-	19,632	-	-
11	178	MLR + 1.5	Payment the interest at the end of each month and repayment principal upon redemption of land in the project at the rate per square wah as stated in the contract within December 2018	6,178	65,410	-	-

				(Unit: Thousand Baht)			
				Consolidated		Separate	
Credit facilities		Interest rate	Repayment schedule	financial statements		financial statements	
Loans	(Million Baht)	(% p.a.)		2013	2012	2013	2012
12	449 (2012: 699)	MLR + 1	Payment the interest at the end of each month and repayment principal upon redemption of land in the project at the rate per square wah as stated in the contract within December 2018	4,673	6,370	-	-
13	135	MLR + 1.5	Payment the interest at the end of each month and repayment principal upon redemption of land in the project at the rate per square wah as stated in the contract within March 2017	19,979	-	-	-
Total long-term loans				1,583,926	2,177,984	1,539,415	2,042,774
Less: Deferred financial fees				(19,054)	(28,741)	(19,054)	(28,741)
Total				1,564,872	2,149,243	1,520,361	2,014,033
Less: Current portion				(44,511)	(42,755)	-	-
Long-term loans - net of current portion				1,520,361	2,106,488	1,520,361	2,014,033

Long-term loans are secured by mortgages of land and construction in progress of the Company and its subsidiaries, guarantees provided by the Company and its subsidiaries, and the transfer of rights of claim in bank deposits.

Loan agreements contain certain covenants and restrictions imposed by the lenders regarding changes in the Board of Directors of the subsidiaries, mergers or combinations with any other companies, reductions of share capital, and financial transactions other than those in the normal course of business, among others.

As at 31 December 2013, the loan facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 5,965 million (2012: Baht 4,263 million) (the Company only: Baht 4,166 million, 2012: Baht 1,873 million).

Movements in the long-term loans account during the year ended 31 December 2013 are summarised below.

			(Unit: Thousand Baht)	
			Consolidated financial statements	Separate financial statements
Balance as at 1 January 2013	2,149,243		2,149,243	2,014,033
Add: Additional borrowings	3,462,616		3,462,616	3,225,346
Amortisation of financial fees	35,112		35,112	35,112
Less: Repayments	(4,056,673)		(4,056,673)	(3,728,704)
Deferred financial fees	(25,426)		(25,426)	(25,426)
Balance as at 31 December 2013	1,564,872		1,564,872	1,520,361

27. Provision for long - term employee benefits

Provision for long - term employee benefits, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Provisions for long - term employee benefits at beginning of year	22,167	18,507	20,115	17,155
Current service cost	4,611	3,950	3,472	3,304
Interest cost	910	723	828	669
Benefits paid during the year	-	(1,013)	-	(1,013)
Actuarial gains	(1,560)	-	(2,345)	-
Provisions for long - term employee benefits at end of year	26,128	22,167	22,070	20,115

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Current service cost	4,611	3,950	3,472	3,304
Interest cost	910	723	828	669
Total expense recognised in profit or loss	5,521	4,673	4,300	3,973
Line items under which such expenses are included in profit or loss:				
Selling and administrative expenses	5,521	4,673	4,300	3,973

The cumulative amount of actuarial gains recognised in other comprehensive income and taken as part of retained earnings of the Company and its subsidiaries as at 31 December 2013 amounted to Baht 1.6 million (2012: none) (The Company only: Baht 2.3 million, 2012: none)

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	4.2%	4.1%	4.2%	4.1%
Future salary increase rate (depending on age)	6% - 7.5%	0 - 9%	6% - 7.5%	0 - 9%
Staff turnover rate (depending on age)	0 - 30%	6% - 20%	0 - 30%	6% - 20%

Amounts of defined benefit obligation for the current and previous four periods are as follows:

(Unit: Thousand Baht)

	Defined benefit obligation		Experience adjustments on the obligation	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Year 2013	26,128	22,070	4,743	3,026
Year 2012	22,167	20,115	-	-
Year 2011	18,507	17,155	-	-
Year 2010	14,119	13,419	-	-
Year 2009	10,035	9,670	-	-

