



Annual Report 2012



YOU ARE OUR INSPIRATION



Contents

Contents

4

CEO Message

6

Board of
Directors

8

Management
Team

10

Awards

12

Property
Market
Outlook

14

Financial
Highlight

24

AP Gallery

27

Business
Operation

28

Company
Structure

29

Revenue
Structure

33

Shareholding
& Management
Structure

35

Board
Structure

60

Good
Corporate
Governance

73

Risk Factors

79

Reports &
Financial
Statement

134

General
Information

CEO Message



“We value sustainable growth by balancing revenue mix between low-rise and high-rise. And financially, our gearing has always been restricted at the appropriate level”

Last year 2012 is another year with challenges and opportunities for AP. Since the big flood crisis in 2011 has altered buying behavior of those seeking residential, townhouse becomes increasingly popular among city people. We view this trend as our greatest opportunity as being a market leader in townhouse segment with our premium product brand, so called, "BAAN KLANG MUANG". Besides, we have seen a rising trend in condominium market after the flood. As a result, our condominium products including "Rhythm" (mid to high-end level) and "Aspire" (low to mid-end level) have been successfully launched. Yet, we value sustainable growth by balancing revenue mix between low-rise and high-rise. And financially, our gearing has always been restricted at the appropriate level.

This year, all developers encounter two big challenges including labor shortage and construction cost management due to rising labor and materials cost. Nonetheless, AP has handled with these difficulties by (1) implementing a strategic framework to sustain a long term relationship with contractors and labor, (2) seeking new construction techniques to shorten construction period and less rely on human labor, and (3) introducing a new procurement process which improves operational efficiency and results in cost savings. By all means, we are able to promptly deliver quality products and consequently meet the annual ownership transfer target.

With a big concern on sustainable growth of the company, we have reorganized our internal support units this year to better respond to the dynamic market and the changing customer behavior. Having a big reshuffle in business unit, commercial service and strategic marketing division in 2011, our people become more efficient and specialized in their role. Furthermore, this year we brought in people excellence and supply chain management division and restructured product design department to fully align with new mission, "To Be the Most Responsive Creator for our Customers." The new scheme encourages our staffs to observe and understand customer behavior and subsequently develop new products and designs that best meet customer's needs. Having done all these, we experienced a positive outcome and dramatic growth in 2012.

Being ready to move forward in year 2013 and thereafter, AP has continuously developed quality products including single detached house, townhouse, and condominium to widely serve an array of target groups. Besides, we persist in seeking opportunity in Bangkok and new regional markets outside Bangkok. Today, AP is ready to step ahead with stability and sustainability to be number one brand for customers who look for residential.

Last but not least, on behalf of AP's management team, I would like to thank all valued shareholders, bondholders, customers, alliances and staffs for supporting AP all year long.



Anuphong Assavabhokhin
Chief Executive Officer

Board of Directors



1. Mr. Chatchaval Bhanalaph
Chairman of the Board
/ Independent Director

2. Mr. Anuphong Assavabhokhin
Vice chairman
/ Chief Executive Officer

3. Mr. Pichet Vipavasuphakorn
Director
/ Managing Director

4. Mr. Siripong Sombutsiri
Director

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

6. Mr. Nontachit Tulayanonda
Director / Member of
Audit committee
/ Independent director

7. Mr. Kosol Suriyaporn
Director / Member of
Audit Committee
/ Independent director

8. Mr. Chaiyarat Thampeera
Director

9. Mr. Pornwut Sarasin
Director
/ Independent Director

10. Mr. Shaw Singhaseni
Director
/ Independent Director

11. Mr. Visanu Suchartlumpont
Director

12. Ms. Kittiya Pongpujaneekul
Director

13. Mr. Wason Naruenatpaisan
Director



14. Mr. Vilas Pilakasiri
Secretary to the Board
of Directors



Management Team



- | | | | |
|--|---|---|---|
| 1. Mr. Anuphong Assavabhokhin
Chief Executive officer | 5. Ms. Kittiya Pongpujaneekul
Chief Financial Officer | 8. Mr. Opas Ruangrajitpakorn
Chief Risk Officer | 11. Mr. Vittakarn Chandavimol
Chief Strategic Marketing Officer |
| 2. Mr. Pichet Vipavasuphakorn
Managing Director | 6. Mr. Wason Naruenatpaisan
Chief Operation Officer | 9. Mr. Pumipat Sinacharoen
Chief People Excellence / Deputy Chief Financial Officer | 12. Mr. Somchai Wattanasaowapak
Chief IT Officer |
| 3. Mr. Siripong Sombutsiri
Executive Director | 7. Mr. Piyawat Suephaisal
Executive Vice President, Business Liaison Department | 10. Mr. Marote Vananan
Chief Commercial Officer | 13. Mrs. Supalak Chanpitak
Chief Business Officer Unit 4 |
| 4. Mr. Visanu Suchartlumpomg
Chief Business Officer Unit 1 | | | |



14. Mr. Pamorn Prasertsan
Deputy Chief Business
Officer Unit 2

15. Mr. Boonlert Ratintorn
Deputy Chief Business
Officer Unit 3



Awards



Real Estate Personality of the Year (2011)
Mr. Anuphong Assavabhokhin
Thailand Property Award (2011)



Best Condo Development (Bangkok)
The Address Chidlom
Thailand Property Awards (2009)



Best Single Detached House Project
The Palazzo
Agency for Real Estate Affairs (2011)



Real Estate Personality of the Year (2011)
Mr. Anuphong Assavabhokhin
Thailand Property Award



Best Affordable Condo Development (Bangkok)
Rhythm
Thailand Property Awards (2011)



Best IR of Property and Construction Sector
Mr. Pumipat Sinacharoen
Securities Analysts Association (2010)



Best Corporate Governance Report
the Stock Exchange of Thailand (2005)



Best CEO of Property and Construction Sector
Mr. Anuphong Assavabhokhin
Securities Analysts Association (2012)

Property Market Outlook



After the flood crisis during last quarter of 2011, Thai property market was expected to shrink especially in the first half of year 2012 and resume in the second half. However, faster than expected the property market especially the unaffected area has revived since the first quarter of the year. Meanwhile, the affected area has gradually become back to normal once there is no more concern about the flood crisis recurrence.

Since 2011, the Government has launched a bundle of stimulus package especially for Thai property market which includes personal income tax refund for those who has never had ownership in any residential property and the "first home mortgage project" by the Government Housing Bank's (GH Bank). The tax refund will apply for individuals who buy residential property with value of no more than baht 5 million and the property ownership shall be transferred during the period, September 21, 2011 to December 31, 2012. While, under the mortgage project, GH Bank allows home buyers pay 0% interest rate for the first three years on mortgage loan with maximum loan amounts of no more than Baht 1 million for each house, condominiums, or construction loans.

Besides, in the year 2012 the Bank of Thailand has cut the policy interest rate twice in order to boost up the sluggish economy after the flood crisis. Also, the central bank has postponed implementing the new residential mortgage lending policy. In other word, from January 1, 2013 (formerly planed to implement on January 1, 2012) onward the commercial banks would be able to grant the mortgage loan with maximum amount of 95 percent of the property selling price (LTV: Loan-to-Value Ratio). This new policy applies to the low-rise property only. Moreover, the central bank has granted baht 210,000 million loan with fixed interest rate of 3% for the first five years allocating among all commercial banks, so-called "soft loan". The loan bundle would be particularly granted for the 2011 flood victims and by which the property market has become revitalized. Overall, the Thai property market has been growing as seen from the rising housing registration number of 111,875 units in 2012 which increases from 81,856 units in 2011 by 36.7 percent.

On the supply side, this year condominium had become highly popular after the flood crisis. The Agency for Real Estate Affair (also known for "AREA") reported that there are 62,548 new condominium units launched in Bangkok Metropolitan region throughout the year 2012. The number has risen by 50.7 percent from 41,492 units in 2011. In the first half of 2012, there was the biggest number of new condo launch by 35,514 units resulting from the delay in new project launches during the fourth quarter of year 2011 due to the flood crisis. However, in the second half of year 2012, the property market had



experienced a drop in new condo launches due to the over-supply concern. Most property developers delayed launching the new projects; consequently, there were only 27,034 units of new condo. On the other hand, the low-rise housing market had been shrunk by the flood crisis. There were only 13,181 units of new low-rise project launches in the first half of year 2012 whilst the number had been mounted to 21,611 units in the second half of the year after the market restored. New single detached house and duplex project launches were decreased from the prior year by 24.4 and 37.1 percent, relatively, while new townhome development slightly rose by 2.9 percent. However, the continuing infrastructure construction within Bangkok and its vicinities did facilitate new project development along the existing mass transit and extension network.

After the flood crisis in 2011, the medium and small developers tended to heavily suffered in many aspects including capital flow, sales, and construction. Accordingly, this group of developers had gradually surrendered and left the market. The survivors were large developers, mostly listed companies, who constantly adapt to dynamic changes as there was no restriction on fund sourcing. As a result, the big players gained increasing market share in terms of new project launch and presales number. Since the competition among major property developers in Bangkok and Metropolitan region became more intense, some developers had expanded to other major provinces especially tourist destination and major cities in each region.