28. Perpetual bond

On 16 August 2013, the Extraordinary General Meeting of the Company's shareholders approved the issue of securities in a total amount not exceeding USD 200 million, or an equivalent amount in other currencies, to offer to investors. The securities can be registered or bearer securities, senior or subordinated, secured or unsecured, have or not have a securityholders' representative, have or not have a fixed redemption date, and be offered in foreign countries or in Thailand, to the public and/or institutional investors and/or specific investors, in either a single or multiple tranches, and be part of a scheme and/or revolving. The Company may or may not have a call option, and the securities may or may not be redeemable before the maturity date in special circumstances. The interest rate will depend on the market conditions at the time that the securities are issued and offered. The Company delegated the Executive Committee to determine the details of the securities, appoint financial advisors and/or underwriters and/or a credit rating agency as well as endorse the relevant contracts and/or documents. The Company expects that the securities issue will be unsecured and similar to equity, with no fixed redemption date and only the Company having an option to redeem them. As at 31 December 2013, this perpetual bond has not been issued.

29. Share capital

On 15 October 2012, the Extraordinary General Meeting of the Company's Shareholders approved the reduction of the Company's registered share capital by Baht 33.33 million, from Baht 366.63 million to Baht 333.3 million. The Company registered the reduction of its share capital with the Ministry of Commerce on 16 October 2012.

On 3 December 2012, the Company made an initial public offering of 1,333 million ordinary shares at a price of Baht 4.20 per share. Total proceeds from the share offering were Baht 5,598.6 million, with a share premium of Baht 5,210.3 million, net of related expenses incurred in making the offering. The Company registered the change in its paid-up share capital to Baht 333.3 million with the Ministry of Commerce on 4 December 2012.

30. Treasury stocks

The Share Repurchase Program for the purpose of financial management

On 16 September 2013, a meeting of the Board of Directors of the Company approved the Share Repurchase Program for the purpose of financial management. The details are as follows:

- The maximum amount for repurchasing the shares is not exceeding Baht 500 million.
- A total of not exceeding 333,300,000 shares are available for repurchase with par value of Baht 0.10 per share, equivalent to not exceeding 10% of the total issued capital of the Company.
- These shares are to be repurchased on the Stock Exchange of Thailand by offering to general shareholders. The repurchase price must not exceed 115% of the weighted average closing price over the latest 5 trading days.
- The repurchase period is from 1 October 2013 to 1 April 2014.
- Any shares bought back are to be resold on the Stock Exchange of Thailand by offering to general public, after 6 months but not more than 3 years after the completion date of the share repurchase scheme. Resale of shares, cancellations of the repurchased shares and reductions of share capital are to conform to the 2001 Ministerial Regulations on the principle and procedures for the repurchase and resale of shares. The determination of the resale price will not be lower than 85% of the weighted average closing price over the latest 5 trading days.
- The treasury stocks carry no rights to receive dividend.

During 2013, the Company has not repurchased its ordinary shares, and there are no remaining treasury stocks as of 31 December 2013.

31. Statutory reserve

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

32. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Costs of land and payments of construction costs during the year	7,336,632	1,649,908	6,243,304	1,103,865
Changes in land and constructions in progress	(1,463,488)	(1,448,049)	(2,513,488)	(1,100,074)
Salary, wages and other employee benefits	669,341	341,171	440,162	258,382
Depreciation and amortisation	185,844	444,280	41,174	74,510
Advertising expenses	185,291	132,350	166,227	85,065
Professional and consultant fees	89,205	31,723	78,375	24,037
Transferred fee	61,542	36,960	42,071	165
Specific business tax	290,303	165,631	185,318	191

33. Income tax

Income tax expenses for the years ended 31 December 2013 and 2012 are made up as follows:

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(Restated)		(Restated)	
Current income tax:				
Current income tax charge	147,867	181,989	59,415	-
Deferred tax:				
Relating to origination and reversal of temporary differences	84,683	(88,434)	71,426	(127,296)
Amortisation of income tax liability on acquisition of an entity	(19,613)	(140,350)	-	-
Effects of changes in the applicable tax rates	-	(4,133)	-	-
Tax expense (income) reported in the statement of comprehensive income	212,937	(50,928)	130,841	(127,296)

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2013 and 2012 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Deferred tax relating to income				
tax effect of actuarial gains arising				
from defined benefit plan of employees	312	-	469	-

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2013 and 2012

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
		(Restated)		(Restated)
Accounting profit (loss) before tax	1,024,474	(249,946)	305,020	141,674
Applicable tax rate	20	23	20	23
Accounting profit (loss) before tax multiplied by applicable tax rate	204,895	(57,488)	61,004	32,585
Adjustment in respect of current income tax of previous year	(2,388)	2,747	(2,388)	2,747
Effects of changes in the applicable tax rates	-	19,715	-	19,094
Effects of:				
Non - deductible expenses	7,571	(24,725)	6,393	(29,752)
Tax exempted income or additional expense deductions allowed	(4,165)	(9)	(88,162)	(217,520)
Unused tax losses of subsidiaries which may not be utilised	30,199	6,805	-	-
Temporary differences of subsidiaries which may not be utilised	(1,020)	38	153,994	65,550
Others	(22,155)	1,989	-	-
Income tax expenses reported in the statement of comprehensive income	212,937	(50,928)	130,841	(127,296)

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

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	As at 31 December 2013	As at 31 December 2012	As at 1 January 2012	As at 31 December 2013	As at 31 December 2012	As at 1 January 2012
		(Restated)			(Restated)	
Deferred tax assets						
Allowance for doubtful accounts	3,207	1,427	1,470	1,407	1,427	1,470
Unbilled payables	2,965	1,319	2,956	4,611	1,319	2,956
Provision for loss on project management	-	1,336	1,483	1,152	1,336	1,483
Advances received from customers	57,188	52,946	53,996	55,299	37,887	-
Accumulated amortisation						
- buildings and equipment	(4,527)	(3,854)	(2,999)	(4,527)	(3,854)	(2,999)
Accrued rental expenses	672	-	-	-	-	-
Provision for long - term employee benefits	5,226	4,023	3,431	4,414	4,023	3,431
Provision for condominium guarantees	602	1,018	943	-	-	-
Unused tax loss	-	92,113	614	-	92,113	614
Total deferred tax assets	65,333	150,328	61,894	62,356	134,251	6,955
Deferred tax liabilities						
Income tax liability on acquisition of an entity	8,356	29,001	181,089	-	-	-

Income tax liability on acquisition of an entity has been calculated from the difference between the fair value and the carrying value of inventories and intangible assets as at the combination date. The Company amortises this liability in accordance with amortisation of the fair value of inventories and intangible assets based on the numbers of condominium units sold and transferred.

In October 2011, the cabinet passed a resolution to reduce the corporate income tax rate from 30% to 23% in 2012, and then to 20% from 2013. In addition, in order to comply with the resolution of the cabinet, in December 2011, the decreases in tax rates for 2012 - 2014 were enacted through a royal decree. The Company has reflected the changes in the income tax rates in its deferred tax calculation, as presented above.

As at 31 December 2013, the subsidiaries have deductible temporary differences and unused tax losses totaling Baht 70 million (2012: Baht 53 million), on which deferred tax assets have not been recognised as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

34. Earnings per share

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

35. Segment information

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

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

- The real estate development segment, which develops all types of real estate projects.
- The management of real estate development project segment, which provides management service for real estate projects.
- The other segments, which include services relating to car racetrack, real estate brokerage, sale of food and beverages, sport club member service, construction service, among other things.

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

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. However, the Company's and its subsidiaries' financing activities, which give rise to finance cost and finance income, and income taxes are managed on a Group basis. Therefore these income and expenses are not allocated to operating segments.

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

The following tables present revenue, profit and total assets information regarding the Company and its subsidiaries' operating segments for the year ended 31 December 2013 and 2012, respectively.