Looking a year ahead in 2013, Thai property market would steadily develop in correspondence with the growing Thai economy. As long as the government moves forward on infrastructure improvement within the country such as Bangkok mass transit extension and new lines, and high speed train projects, the property market would further expand. As well, Thai regional property market would also build up in accordance with its growing regional economy.

Nonetheless, risk factors that may have an impact on Thai property market in year 2013 include 1) increasing construction cost from minimum wage raise which is effective nationwide on January 1, 2013 2) domestic labor shortage crisis 3) new Bangkok Metropolitan city plan which will be effective in the middle of 2013. This new city plan could result in land price appreciation in a certain area especially inner Bangkok. Due to the new regulation in project development, there is limited number of land qualified for new project launch 4) domestic political situation.

Financial Highlight

Financial Summary	2012	2011	% YoY
Total Revenue (Btm)	17,310	13,639	26.9%
Cost of sales (Btm)	11,273	8,434	33.7%
Selling and Administrative Expenses (Btm)	3,128	2,695	16.1%
Selling Expenses (Btm)	1,613	1,278	26.2%
Admin Expenses (Btm)	1,515	1,417	6.9%
Net Profit (Btm)	2,329	1,551	50.2%
Gross Margin	34.9%	38.2%	
SG&A as a % of revenue	18.1%	19.8%	
Selling exp as a % of revenue	9.3%	9.4%	
Admin exp as a % of revenue	8.8%	10.4%	
Net Margin	13.5%	11.4%	
EPS (Bt)	0.82	0.55	
Net Debt to Equity (x)	0.92	1.29	

- Net profit in 2012 was 2.33 billion Baht (EPS of 0.82 baht/share), up 50.2% from the previous year while revenue grew 27% YoY. Solid earnings growth was driven by as following.
 - Revenue from the property development was 17.2 billion Baht, 27% YoY growth, slightly above our target of 17.0 billion Baht.
 - Gain from sales of investment in Pre-Built Plc (PREB) of 117.3 million Baht in 2012. After the sale, we have currently no longer held any share in PREB.
 - Lower effective tax rate to 19.0%. Supported by the government, corporate tax rate was cut from 30% previously to 23% in 2012. Furthermore, AP was able to utilize its tax saving of 83 million Baht after we dissolved one of our subsidiaries, AP (Ratchada). AP purchased a 49% stake of AP (Ratchada) from Pacific Star at the premium two years ago.
- Based on revenues in 2012, the proportion between condominium and low-rise (Townhouse and Single Detached House) was 46% and 54%. Revenue from our low-rise projects performed really well at the growth rate of 46.6% YoY (from 6.4 billion Baht in 2011 to 9.3 billion Baht) (See below).

	2012	2011	%YoY
Revenue from Property Development	17,197	13,541	27.0%
Revenue from Condominium	7,872	7,182	9.6%
% of total revenue	46%	53%	
Revenue from SDH & TH	9,324	6,359	46.6%
% of total revenue	54%	47%	

- The Address Asoke condominium was the top revenue contributor at 19.4%, followed by The Address Sathorn 12 (11.6%) and The Address Sukhumvit 28 (9.6%) in 2012. On the low-rise, The Palazzo Rama 3-Suksawat together with The Palazzo Sathorn accounted 10.7% of total revenue.

Top 5 contributors to revenue	% of 2012 revenue	Accumulated Project Transfer
The Address Asoke	19.4%	98.8%
The Address Sathorn	11.6%	46.8%
The Address Sukhumvit 28	9.6%	100.0%
The Palazzo Rama 3-Suksawat	5.6%	44.5%
The Palazzo Sathorn	5.1%	75.7%

- Overall gross margin in 2012 of 34.9% dropped from 38.2% in the previous year because of product mix. Condominium contributed 46% of 2012 revenue versus 53% in 2011. In 2012, AP achieved gross margin from condominium at 38.1% compared to 31.3% low rise gross margin.
- Total SG&A of 3.13 billion Baht was 18.1% of 2012 revenue compared to 19.8% in 2011. SG&A in 2012 also reflected marketing expenses for the launch of AP's new corporate brand in 2H 2012. AP corporate brand will become an umbrella brand covering a range of product brands.
- For Q4 2012 performance, revenue and net profit were 6.64 billion Baht and 902.6 million Baht, respectively. This was 39% of 2012 full year revenue and profit. Condominium contributed 55% of property development revenue. Overall gross margin of 35.5% came from 38.0% gross margin of high-rise projects and 31.6% of low-rise ones. The Address Sathorn and The Address Asoke were key revenue driver, making 47% of total revenue in Q4 2012.

Financial Summary	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Total Revenue (Btm)	6,681	3,632	3,846	3,151
Revenue from Property Development	6,641	3,606	3,821	3,129
Revenue from Service	40	26	25	22
Selling and Administrative Expenses (Btm)				
Selling Expenses (Btm)	613	387	314	300
Admin Expenses (Btm)	517	325	373	300
Net Profit (Btm)	903	430	576	421
Gross Margin	35.5%	34.0%	34.0%	35.6%
SG&A as a % of revenue	16.9%	19.6%	17.9%	19.0%
Selling exp as a % of revenue	9.2%	10.6%	8.2%	9.5%
Admin exp as a % of revenue	7.7%	9.0%	9.7%	9.5%
Net Margin	13.5%	11.8%	15.0%	13.4%

Debt Structure

- AP had brought down Net debt to Equity from 1.29x at the end of 2011 (because of the flooding situation) to 0.92x at year end 2012. We continue to keep our discipline of 1.0x comfortable level of Net Debt to Equity. Our net debt and total outstanding debt were 11.5 billion Baht and 12.3 billion Baht, respectively, as of 2012. 81% of total outstanding debt were unsecured debenture (10.0 billion Baht). In Jan 2013, we successfully issued 1.25 billion Baht 5-year unsecured debenture with 4.24% interest rate to replace the one expired in Feb 2013. The average cost of fund was at 4.2%. Last year, we spent 3.2 billion Baht on the land acquisition.

Sales booking and backlog

	2012	Q4	Q3	Q2	Q1	2011	Q4	Q3	Q2	Q1	2010
		2012	2012	2012	2012		2011	2011	2011	2011	
Gross sales											
booking	24,649	5,634	5,613	6,929	6,472	18,019	3,363	4,569	6,181	3,906	20,830
Beginning											
Backlog	24,206	30,023	28,939	26,814	24,206	23,593	24,855	25,660	24,428	23,593	19,744
Total sold value	48,855	35,657	34,553	33,743	30,678	41,612	28,218	30,229	30,609	27,499	40,574
Cancellation	(4,412)	(1,770)	(924)	(983)	(735)	(3,666)	(1,030)	(830)	(911)	(895)	(3,289)
Net sold value	44,443	33,887	33,629	32,761	29,943	37,946	27,189	29,399	29,697	26,604	37,285
Revenue											
Recognition	(17,196)	(6,640)	(3,606)	(3,821)	(3,129)	(13,540)	(2,783)	(4,544)	(4,037)	(2,176)	(13,692)
Ending											
Backlog	27,247	27,247	30,023	28,939	26,814	24,206*	24,206*	24,855	25,660	24,428	23,593
- from TH&SDH	3,019	3,019	3,598	2,855	2,708	2,581	2,581	3,154	3,487	2,568	2,110
- from Condo	24,228	24,228	26,424	26,085	24,106	21,624	21,624	21,702	22,173	21,860	21,483
Net Sales											
Booking	20,237	3,864	4,689	5,946	5,737	14,353	2,333	3,739	5,269	3,011	17,541
- from TH&SDH	9,762	2,408	2,927	2,394	2,032	7,077	593	1,909	2,661	1,914	6,946
- from Condo	10,475	1,456	1,762	3,552	3,705	7,276	1,740	1,830	2,608	1,097	10,595
Revenue											
Recognition	17,196	6,640	3,606	3,821	3,129	13,541	2,783	4,544	4,037	2,177	13,692
- from TH&SDH	9,325	2,988	2,184	2,248	1,905	6,359	919	2,242	1,742	1,456	6,466
- from Condo	7,871	3,652	1,422	1,573	1,224	7,182	1,864	2,302	2,295	721	7,227

Remark: * This figure was adjusted down by 200MB from the data conversion of the old projects into our new system.

- As targeted, Sales booking in 2012 reached 20.2 billion Baht, of which 9.8 billion Baht was from low rise projects and 10.5 billion came from condominium. Given strong demand from macro and AP's well product position, our low rise and condominium sales booking grew 37.9% and 43.9%, respectively, from the previous year.
- Sales Backlog as of 31 Dec 12 was 27.2 billion Baht, with 3.0 billion Baht from low rise projects and 24.2 billion Baht from condominium. Backlog of low-rise projects will be mostly recognized in 1H 2013 and, on the other hand, we already sold almost 9.0 billion Baht out of 10.1 billion Baht targeted transfer of condominium this year. Thus (17 Feb. 2013), AP's sales have already secured 60% (12.0 billion Baht) of our 2013 revenue target of 20.0 billion Baht. Recognized revenues in 2H 2013 will be much stronger than 1H 2013, roughly 65:35.