(Unit: Million Baht)

	For the year ended 31 December 2013					
	Real estate segment	Real estate development segment	Other segment	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	8,808	103	262	9,173	-	9,173
Inter - segment revenue	-	165	648	813	(813)	-
Total revenues	8,808	268	910	9,986	(813)	9,173
Segment profit	1,163	49	389	1,601	332	1,933
Interest income						25
Other income						29
Finance cost						(112)
Selling expenses						(126)
Administrative expenses						(631)
Interest in the loss of associate and joint venture accounted for by the equity method						(94)
Income tax expense						(213)
Profit for the year						811

(Unit: Million Baht)

	As at 31 December 2013					
	Real estate segment	Real estate development segment	Other segment	Total reportable segments	Adjustments and eliminations	Consolidated
Segment total assets	16,873	741	2,164	19,778	(7,296)	12,482
Investments in associate and joint venture accounted for by the equity method	347	-	-	347	-	347
Additions to non - current assets other than financial instruments and deferred tax assets	63	-	175	238	-	238

(Unit: Million Baht)

	For the year ended 31 December 2012					Consolidated
	Real estate segment	Real estate development segment	Other segment	Total reportable segments	Adjustments and eliminations	
Revenue from external customers	4,960	20	122	5,102	-	5,102
Inter-segment revenue	-	112	332	444	(444)	-
Total revenues	4,960	132	454	5,546	(444)	5,102
Segment profit	297	61	376	734	(275)	459
Interest income						7
Other income						28
Finance cost						(307)
Selling expenses						(24)
Administrative expenses						(421)
Interest in the profit of associate accounted for by the equity method						8
Tax income						51
Loss for the year						(199)

(Unit: Million Baht)

	As at 31 December 2012					Consolidated
	Real estate segment	Real estate development segment	Other segment	Total reportable segments	Adjustments and eliminations	
Segment total assets	12,604	552	2,632	15,788	(6,294)	9,494
Additions to non - current assets other than financial instruments and deferred tax assets	161	-	18	179	-	179

Geographic information

The Company and its subsidiaries are operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable segment.

Major customers

For the year 2013 and 2012, the Company and its subsidiaries have no major customer with revenue of 10% or more of an entity's revenues.

36. Provident fund

In 2012, the Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The employees, the Company and its subsidiaries contribute to the fund monthly at the rate of 2% of basic salary. The fund, which is managed by KrungThai Asset Management Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2013, the Company and its subsidiaries contributed Baht 5.5 million (2012: Baht 0.5 million) (the Company only: Baht 4.8 million, 2012: Baht 0.5 million) to the fund.

37. Commitments and contingent liabilities

37.1 Commitments related to construction contracts and acquisitions of operating assets

As at 31 December 2013, the Company and its subsidiaries had commitments of totaling Baht 5,278 million (2012: Baht 2,385 million) (the Company only: Baht 3,995 million, 2012: Baht 2,212 million), under the project construction contracts and acquisitions of operating assets.

37.2 Commitments related to agreement to sell and to purchase land

As at 31 December 2013, the Company and its subsidiaries had commitments to pay a total of Baht 528 million to third parties for land purchase within January and April 2014 (2012: Baht 725 million, within January 2013), under agreements to sell and to purchase land (the Company only: Baht 124 million, 2012: Baht 725 million).

37.3 Investment commitment

As at 31 December 2013, the Company had commitments under the joint venture agreement described in Note 18. This was commitment of Baht 360 million relating to the provision of financial support.

As at 31 December 2012, the Company was committed to purchase 21 million additional ordinary shares of Ananda Development One Company Limited at a price of Baht 104 million, in accordance with conditions of the Share Sale and Purchase Agreement described in Note 17. The Company paid this amount on 3 January 2013.

37.4 Operating lease agreement commitments

The Company and its subsidiaries entered into several agreements in respect of the lease of land, building space and equipment. The terms of the agreements are generally between 1 to 30 years.

Future minimum lease payments of the Company and its subsidiaries required under these non-cancellable operating lease contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Payable:				
In up to 1 year	65	26	41	20
In over 1 and up to 5 years	36	38	17	18
In over 5 years	71	75	-	-

37.5 Commitments from ongoing projects development

As at 31 December 2013, the Company and its subsidiaries had commitments to transfer condominium units, land and construction thereon totaling Baht 11,763 million under agreements to buy and to sell in projects (2012: Baht 7,745 million) (the Company only: Baht 11,706 million, 2012: Baht 6,623 million).