Schedule of condominium revenue	2013	2014	2015
Based on project completion	10,111	11,375	11,978
Condo Backlog as of 31 Dec 12	8,917	8,569	6,741
% Take up as of 31 Dec 12	88%	75%	56%
Additional Sales	1,193	2,805	5,237

- In 2013, we targeted presales of 22.0 billion Baht, 8.7% growth from the previous year. We expect to achieve the target given our 21 projects launches with total project value of 23.6 billion Baht in 2013 (See Table below and Appendix 3 for details).

Total Projects Launched	2013		2012		
	No. of project	Total project value	No. of project	Total project value	
Q1	6	9,860	5	6,360	} +54.0%
Q2	2	3,860	2	2,550	
Q3	6	5,210	5	5,500	} -2.0%
Q4	7	4,640	3	4,550	
Total	21	23,570	15	18,960	+24.3%

Low rise	2013		2012		
	No. of project	Total project value	No. of project	Total project value	
Q1	3	3,200	3	1,560	} +141.0%
Q2	1	560	0	-	
Q3	6	5,210	5	5,500	} +2.8%
Q4	6	4,040	2	3,500	
Total	16	13,010	10	10,560	+23.2%

High rise	2013		2012		
	No.of project	Total project value	No.of project	Total project value	
Q1	3	6,660	2	4,800	} +35.5%
Q2	1	3,300	2	2,550	
Q3	0	-	0	-	} -42.9%
Q4	1	600	1	1,050	
Total	5	10,560	5	8,400	+25.7%

Appendix

Appendix 1 : Financial Summary

Financial Summary	2012	2011	2010	2009
Revenues from Property Development (Btm)	17,197	13,541	13,692	12,520
YoY Chg (%)	27.0%	-1.1%	9.4%	36.6%
Consolidated Revenues (Btm)	17,310	13,639	13,840	12,628
YoY Chg (%)	26.9%	-1.5%	9.6%	36.3%
Gross profit from Property Development (Btm)	5,923	5,107	5,090	4,120
Gross margin from Property (%)	34.4%	37.7%	37.2%	32.9%
Overall Gross profit (Btm)	6,036	5,205	5,238	4,228
Gross margin (%)	34.9%	38.2%	37.8%	33.5%
Operating profit (Btm)	2,908	2,509	3,113	2,842
Operating margin (%)	16.8%	18.4%	22.5%	22.5%
Net profit from normal operations (Btm)	2,247	1,548	2,155	1,929
YoY Chg (%)	45.1%	-28.2%	11.7%	35.0%
Net profit (Btm)	2,329	1,551	2,229	1,930
YoY Chg (%)	50.2%	-30.4%	15.5%	35.1%
EPS (Bt)	0.82	0.55	0.95	0.83
Total assets (Btm)	29,312	29,375	24,114	19,159
Equity (Btm)	12,520	10,660	9,514	8,030
Outstanding debt (Btm)	12,282	14,224	10,667	7,942
Net debt (Btm)	11,539	13,786	10,311	6,234
Net debt to equity (x)	0.92	1.29	1.08	0.78
ROE (%) (average equity)	20.1%	15.4%	25.4%	26.4%

Appendix 2 : Ongoing Projects

Ongoing Projects	Rai	No of units	Project value (Btm)	Launch year	Completion (last unit transferred)	% sold (in unit) (as of 31 Dec 12)	Available for sales (Btm)
Single Detached House							
Baan Klang Krung The Nice Ratchavibha	18.2	50	770	Q2 2006	Q1 2013	98%	15
The Centro Sukhumvit 113	35.6	188	879	Q3 2008	Q2 2012	100%	0
The City Rattana Thibet-Khaerai	60.0	203	1,692	Q3 2008	Q2 2012	100%	0
The Centro Rattana Thibet	121.0	453	2,600	Q2 2010	Q4 2014	44%	1,452
The Centro Ram infra	73.3	296	1,800	Q2 2010	Q4 2013	67%	596
The City Rama5-Ratchaphruek II	50.6	140	1,150	Q3 2010	Q4 2013	74%	296
The Centro On nuch-Wongwan	57.1	216	1,500	Q3 2010	Q4 2014	39%	917
The Centro Watcharapon	111.7	407	2,400	Q4 2010	Q4 2014	19%	1,940
The Palazzo Sathorn	44.0	107	1,700	Q4 2010	Q4 2013	84%	270
The Palazzo Rama3-Suksawat	63.7	137	2,400	Q2 2011	Q4 2013	50%	1,209
The City Ratchaphruek-Charan 13	25.8	82	1,000	Q3 2012	Q4 2013	12%	878
The Palazzo Ratburana	24.0	45	1,400	Q4 2012	Q4 2013	11%	1,244
SDH - Available for Sales							8,817
Townhouse							
Baan Klang Muang Urbanion Rama9-Wongwan	10.9	124	437	Q4 2007	Q2 2012	100%	0
Baan Klang Muang Urbanion Srinakarin	22.0	207	919	Q3 2008	Q3 2012	100%	0
Baan Klang Muang Urbanion Rama9-Ladprao	13.7	148	840	Q4 2009	Q1 2012	100%	0
Baan Klang Muang Urbanion Kaset-Navamin II	23.8	271	1,150	Q1 2010	Q3 2012	100%	0
Baan Klang Muang Urbanion Rama 3-Suksawat	8.4	92	426	Q3 2010	Q1 2012	100%	0
Biztown Rama3-Suksawat	7.1	63	490	Q3 2010	Q2 2013	92%	39
Baan Klang Muang Urbanion Ladprao-Sena	8.1	88	450	Q3 2010	Q3 2012	100%	0
Baan Klang Muang S-Sense Sathorn-Taksin II	52.8	484	2,650	Q3 2010	Q4 2014	42%	1,539
Baan Klang Muang S-Sense Rama9-Ladprao	28.7	303	1,700	Q3 2010	Q2 2013	98%	28
Baan Klang Muang S-Sense On nuch-Wongwan	32.3	338	1,000	Q4 2010	Q4 2013	73%	266
Baan Klang Muang S-Sense Srinakarin	22.0	212	920	Q1 2011	Q4 2013	58%	391
The Pleno Ekachai-Kanchanapisek	43.9	434	1,100	Q1 2011	Q4 2014	51%	540
The Pleno Suksawat 30	71.3	680	1,600	Q1 2011	Q4 2014	70%	475
Baan Klang Muang Urbanion Ladprao-Sena II	10.1	97	520	Q2 2011	Q2 2013	100%	0
Baan Klang Krung Rama 3	9.3	57	595	Q2 2011	Q2 2012	100%	0
Baan Klang Muang Sathorn-Ratchaphruek	16.3	145	650	Q2 2011	Q2 2013	90%	67
The Pleno Rama 5-Pinklao	44.9	427	1,030	Q3 2011	Q4 2014	26%	757

Ongoing Projects	Rai	No of units	Project value (Btm)	Launch year	Completion (last unit transferred)	% sold (in unit) (as of 31 Dec 12)	Available for sales (Btm)
Baan Klang Muang Ratchada 36	13.7	145	710	Q1 2012	Q4 2013	65%	250
Baan Klang Muang Ladprao 101	6.6	68	300	Q1 2012	Q2 2013	75%	75
Baan Klang Muang Ladprao 87	12.1	119	550	Q1 2012	Q4 2013	34%	365
Baan Klang Muang Kallaphraphreuk	38.5	445	1,650	Q3 2012	Q2 2014	5%	1,572
Baan Klang Muang Rama3-Ratburana	11.3	114	600	Q3 2012	Q4 2013	54%	279
The Pleno Pinklao-Ratchaphreuk	15.5	173	400	Q3 2012	Q4 2013	10%	358
Baan Klang Muang Rama9-Ramkamhaeng	32.0	350	1,850	Q3 2012	Q4 2014	18%	1,517
Baan Klang Muang Nawamin 42	48.1	497	2,100	Q4 2012	Q4 2016	2%	2,049
TH-Available for Sales							10,568
Condominium							
Rhythm Ratchada	7.0	881	3,632	Q4 2008	Q1 2012	100%	0
Life@Ladprao 18	3.0	456	1,645	Q2 2009	Q2 2012	100%	0
The Address Phayathai	1.4	152	1,079	Q3 2009	Q4 2012	100%	0
The Address Asoke	3.9	574	3,380	Q3 2009	Q1 2013	100%	6
The Address Sukhumvit 28	2.0	246	2,271	Q3 2009	Q4 2012	100%	0
The Address Sathorn	3.5	562	4,160	Q3 2009	Q4 2013	94%	229
Rhythm Ratchada-Huay Kwang	3.6	539	2,408	Q1 2010	Q3 2012	100%	0
Rhythm Sukhumvit 50	3.9	589	2,680	Q3 2010	Q4 2013	100%	0
Rhythm Phahol-Aree	5.5	809	3,440	Q3 2010	Q4 2014	72%	952
Rhythm Sathorn	4.8	910	4,400	Q3 2010	Q4 2015	69%	1,364
Aspire Rama 4	6.8	1,432	2,700	Q4 2010	Q4 2014	78%	605
Aspire Ngamwongwan	8.5	1,458	2,200	Q4 2010	Q4 2014	35%	1,436
Aspire Srinakarin	3.4	330	500	Q2 2011	Q4 2013	57%	215
Rhythm Sukhumvit 44/1	3.0	486	2,730	Q2 2011	Q4 2014	95%	146
Life Ratchadapisek	5.6	837	3,450	Q3 2011	Q4 2015	62%	1,298
The Address Sukhumvit 61	1.4	98	750	Q4 2011	Q4 2013	45%	413
Aspire Rama 9	4.1	663	2,350	Q1 2012	Q4 2015	91%	216
Aspire Sukhumvit 48	5.2	837	2,450	Q1 2012	Q4 2016	45%	1,358
Rhythm Sathorn-Narathiwas	2.1	300	1,600	Q2 2012	Q4 2015	94%	96
Aspire Rattanaibet	3.0	540	950	Q2 2012	Q4 2015	90%	95
Aspire Sathorn-Taksin Phase 1	2.9	546	1,050	Q4 2012	Q4 2015	72%	292
Condo-Available for Sales							8,724
Total ongoing projects available for sales							28,109

Appendix 3: Project plan to be launched in 2013

Planned-to-be-launched projects in 2013	Rai	No of units	Project value (Btm)	Land acquisition	Launch year	Completion (last unit transferred)
Single Detached House						
1 Soul Ekamai-Ladprao	26.3	92	1,500	Q4 2011	Q1 2013	Q4 2015
2 SDH Ram Indra	40.4	162	1,200	Q4 2012	Q4 2013	Q4 2017
3 SDH Ngamwongwan	14.0	56	500	Q4 2012	Q4 2013	Q4 2015
4 SDH Ladprao-Wanghin	6.6	26	490	Q1 2013	Q4 2013	Q2 2015
5 SDH Ratchada 68	8.4	34	800	Q1 2013	Q4 2013	Q4 2015
Total SDH			4,490			
Townhouse						
1 Baan Klang Muang Rama 9-Motor way	24.6	214	1,100	Q3 2011	Q1 2013	Q2 2015
2 Pleno Wongwaen-Ram Indra	23.9	235	600	Q2 2012	Q1 2013	Q4 2014
3 Baan Klang Muang Chockchai 4	11.5	131	560	Q3 2011	Q2 2013	Q4 2014
4 Baan Klang Muang Ladprao 71	5.3	49	330	Q4 2012	Q3 2013	Q4 2014
5 Baan Klang Muang Kaset-Navamin III	15.1	136	650	Q4 2012	Q3 2013	Q4 2015
6 Baan Klang Muang Rattanaibet	23.3	242	1,150	Q4 2012	Q3 2013	Q4 2016
7 Baan Klang Muang Ngamwongwan	22.9	222	1,100	Q4 2012	Q3 2013	Q4 2016
8 Pleno Phaholyothin-Saimai	39.1	362	1,000	Q4 2012	Q3 2013	Q2 2017
9 Pleno Rattanaibet-Chaiyaphreuk	4.0	429	980	Q3 2011	Q3 2013	Q4 2016
10 Baan Klang Muang Buddabucha	9.9	103	450	Q1 2013	Q4 2013	Q1 2015
11 Baan Klang Muang Phaholyothin 34	9.3	106	600	Q1 2013	Q4 2013	Q4 2014
Total TH			8,520			
Condominium						
1 Galerie rue de 39	1.7	88	3,200	Q1 2012	Q1 2013	Q4 2016
2 Aspire Rattanaibet II	9.5	1,428	2,800	Q4 2010	Q1 2013	Q3 2017
3 Aspire Udomthani	3.1	413	660	Q4 2012	Q1 2013	Q4 2016
4 Rhythm Sukhumvit 42	3.2	402	3,300	Q1 2013	Q2 2013	Q4 2016
5 Aspire Sathorn-Taksin phase 2	2.4	304	600	Q4 2007	Q4 2013	Q4 2016
Total Condo			10,560			
Total planned-to-be-launched projects in 2013			23,570			

Appendix 4: Project plan to be launched in 2014-2015

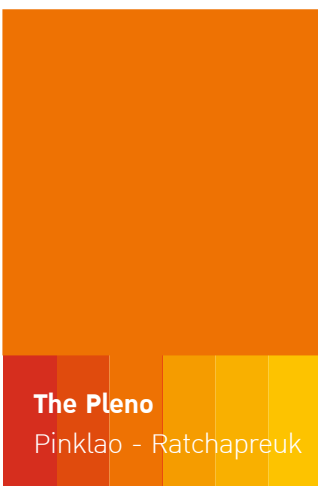
Planned-to-be-launched projects in 2013			No of units	Project value (Btm)	Land acquisition	Launch year	Completion (last unit transferred)
	Rai						
Townhouse							
1	Pleno Srinakarin	25.2	237	680	Q4 2012	1H 2014	2017
Total TH				680			
Condominium							
1	Aspire Sathorn-Taksin phase 3	3.5	335	500	Q4 2007	2H 2014	2017
2	Life Sukhumvit 48	3.7	614	1,850	Q1 2011	2H 2014	2017
3	Aspire Rattanakibet III	3.7	690	1,400	Q4 2010	2H 2014	2018
4	Aspire Sathorn-Taksin phase 4	4.2	438	620	Q4 2007	2H 2015	2018
Total Condo				4,370			
Total planned-to-be-launched projects in 2014-2015				5,050			

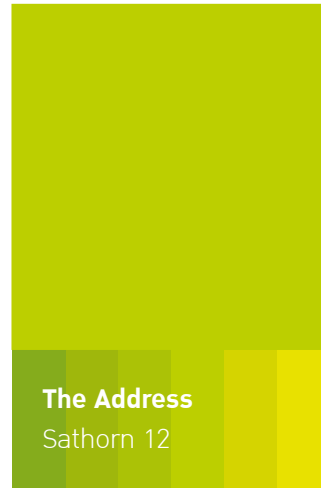
Appendix : 5 Schedule of Condo Transfer

Condo Projects	Project value (million Baht)	Total units	% unit sold *	Accumulated transfer until 2011	% Estimated transfer (by unit)				Launch year	Estimated start transfer	Estimated last unit transferred
					2012	2013F	2014F	2015F	2016F	2017F	
Rhythm Ratchada	3,632	881	100%	99%	1%				Q3 2008		Q1 2012
Life @ Ladprao 18	1,645	457	100%	97%	3%				Q2 2009	Q2 2011	Q2 2012
The Address Phayathai	1,079	152	100%	85%	15%				Q3 2009	Q2 2011	Q4 2012
The Address Asoke	3,380	574	100%		99%	1%			Q3 2009	Q2 2012	Q1 2013
The Address Sukhumvit 28	2,271	246	100%	29%	71%				Q3 2009	Q4 2011	Q4 2012
The Address Sathorn 12	4,160	562	94%		47%	53%			Q3 2009	Q3 2012	Q4 2013
Rhythm Ratchada - Huay Kwang	2,408	539	100%	89%	11%				Q1 2010	Q2 2011	Q3 2012
Rhythm Sukhumvit 50	2,680	589	100%			100%			Q3 2010	Q2 2013	Q4 2013
Rhythm Phahol-Aree	3,440	809	72%		25%	75%			Q3 2010	Q4 2013	Q4 2014
Rhythm Sathorn	4,400	910	69%			35%	65%		Q3 2010	Q3 2014	Q4 2015
Aspire Rama 4	2,700	1,432	78%		90%	10%			Q4 2010	Q2 2013	Q4 2014
Aspire Ngamwongwan	2,200	1,458	35%			100%			Q4 2010	Q1 2014	Q4 2014
Aspire Srinakarin	500	330	57%		42%	58%			Q2 2011	Q4 2012	Q4 2013
Rhythm Sukhumvit 44/1	2,730	486	95%		35%	65%			Q2 2011	Q4 2013	Q4 2014
Life Ratchadapisek	3,450	837	62%			60%	40%		Q3 2011	Q2 2014	Q4 2015
The Address Sukhumvit 61	750	98	45%		14%	86%			Q4 2011	Q4 2012	Q4 2013
Aspire Rama 9	2,350	663	91%			40%	60%		Q1 2012	Q3 2014	Q4 2015
Aspire Sukhumvit 48	2,450	837	45%			55%	45%		Q1 2012	Q3 2015	Q4 2016
Rhythm Sathorn-Narathiwas	1,600	300	94%			100%			Q2 2012	Q1 2015	Q4 2015
Aspire Rattanaibet	950	540	90%			100%			Q2 2012	Q1 2015	Q4 2015
Aspire Sathorn-Taksin phase 1	1,050	546	72%			100%			Q4 2012	Q1 2015	Q4 2015
Galerie rue de 39	3,200	88				30%	70%		Q1 2013	Q4 2015	Q4 2016
Aspire Rattanaibet II	2,800	1,428			15%	50%	35%		Q1 2013	Q4 2015	Q3 2017
Aspire Udonthani	660	413				100%			Q1 2013	Q1 2016	Q4 2016
Aspire Sathorn-Taksin phase 2	600	304				100%			Q4 2013	Q1 2016	Q4 2016
Total	57,084										