37.6 Management and royalty agreement commitment

A subsidiary entered into a management assistance agreement with an individual. Under this agreement the subsidiary is to pay management fee, revenue sharing and royalty fee at the term and condition stipulated in the agreement.

37.7 Land repurchase agreement commitment

In 2007, subsidiaries entered into agreements amounting to Baht 30 million to sell plots of project land under development and to register the transfer of ownership of the land to an external party, under which the external party agreed to grant the subsidiaries rights to buy back the land in the future at a total repurchase price of not less than Baht 33 million. Currently, the land is under the effective control of the subsidiaries, therefore the subsidiaries do not recognise the relevant income and cost of sales in their financial statements.

The subsidiaries had yet to repurchase the land, which is presented as part of real estate development costs in the consolidated statement of financial position as at 31 December 2013 and 2012.

37.8 Guarantees

(1) As at 31 December 2013, the Company and its subsidiaries have commitments in relation to provisions of guarantees for the following liabilities:

- The Company had commitments in respect of its guarantee of all liabilities of subsidiaries with financial institutions, amounting to Baht 2,724 million (2012: Baht 2,724 million).
- A subsidiary had commitments in respect of its guarantee of liabilities of the Company with financial institutions amounting to at least Baht 4,916 million (2012: Baht 3,916 million).
- A subsidiary had commitments in respect of its guarantee of liabilities of its subsidiary with financial institutions amounting to Baht 1,046 million (2012: Baht 1,046 million), and its subsidiary had commitments in respect of its guarantee of liabilities of this company with financial institutions amounting to Baht 1,678 million (2012: Baht 1,678 million).
- Two subsidiaries issued promissory notes of Baht 250 million (2012: Baht 750 million) that are availed by a financial institution, to a share purchase creditor of the Company, in order to secure payment for the shares.

(2) As at 31 December 2013, there were outstanding bank guarantees of approximately Baht 661.1 million (2012: Baht 164.7 million) (the Company only: Baht 4.4 million, 2012: Baht 0.2 million) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business. These included the following letters of guarantee:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Letters of guarantee for contractual performance	0.4	0.2	0.4	0.2
Letters of guarantee for land allotment with provision of public utilities or public services	156.0	164.5	-	-
Letters of guarantee for purchase payment	500.7	-	-	-
Letters of guarantee for electricity usage	4.0	-	4.0	-
Total	661.1	164.7	4.4	0.2

37.9 Litigations

As at 31 December 2013, the Company and its subsidiaries were being sued in various cases, under which total claims amounted to Baht 169 million (2012: Baht 1,290 million) (the Company only: Baht 44 million, 2012: Baht 1,119 million). Some cases are detailed below.

- In December 2012, a housing estate juristic person and house owners sued the Company and a subsidiary, claiming damages amounting to Baht 1,074 million on the grounds that the Company and the subsidiary had violated agreements with some of the purchasers of houses and land in the projects. Subsequently, on 27 July 2013, the court of first instance issued an order dismissing the cases of most of plaintiffs, because they had abandoned the cases by not paying court fees, while the remaining one plaintiff decreased the claim to Baht 11 million. This case is being considered by the court of first instance.
- In 2012, a subsidiary was sued by a condominium juristic person and condominium owners of a project, making claims amounting to Baht 146 million on the grounds that the subsidiary had violated agreements to purchase and to sell. On 15 May 2013, the plaintiffs filed a request to amend the plaint, by decreasing the damages claimed to Baht 101 million. On 30 July 2013, the court of first instance issued an order dismissing the case. Subsequently, on 25 October 2013, the plaintiffs appealed the judgement of the court of first instance.

Since the outcomes of the above cases have not yet been finalised, cannot be predicted, and currently have no impact on the operations of the Company and its subsidiaries, the Company and its subsidiaries have therefore not set aside provision for losses that may result from these cases.

38. Financial instruments

38.1 Financial risk management

Financial instruments of the Company and its subsidiaries, as defined under Thai Accounting Standard No.107 “Financial Instruments: Disclosure and Presentations”, principally comprise cash and cash equivalents, trade and other receivables, loans, restricted financial institutions deposits/withdrawal conditions, investments, trade and other payables, share purchase payable, retention payables, liabilities under finance lease, short-term and long-term loans. The financial risks of the Company and its subsidiaries associated with these financial instruments and how they are managed is described below.