* % Sold as of Dec 31, 2012

AP Gallery

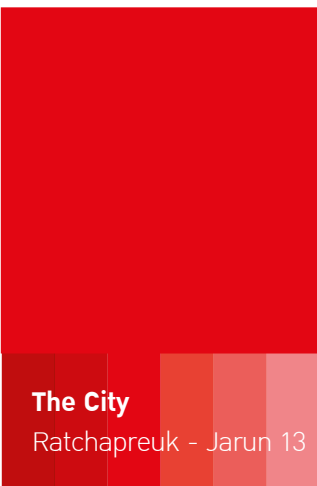




The Address
Sathorn 12



Baan Klang Muang
Rama 3 - Ratburana



The City
Ratchapreuk - Jarun 13





FUN MOMENT...WITHOUT LIMIT
YOUR WISH...YOUR HOME

Business Operation

The Company group business overview

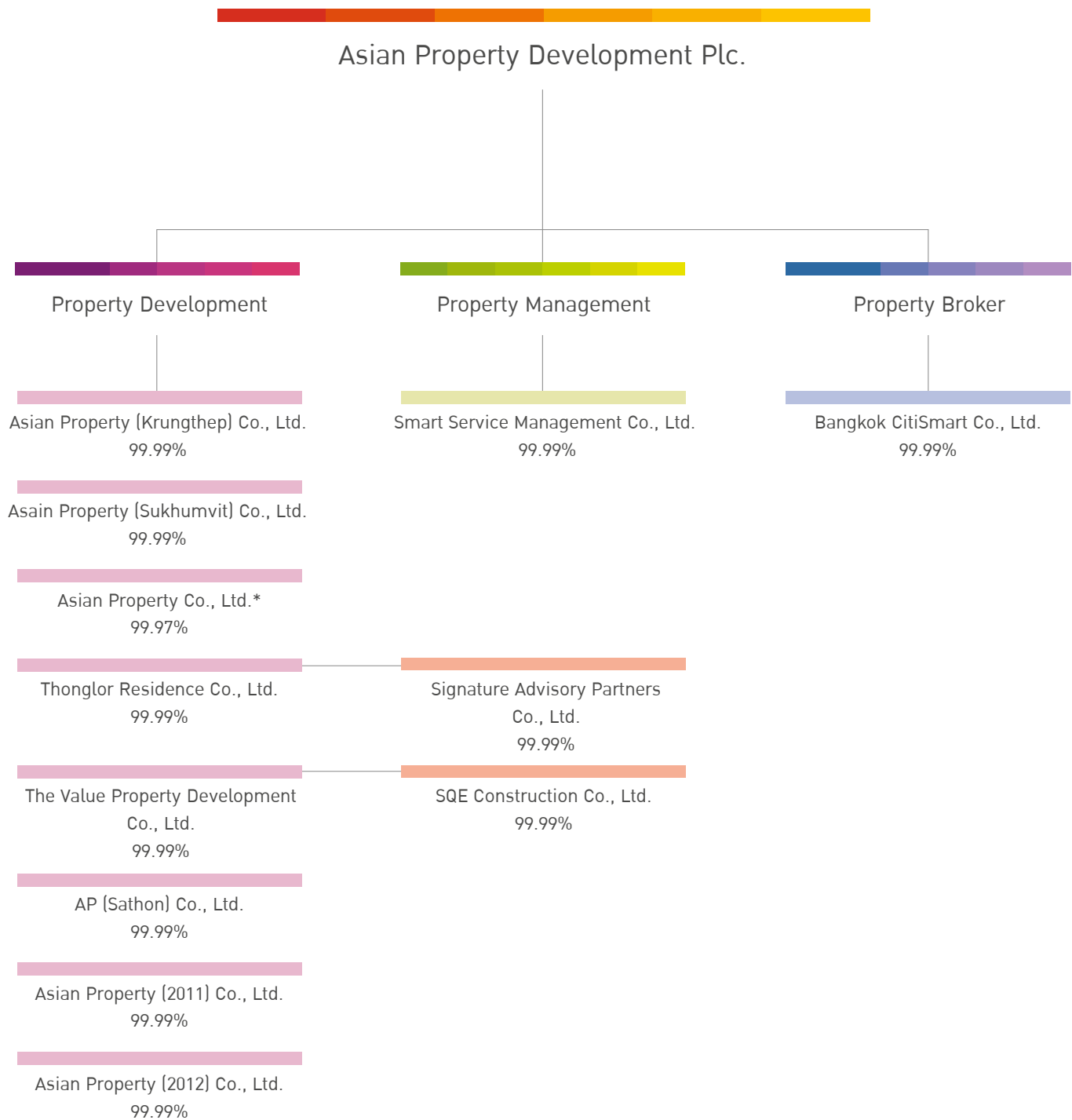
Company group consists of Asian Property Development Plc. and its 12 subsidiary companies, divided into as followed;

- **Property development business**
 - (1) Asian Property Co., Ltd.
 - (2) Asian Property (Krungthep) Co., Ltd.
 - (3) The Value Property Development Co., Ltd.
 - (4) Thonglor Residence Co., Ltd.
 - (5) Signature Advisory Partners Co., Ltd.
 - (6) Asian Property (Sukhumvit) Co., Ltd.
 - (7) AP (Sathon) Co., Ltd.
 - (8) Asian Property (2011) Co., Ltd.
 - (9) Asian Property (2012) Co., Ltd.
- **Property management business**
 - (1) Smart Service and Management Co., Ltd.
- **Property broker business**
 - (1) Bangkok CitiSmart Co., Ltd.
- **Construction business**
 - (1) SQE Construction Co., Ltd.

The company group conducts a property developing business; i.e., single detached house (SDH), townhouse, and condominium in the residential area or central business district with easy access transportation and design to match consumer needs of each group and area. Each project is determined to serve customers under various brands as shown in below table.

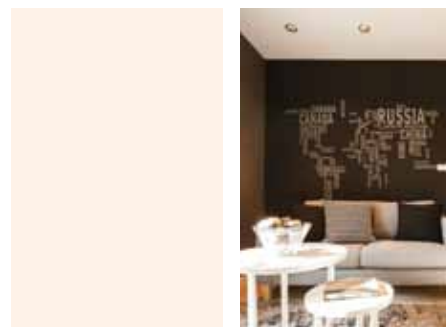
	SDH	THE PALAZZO	THE CITY	CENTRO	
	Townhouse	BAAN KLANG KRUNG	บ้านกลางเมือง (Baan Klang Mueng)	BIZTOWN	Pleno
	Condominium	THE ADDRESS	RHYTHM	Life	aspire

Company Structure



* the amalgamated company among (former) Asian Property Co., Ltd., Asian Property (Ladphrao) Co., Ltd., Asian Property Holding Co., Ltd., Asian Property (Ratchavipa) Co., Ltd., Asian Property (Sathon) Co., Ltd. and Trillion Development Co., Ltd.

Revenue Structure



(Unit: MB)

Product lines/ Business group	Operated by	Share holding ratio	2012		2011		2010		2009 (Restated)	
			Revenue	%	Revenue	%	Revenue	%	Revenue	%
1. Revenue	APD	-	12,146.9	69.4	10,544.3	76.9	10,400.9	74.1	9,991.8	78.7
from property	APR	99.99%	24.4	0.1	1,792.9	13.1	1,814.6	12.9	-	-
development	APSV	99.99%	1,657.8	9.5	612.9	4.4	-	-	-	-
business ⁽³⁾	APK	99.99%	521.5	3.0	361	2.6	530.2	3.8	1,356.8	10.7
	ASIAN	99.97%	45.9	0.3	108.2	0.8	41.3	0.3	-	-
	BCS	99.99%	72.1	0.4	64	0.5	57.6	0.4	52.5	0.4
	SSM	99.99%	40.8	0.2	31.9	0.2	31.9	0.2	23	0.2
	VPD	99.99%	810.1	4.6	123.3	0.9	-	-	-	-
	APST	99.99%	1,990.1	11.4	-	-	-	-	-	-
	Trillion ⁽¹⁾	99.99%	-	-	-	-	130.0	0.9	336.4	2.6
	APV ⁽¹⁾	99.99%	-	-	-	-	177.2	1.3	390.9	3.0
	APL ⁽¹⁾	99.99%	-	-	-	-	10.2	0.1	60.7	0.5
	AP ⁽¹⁾	99.99%	-	-	-	-	4.7	-	-	-
	APS ⁽¹⁾	99.99%	-	-	-	-	641.6	4.6	415.7	3.4
Total			17,309.6	98.9	13,638.5	99.4	13,840.2	98.6	12,627.8	99.4
2. Other revenue ⁽²⁾			193.4	1.1	78.9	0.6	195.7	1.4	70.3	0.6
Grand total			17,503.0	100	13,717.4	100	14,035.9	100	12,698.1	100

⁽¹⁾ The companies were amalgamated on 30 June 2010 and operated under a new name "Asian Property Co., Ltd.". After the amalgamation, 6 subsidiary companies were hence dissolved on the same day.

⁽²⁾ Other revenue includes gain from sale of investment, dividend income, interest income and other income.

⁽³⁾ The Company and subsidiaries have applied a new Account Standard regarding the revenue acknowledgement from the sale of land and land with building and from the sale of condominium unit which require acknowledging the revenue after ownership transferred. This new Account Standard was effective since 2010.

⁽⁴⁾ AP (Ratchada) Co., Ltd. has transferred all liabilities and equities to Asian Property Co., Ltd. with effective date of 2 April 2012 and dissolved on 3 April 2012.

Abbreviations;

APD Asian Property Development Plc.
 APSV Asian Property (Sukhumvit) Co., Ltd.
 ASIAN Asian Property Co., Ltd. (amalgamated company)
 SSM Smart Service & Management Co., Ltd.
 APST AP (Sathon) Co., Ltd.
 APV⁽¹⁾ Asian Property (Ratchavipa) Co., Ltd.
 AP⁽¹⁾ Asian Property Co., Ltd.

APR AP (Ratchada) Co., Ltd.
 APK Asian Property (Krungthep) Co., Ltd.
 BCS Bangkok CitiSmart Co., Ltd.
 VPD The Value Property Development Co., Ltd.
 Trillion⁽¹⁾ Trillion Development Co., Ltd.
 APL⁽¹⁾ Asian Property (Ladphrao) Co., Ltd.
 APS⁽¹⁾ Asian Property (Sathon) Co., Ltd.

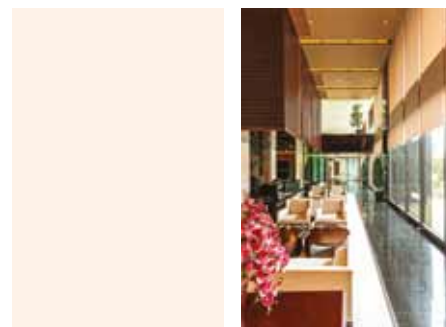
Significant corporate events in the past 3 years

Year	Significant corporate events
2010	<ul style="list-style-type: none"> February 2010, the Company sold its 59,877,700 ordinary shares in Quality Construction Products Plc. to SCG Building Materials Co., Ltd. at Baht 4 per share. The Company earned Baht 104,300,000 profit from such investment. March 2010, there were changes in the Company group as followed; <ul style="list-style-type: none"> Asian Property (Ladphrao) Co., Ltd. sold its 348 shares in Asian Property (Ratchavipa) Co., Ltd. to the Company at Baht 43.07 per share. Asian Property (Krungthep) Co., Ltd. sold its 348 shares in Asian Property (Ratchavipa) Co., Ltd. to the Company at Baht 43.07 per share. Asian Property Co., Ltd. sold its 3,994 shares in Asian Property Holding Co., Ltd. to the Company at Baht 12 per share. On 8 March 2010, the Company issued ESOP warrants for the exercise rights of 48,680,463 units to the employees of the Company and the subsidiaries where the Company holds their shares not less than 75% of the total paid-up shares. In April 2010, at the Annual General Meeting of the shareholders of 6 subsidiary companies, i.e, (1) Asian Property Co., Ltd., (2) Asian Property (Sathon) Co., Ltd., (3) Asian Property (Ladphrao) Co., Ltd. (4) Asian Property Holding Co., Ltd. (5) Trillion Development Co., Ltd. (6) Asian Property (Ratchavipa) Co., Ltd. (altogether "the 6 subsidiaries"), it was resolved that the 6 subsidiaries be amalgamated under the newly established company named Asian Property Co., Ltd., with effective date of 30 June 2010. Such amalgamation is to facilitate the management among the company group. In June 2010, the Company purchased 99,958 shares in Bangkok CitiSmart Co., Ltd. from an existing shareholder according to the Board of Directors' resolution no. 7/2010. The Company, hence, holds 99.99% of the total shares in Bangkok CitiSmart Co., Ltd. In July 2010, the Company holds 99.99 % of the total shares in Bangkok Rungroj Co., Ltd., a newly established company with the registered capital of Baht 50,000,000. Later in October 2010, Bangkok Rungroj Co., Ltd. was amended its name to SQE Construction Co., Ltd. and its core business to construction, which solely serves to The Value Property Development Co., Ltd., another subsidiary company where AP holds 99.99% of its total shares. In September 2010, Board of Directors of the Company approved the purchase of 36,015,000 shares in AP Pacific Star (Ratchada) Co., Ltd. from ARE PDF Evergreen RAT Limited, Baht 13.5777 per share, totaling Baht 489,000,000. The share purchase was made on 1 October 2010 and increases the share holding from 51% to 99.99% of the total shares. On the same day, AP Pacific Star (Ratchada) Co., Ltd. was amended its name to AP (Ratchada) Co., Ltd.

Year	Significant corporate events
2010	<ul style="list-style-type: none"> • In September 2010, Board of Directors of the Company approved the purchase of 31,850,000 shares in AP Pacific Star (Sathon) Co., Ltd. from ARE PDF Evergreen SAT Limited, Baht 10.7692 per share, totaling Baht 343,000,000. The share purchase was made on 1 October 2010 and increases the share holding from 51% to 99.99% of the total shares. On the same day, AP Pacific Star (Sathon) Co., Ltd. was amended its name to AP (Sathon) Co., Ltd. • In October 2010, AP (Ratchada) Co., Ltd. decreased its registered capital from Baht 735,000,000 to Baht 430,000,000 and registered this new registered capital at the Ministry of Commerce on 19 November 2010. • In November 2010, The Value Property Development Co., Ltd. increased its registered capital from Baht 20,000,000 to Baht 500,000,000 and registered this new registered capital at the Ministry of Commerce on 26 November 2010. • During the year 2010, the Company gradually sold the ordinary shares in Pre Built Plc. to the public, totaling 7,700,000 shares. Consequently, the shares the company held decreased from 24.02% to 19.96% of the total paid-up shares. Such sell of shares in Pre Built Plc. was recorded as "Other long-term investments in the financial statement, which previously was recorded as "investment in associate" because the Company no longer held a significant amount of shares in Pre Built Plc. • The ESOP warrants were exercised to 8,723,600 shares as of 31 December 2010. Therefore, the Company had paid-up capital of Baht 2,343,332,866.
2011	<ul style="list-style-type: none"> • The Company increased its capital according to the Shareholders' meeting as followed; <ol style="list-style-type: none"> 1. Increase the registered capital for Baht 476,660,000 on 11 May 2011 in response with the dividend payout and ESOP exercises. The Company then had the registered capital of Baht 2,859,949,729. 2. Increase the paid-up capital in response with the dividend payout and ESOP exercises totaling 4 times during the year. The Company then had the paid-up capital of Baht 2,821,471,658. • In November 2011, Asian Property (2011) Co., Ltd. was established with the registered capital of Baht 10,000,000 and the objective of property development. The Company held 99.99% of the total shares. • The ESOP warrants were exercised to 9,908,690 shares as of 31 December 2011. Therefore, the Company had paid-up capital of Baht 2,821,983,158.
2012	<ul style="list-style-type: none"> • In January 2012, Asian Property (2012) Co., Ltd. was established with the registered capital of Baht 10,000,000 and the objective of property development. The Company held 99.99% of the total shares. • Later in January, Asian Property (2012) Co., Ltd. and Asian Property (2011) Co., Ltd. increased their registered capital from Baht 10,000,000 (each) to Baht 300,000,000.

Year	Significant corporate events
	<ul style="list-style-type: none"> <p>In March 2012, at the AGM of the shareholders of AP (Ratchada) Co., Ltd., it was resolved that all assets and liabilities of AP (Ratchada) Co., Ltd. be transferred to Asian Property Co., Ltd. with effective date of 2 April 2012 and that AP (Ratchada) Co., Ltd. be dissolved on 3 April 2012. While at the Extraordinary General Meeting no. 1/2012 of Asian Property Co., Ltd., it was resolved that all assets and liabilities of AP (Ratchada) Co., Ltd. be transferred to Asian Property Co., Ltd. with effective date of 2 April 2012. The Company holds 99.99% shares in both entities. These two subsidiaries were established with an objective of property development.</p> <p>In August 2012, at the Extraordinary General Meeting of AP (Sathon) Co., Ltd., it was resolved that its registered capital be decreased for an amount of Baht 487,500,000 from Baht 650,000,000 to Baht 162,500,000.</p> <p>The ESOP warrants were exercised to 26,288,880 shares as of 31 December 2012. Therefore, the Company had paid-up capital of Baht 2,848,272,038</p>

Shareholding Structure



Shareholding structure

- Top ten largest shareholders of the Company as of 9 January 2013

Name of the shareholder	No. of shares	% of total paid-up shares
1. Mr. Anuphong Assavabhokhin	664,588,692	23.33
2. Thai NVDR Co., Ltd.	369,184,035	12.96
3. Mr. Pichet Vipavasuphakorn ¹	282,405,400	9.91
4. HSBC (Singapore) Nominees Pte. Ltd.	117,640,528	4.13
5. The Bank of New York Mellon-CGT Taxable	70,000,000	2.46
6. State Street Bank and Trust Company	52,469,981	1.84
7. Mr. Chanchai Krairitichai	49,363,124	1.73
8. TFB FOR MFC-THAI FUND INVESTMENT PLAN	43,904,760	1.54
9. STATE STREET BANK EUROPE LIMITED	43,345,568	1.52
10. BNY MELLON NOMINEES LIMITED	34,475,760	1.21
Total	1,727,377,848	60.65

¹ Mr. Pichet Vipavasuphakorn and spouse

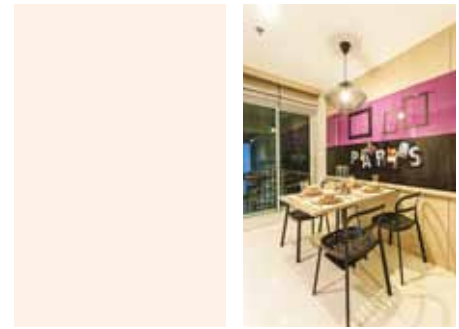
- Share amount or effect to shareholders' voting rights from TTF or NVDR

As of 9 January 2013, there were 369,184,035 shares, or equivalent to 12.96% of the paid-up capital, issued by the Company. However, NVDR shareholders are not eligible to vote except voting for the Company delisting. In that case, number of voting rights shares will decline, then the right of other voting shares will increase. NVDR share amount is disclosed at the website of Stock Exchange Thailand for voting rights check.