Credit risk

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

Interest rate risk

The Company and its subsidiaries’ exposure to interest rate risk relates primarily to its cash at banks, liabilities under finance lease, short - term and long-term borrowings. Most of the Company and its subsidiaries’ financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities as at 31 December 2013 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

	As at 31 December 2013						
	Consolidated financial statements						
	Fixed interest rates			Floating interest rate	Non - interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years	Over 5 years				
	(Million Baht)						(% p.a.)
Financial Assets							
Cash and cash equivalents	-	-	-	2,098	211	2,309	Note 8
Trade and other receivables	-	-	-	-	351	351	-
Restricted bank deposits/ withdrawal conditions	-	-	-	9	-	9	0.5
Long - term loans to and interest receivable from related parties	-	82	-	-	-	82	6
	-	82	-	2,107	562	2,751	
Financial liabilities							
Trade and other payables	-	-	-	-	989	989	-
Share purchase payable	-	-	-	-	250	250	-
Debentures	2,598	-	-	-	-	2,598	5.2
Retention payables	-	-	-	-	180	180	-
Liabilities under finance lease agreements	12	32	-	-	-	44	2.1 - 7.9
Long - term loans	-	-	-	1,565	-	1,565	Note 26
	2,610	32	-	1,565	1,419	5,626	

As at 31 December 2013

Separate financial statements

Fixed interest rates

Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate
(Million Baht)						(% p.a.)

Financial Assets

Cash and cash equivalents	-	-	-	1,806	159	1,965	Note 8
Trade and other receivables	-	-	-	-	324	324	-
Short - term loans to and interest receivable from related parties	-	-	-	852	-	852	Note 7
Restricted bank deposits/ withdrawal conditions	-	-	-	7	-	7	0.5
Long - term loans to and interest receivable from related parties	-	90	-	-	-	90	6 - 7
	-	90	-	2,665	483	3,238	

Financial liabilities

Trade and other payables	-	-	-	-	683	683	-
Share purchase payable	-	-	-	-	250	250	-
Debentures	2,598	-	-	-	-	2,598	5.2
Short - term loans from and interest payable to related party							
Retention payables	-	-	-	1,195	-	1,195	Note 7
Liabilities under finance lease agreements	-	-	-	-	100	100	-
	6	18	-	-	-	24	2.1 - 7.9
Long - term loans	-	-	-	1,520	-	1,520	Note 26
	2,604	18	-	2,715	1,033	6,370	

As at 31 December 2012

Consolidated financial statements

Fixed interest rates

Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate
(Million Baht)						(% p.a.)

Financial Assets

Cash and cash equivalents	810	-	-	1,241	8	2,059	Note 8
Current investments	100	-	-	-	-	100	2.9
Trade and other receivables	-	-	-	-	21	21	-
Restricted bank deposits/ withdrawal conditions	-	-	-	87	-	87	0.75
	910	-	-	1,328	22	2,267	

Financial liabilities

Trade and other payables	-	-	-	-	341	341	-
Share purchase payable	-	-	-	-	750	750	-
Retention payables	-	-	-	-	115	115	-
Liabilities under finance lease agreements	1	1	-	-	-	2	2.1 - 7.9
Long - term loans	-	-	-	2,149	-	2,149	Note 26
	1	1	-	2,149	1,206	3,357	

As at 31 December 2012

Separate financial statements

Fixed interest rates

Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate
(Million Baht)						(% p.a.)