Management Structure



Board Structure



The Boards of the Company consist of the Board of directors and 4 subcommittees; i.e., Audit committee, Nomination and Remuneration committee, Corporate Governance committee and Management committee, all appointed to assist of relevant duties.

	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Management Committee*	Type
Mr. Chatchaval Bhanalaph	Chairman					Independent Director
Mr. Anuphong Assavabhokhin	Vice Chairman		Director		Chairman	Company Executive
Mr. Pichet Vipavasuphakorn	Director		Director	Director	Director	Company Executive
Mr. Chaiyarat Thampeera	Director					Director
Mr. Siripong Sombutsiri	Director				Director	Company Executive
Mr. Wason Naruenatpaisan	Director					Company Executive
Ms. Kittiya Pongpujaneekul	Director				Director	Company Executive
Mr. Visanu Suchartlumpomg	Director					Company Executive
Mr. Pornwut Sarasin	Director					Independent Director
Mr. Shaw Singhaseni	Director		Chairman			Independent Director
Mr. Phanporn Dabbarangsi	Director	Chairman				Independent Director
Mr. Kosol Suriyaporn	Director	Director	Director	Chairman		Independent Director
Mr. Nontachit Tulayanonda	Director	Director	Director			Independent Director
Mr. Vilas Pilakasiri	Secretary to the BOD			Director		Secretary to the BOD
Mr. Pumipat Sinacharoen				Director		Corporate Secretary/ Company Executive
Mr. Opas Ruangrajitpakorn				Director		Company Executive

* Management Committee consists of 5 directors where 1 position available and the Company's Board of Directors is now considering a qualified director to serve the committee.

1) Board of Directors

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

- **Authorized Signatory Directors**

Mr. Anuphong Assavabhokhin

Mr. Pichet Vipavasuphakorn

Mr. Siripong Sombutsiri

Mr. Wason Naruenatpaisan

Mr. Visanu Suchartlumpomg

Ms. Kittiya Pongpujaneekul

Any one director signs and seals

- **Scope of the Company Board of Directors' responsibilities**

1. Assign visions, strategies and work plans of the Company for the best benefit of shareholders. Consider approval of any general business of the Company where significant, such as land sell and purchase or loan application approval without assigning Chief Executive Officer and Managing Director. The Board, however, assign Chief Executive Officer and Managing Director to administrate the Company following its policies.
2. Act in compliance with the Company's objectives, regulations, and shareholders' resolutions.
3. Set up the follow-up and assessment of working operation of the executives and staff, including the internal control and sufficient risk assessment.
4. Consider appointment of person or outsource for internal auditing and consulting of the internal control improvement.
5. Consider, in accordance with Stock Exchange of Thailand's regulations, any arisen business that may have conflicts of interest with the Company
6. Conduct the company business with fair and transparency
7. Neither engage in the business of the same nature as the Company that might compete with the Company, nor a partner in the partnership, unlimited-liability partner in limited partnership, or director of another company limited or public company limited that engages in the business of the same nature as the Company that might compete with the Company, unless informing to the shareholders' meeting prior to the appointment.
8. Promptly inform the Company of any conflict of interest, direct or indirect, arisen from any contract made with the Company, or any increase or reduction in holding of the Company's or subsidiaries' shares or debentures.
9. Arrange general ordinary shareholders' meeting within 4 months after the end of Company's fiscal year.
10. Prepare the balance sheet and income statement as of the end of each fiscal year and propose them to the shareholders at the annual general shareholders' meeting.

2) Audit Committee

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

- **Scope of the Audit Committee responsibilities**

1. Verify the Company's financial statements to be accurately and adequately disclosed
2. Ensure that the Company has appropriate and effective internal control and audit system. Consider approval of work plan of the internal audit unit and its independency. Appoint, transfer or terminate the employment of internal audit unit, including remuneration approval.
3. Encourage the Company's business operation to be complied with relevant laws and regulations, and good corporate governance.
4. Seek and propose for appointment or removal of the Company auditors. Consider and propose their remuneration.
5. Seek and propose for appointment or removal of the Company internal auditors. Consider and propose their remuneration.
6. Participate in meetings with the Company audits, where in absence of the Company executives. Such meeting is held at least once a year to communicate freely with the Company auditors.
7. Consider the Company disclosure of any related transaction or any action that conflicts may arise in order to ensure the compliance with laws and regulations under the Stock Exchange Commission and the Stock Exchange of Thailand, and the best benefit for the Company.
8. Disclose an Audit Committee's report in the Company's annual report where the audit committee members sign for its verification. Such report must contain the following details;
 - 8.1. The committee's opinion on the accuracy, sufficiency and reliability of the Company financial report;
 - 8.2. The committee's opinion on the adequacy of the Company's internal control system;
 - 8.3. The committee's opinion on the suitability of the Company's auditors;
 - 8.4. The committee's opinion on any action that may cause conflicts;
 - 8.5. The committee's opinion on the Company's Good Governance and compliance with Stock Exchange of Thailand's laws and regulations or any other related laws;
 - 8.6. Other actions under the scope and responsibilities given from the Board of Directors that the Company deems as significant for shareholders and investors.
9. Investigate reports from the Company auditors regarding any suspicious behavior of directors, executives or related persons which is against the law as defined in Security and Stock Exchange Act. The investigation result must be submitted to the Stock Exchange Commission and the auditors within 30 days after the auditors notify such matter.
10. Consider the draft of Audit Committee Charter and review occasionally to keep the charter up-to-dated.
11. Other actions as designated by the Board of Directors and agreed by the Audit Committee.

3) **Nomination and remuneration**

Nomination and remuneration consists of 5 directors which 3 directors are qualified as independence directors.

- **Scope of the Nomination and Remuneration Committee responsibilities**

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

4) Corporate Governance Committee

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

- **Scope of the Corporate Governance Committee responsibilities**

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

5) Management Committee

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

- **Scope of the Management Committee responsibilities**

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

Independent directors' qualification

- (1) Hold not more than 1% of all voting rights of the company, parent company, subsidiary company, affiliate company, major shareholder or controlling person unless such condition is terminated for at least 2 years. This is not applied to the independent director who was a civil servant or consultant to the government sector which hold company shares in majority or a controlling person.
- (2) Never be appointed as a director having a role in the company operation, employee, staff, consultant receiving fixed salary or controlling person of the company, parent company, subsidiary company, affiliate company, subsidiary company in the same share held level, major shareholder or the controlling person of the company unless such condition is terminated for at least 2 years. This is not applied to the independent director who was a civil servant or consultant of the government sector which hold company shares in majority or a controlling person.
- (3) Not related by blood or legal marriage to any parents, spouses, siblings, children, or spouses of children of members on the management team, major shareholders, candidates to the management team, or authorized persons to the Company or subsidiaries.
- (4) Never be related to the business of the company, parent company, subsidiary company, affiliate company, major shareholder or the controlling person in a way that may affect his/her independency in discretion and never be a significant shareholder or a controlling person over the person who relates to the company, parent company, subsidiary company, affiliate company, major shareholder or the controlling person of the company, unless such condition is terminated for at least 2 years.
- (5) Never be an auditor to the company, parent company, subsidiary company, affiliate company, major shareholder or the controlling person of the company and not a significant shareholder, controlling person or partner of the audit company to the company, parent company, subsidiary company or where the major shareholder or the controlling person takes part in, unless such condition is terminated for at least 2 years.

- (6) Never render a professional service, including a legal and financial consultant which is paid for service more than Baht 2 millions by the company, parent company, subsidiary company, affiliate company, a major shareholder or a controlling person of the company and not being a significant shareholder, controlling person or partner of such service render company, unless such condition is terminated for at least 2 years.
- (7) Not appointed as a director to represent company directors, major shareholder or any shareholders related to a major shareholders.
- (8) Not belonging to any business or partnership that is similar to or competing with the Company or subsidiaries; or being an executive director, an employee, or a consultant that receives monthly salary; or holding more than 1% of shares that entitle to voting right in other companies that are in the same business or competing with the Company and subsidiaries.
- (9) No other condition that affect the independency of discretion on company management.