Financial Assets

Cash and cash equivalents	840	-	-	888	-	1,698	Note 8
Current investments	100	-	-	-	-	100	2.9
Trade and other receivables	-	-	-	-	327	327	-
Short - term loans to and interest receivable from related parties	31	-	-	-	-	31	2.5
Restricted bank deposits/ withdrawal conditions	-	-	-	1	-	1	0.75
Subordinated long - term loans to and interest receivable from related parties	-	-	104	-	-	104	1.5
	941	-	104	889	327	2,261	

Financial liabilities

Trade and other payables	-	-	-	-	210	210	-
Share purchase payable	-	-	-	-	750	750	-
Retention payables	-	-	-	-	18	18	-
Liabilities under finance lease agreements	1	1	-	-	-	2	2.1 - 7.9
Long - term loans	-	-	-	2,014	-	2,014	Note 26
	1	1	-	2,014	978	2,994	

Foreign exchange risk

Exposure to foreign currency risk of the Company and its subsidiaries arises mainly from service transactions that are denominated in foreign currencies. The balances of financial liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements			
	Financial liabilities as at		Exchange rate	
	31 December		as at 31 December	
	2013	2012	2013	2012
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	373	-	32.95	-
Australian dollar	11	-	29.45	-

Foreign currency	Separate financial statements			
	Financial liabilities as at		Exchange rate	
	31 December		as at 31 December	
	2013	2012	2013	2012
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	373	-	32.95	-

38.2 Fair values of financial instruments

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

39. 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 2013, the Group's debt - to - equity ratio was 1.1:1 (2012: 0.9:1) and the Company's debt - to - equity ratio was 1.3:1 (2012: 0.7:1).

40. Events after the reporting period

40.1 On 18 January 2014, a meeting of the Company's Board of Directors approved an additional investment in Ananda MF Asia Company Limited ("the joint venture") through the acquisition of 2% of the joint venture's registered share capital of 179,999 ordinary shares at a price of Baht 103.03 per share. As a result, the Company's interest in the joint venture would increase from 49% to 51% of the joint venture's registered share capital. The meeting also approved the purchase of the rights and obligations in loans to the joint venture made in accordance with the shareholder loan agreement dated 1 October 2013, totaling Baht 3.4 million. The Company made payment for the shares and for the purchase of the rights and obligations in loans on 31 January 2014. Following the above additional investment in the joint venture, the Company determined that it does not have control over the joint venture's business, and therefore the Company continues to present the investment as investment in joint venture.

40.2 On 23 January 2014, a subsidiary entered into agreements to sell and to purchase land with third parties with a total value of Baht 1,123 million. The subsidiary has made payment of deposits amounting to Baht 430 million and received the transfer of a part of the land. The remainder of the land cost of Baht 693 will be paid in March 2014.

40.3 On 27 February 2014, a meeting of the Company's Board of Directors approved the following resolutions:

- (1) Issue and offer debentures in a total amount not exceeding Baht 6,000 million. The debentures can be secured or unsecured, denominated in Thai Baht or foreign currency, and are to have a tenor of no more than 5 years. However, the final terms and conditions of the debentures will depend on the market conditions at that time. The offering can be made as part of one or more issues and/or schemes and/or in the form of revolving debentures, and can be made through a public offering and/or by private placement and/or to domestic and/or international institutional investors. In this regards, The Company delegated the Executive Committee to determine the interest rate and tenor, and appoint financial advisors and/or underwriters and/or a credit rating agency as well as endorse the relevant contracts and/or documents.

Such debentures will be proposed for approval by the Annual General Meeting of the Company's shareholders.

- (2) Propose the dividend payment for the year 2013 of Baht 0.05 per share. The Board of Directors of the Company will propose this dividend payment for approval by the Annual General Meeting of the Company's shareholders, which will be held on 10 April 2014, and payment will be on 6 May 2014.

41. Reclassification

The reclassifications are as follows:

(Unit: Thousand Baht)

	Consolidated statement of financial position			
	As at 31 December 2012		As at 1 January 2012	
	As reclassified	As previously reported	As reclassified	As brought forward
Trade and other payables	368,645	348,741	456,720	456,720
Advances received from customers	798,242	792,509	672,680	666,780
Deposits received	-	6,553	-	6,522
Other current liabilities	106,072	125,156	52,566	51,944

(Unit: Thousand Baht)

	Separate statement of financial position			
	As at 31 December 2012		As at 1 January 2012	
	As reclassified	As previously reported	As reclassified	As brought forward
Advances received from customers	578,157	572,237	5,900	-
Deposits received	-	5,920	-	5,900

The reclassifications had no effect to previously reported profit (loss) or shareholders' equity.

42. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2014.