Meeting attendance

	Board of Directors (total meeting : 11 times)	Audit Committee (total meeting : 4 times)	Nomination & Remuneration Committee (total meeting : 3 times)	Corporate Governance Committee (total meeting : 4 times)	Management Committee* (total meeting : 1 times)
Mr. Chatchaval Bhanalaph	100%				
Mr. Anuphong Assavabhokhin	100%		100%		100%
Mr. Pichet Vipavasuphakorn	100%		100%	100%	100%
Mr. Chaiyarat Thampeera	91%				
Mr. Siripong Sombutsiri	91%				100%
Mr. Wason Naruenatpaisan	82%				
Ms. Kittiya Pongpujaneekul	100%				100%
Mr. Visanu Suchatlampong	100%				
Mr. Pornwut Sarasin	82%				
Mr. Shaw Sinhaseni	82%		67%		
Mr. Phanporn Dabbarangsi	64%	75%			
Mr. Kosol Suriyaporn	100%	75%	100%	75%	
Mr. Nontachit Tulayanonda	100%	100%	100%		
Mr. Vilas Pilakasiri	100%			100%	
Mr. Pumipat Sinacharoen				100%	
Mr. Opas Ruangrajitpakorn				100%	

* Set up on 21 September 2012

Management

The Company's management, as of 31 December 2012, consists of the following;

Name	Position
1. Mr. Anuphong Assavabhokhin	Chief Executive Officer
2. Mr. Pichet Vipavasuphakorn	Managing Director
3. Mr. Siripong Sombutsiri	Executive Director
4. Mr. Wason Naruenatpaisan	Chief Operation Officer
5. Ms. Kittiya Pongpujaneekul	Chief Financial Officer
6. Mr. Visanu Suchatlampong	Chief Business Officer Unit 1
7. Mr. Opas Ruangrajitpakorn	Chief Risk Officer
8. Mrs. Supalak Chanpitak	Chief Business Officer Unit 4
9. Mr. Pumipat Sinacharoen	Chief People Excellence / Deputy Chief Financial Officer
10. Mr. Marote Vananan	Chief Commercial Officer
11. Mr. Somchai Wattanasaowapak	Chief IT Officer
12. Mr. Vittakarn Chandavimol	Chief Strategic Marketing Officer
13. Mr. Piyawat Suephaisal	Executive Vice President, Business Liaison Department
14. Mr. Pamorn Prasertsan	Deputy Chief Business Unit 2
15. Mr. Boonlert Ratintorn	Deputy Chief Business Unit 3

Corporate Secretary

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

Director selection

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

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

Selection procedure

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

Director's appointing

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

1. Each shareholder has one vote for each share held;

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

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

Director and management remuneration

The Company determines director's remuneration appropriately and comparably with other companies among the same business sector. Remuneration consists of gratuity and bonus. The latter is given once a year reflected from the Company operating result. Nomination and remuneration committee is responsible for consideration of remuneration and propose to the Board of Directors. The Board of Directors then proposes to the Shareholders' meeting of approval.

- **Monetary remuneration**

(a) Director's remuneration in terms of meeting allowance and gratuity for the year 2011 and 2012

Name of Director	Type	Position	2012			2011		
			Partici- pation [%]	Gratuity (Baht)	Remu- nerations (Baht)	Partici- pation [%]	Gratuity (Baht)	Remu- nerations (Baht)
1. Mr. Chatchaval Bhanalaph	Independent Director	Chairman of the Board	100%	220,000	680,000	92%	350,000	600,000
2. Mr. Anuphong Assavabhokhin	Executive Director	Vice Chairman / Chief Executive Officer	100%	220,000	None	100%	350,000	None
3. Mr. Pichet Vipavasuphakorn	Executive Director	Director / Managing Director	100%	220,000	None	100%	350,000	None
4. Mr. Chaiyarat Thampeera	Director	Director	91%	220,000	500,000	92%	350,000	280,000
5. Mr. Siripong Sombutsiri	Executive Director	Director / Executive Director	91%	220,000	None	100%	350,000	None
6. Mr. Wason Naruenatpaisan	Executive Director	Director / Chief Operation Officer	82%	220,000	None	100%	350,000	None
7. Ms. Kittiya Pongpujaneekul	Executive Director	Director / Chief Financial Officer	100%	220,000	None	100%	262,500	None

Name of Director	Type	Position	2012			2011		
			Partici- pation [%]	Gratuity (Baht)	Remu- nerations (Baht)	Partici- pation [%]	Gratuity (Baht)	Remu- nerations (Baht)
8. Mr. Visanu Suchartlumphong	Executive Director	Director/ Chief Business Unit 1 Officer	100%	220,000	None	92%	87,500	None
9. Mr. Pornwut Sarasin	Independent Director	Director	82%	220,000	500,000	100%	350,000	420,000
10. Mr. Shaw Sinhaseni	Independent Director	Director	82%	220,000	500,000	75%	350,000	420,000
11. Mr. Phanporn Dabbarangsi ¹	Independent Director	Director and Chairman of Audit committee	64%	220,000	620,000	92%	262,500	540,000
12. Mr. Kosol Suriyaporn	Independent Director	Director and Member of Audit committee	100%	220,000	500,000	100%	350,000	420,000
13. Mr. Nontachit Tulayanonda	Independent Director	Director and Member of Audit committee	100%	220,000	500,000	92%	350,000	420,000
14. Mr. Vilas Pilakasiri	Board Secretary	Board Secretary	100%	None	None	100%	262,500	None
15. Mr. Payont Sakdejyont	Director from related company	Vice Chairman	-	-	-	-	87,500	-
16. Mr. Nontigorn Kanchanachitra ¹	Independent Director	Director and Chairman of Audit committee	-	-	-	-	58,400	-

¹ Mr. Nontigorn Kanchanachitra resigned from the Director and the Chairman of the Audit Committee on 1 March 2010; the shareholders appointed Mr. Phanporn Dabbarangsi to replace as the Director and the Chairman of the Audit Committee in the AGM 2010.

(b) Executive director and management's remuneration

Total remuneration for directors and managements in 2011 and 2012 for 15 persons in terms of salary and bonus were Baht 92.2 million and Baht 105.8 million, respectively.

- Other remunerations

The Company has joined a registered provident fund which, in 2012, employees are given more choices of funds; from 1 to 3 funds; namely, K Master Pool Provident Fund, SCB Provident Fund and TMBAM M Choice Provident Fund. Moreover, the Company also chose the most appropriate policy and acknowledged the employees of the investment in each fund prior to the fund selection.

Details of Board of Directors and Management as of 31 December 2012

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
Mr. Chatchaval Bhanalaph (Chairman)	68	- M.Sc., Fortbays Kansas State College, U.S.A	0.00	-	2004-Present	Chairman of Board	Asian Property Development Plc.	Property Development
		- B.A. Chulalongkorn University			2004-Present	Chairman of Board	Pre Built Plc.	Construction
		- Director Accreditation Program 11/2004			1997-Present	Chairman of Board	Dhanamitr Factoring Co., Ltd.	Factoring
		- Audit Committee Program 9/2005			1994-Present	Director	Safety Insurance Plc.	Insurance
		- The Role of the Chairman 12/2005						
		- Director Certification Program 88/2007						
Mr. Anuphong Assavabhokhin (Vice Chairman, Chief Executive Officer and Authorized Signatory Director)	50	- M.B.A. Wayne State University, Detroit, Michigan U.S.A	23.33	-	2012-Present	Director	Asian Property (2012) Co., Ltd.	Property Development
					2011-Present	Director	Asian Property (2011) Co., Ltd.	Property Development
		- Bachelor of Engineering (Industrial) Chulalongkorn University			2010-Present	Director	Asian Property Co., Ltd.	Property Development
					2009-Present	Director	Thonglor Residence Co., Ltd.	Property Development
		- Director Accreditation Program 30/2004			2007-Present	Director	AP (Sathon) Co., Ltd.	Property Development
					2007-Present	Director	Asian Property (Sukhumvit) Co., Ltd.	Property Development

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2005–Present	Director	The Value Property Development Co., Ltd.	Property Development
					2004–Present	Director	Signature Advisory Partners Co., Ltd.	Property Development
					2003–Present	Director	Asian Property (Krunghthep) Co., Ltd.	Property Development
					2000–Present	Vice Chairman and CEO	Asian Property Development Plc.	Property Development
					1996–Present	Director	Smart Service and Management Co., Ltd.	Property Management
					1994–2010	Director	Asian Property Co., Ltd.	Property Development
					1994–Present	Director	Pathumwan Asset Co., Ltd.	Property Development
					1996–2010	Director	Asian Property Holding Co., Ltd.	Asset Management
					2002–2010	Director	Asian Property (Ladphrao) Co., Ltd.	Property Development
					2004–2007	Director	Pre Built Co., Ltd.	Construction
					2004–2010	Director	Asian Property (Ratchavipa) Co., Ltd.	Property Development
					2004–2010	Director	Trillion Development Co., Ltd.	Property Development
					2007–2010	Director	Asian Property (Sathon) Co., Ltd.	Property Development
					2007–2012	Director	AP (Ratchada) Co., Ltd.	Property Development

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
Mr. Pichet Vipavasuphakorn (Director, Managing Director and Authorized Signatory Director)	55	- Bachelor of Business Administration (Hon), Ramkhamhaeng University - Director Accreditation Program 30/2004	9.91	-	2012-Present	Director	Asian Property (2012) Co., Ltd.	Property Development
					2011-Present	Director	Asian Property (2011) Co., Ltd.	Property Development
					2010-Present	Director	Asian Property Co., Ltd.	Property Development
					2007-Present	Director	AP (Sathon) Co., Ltd.	Property Development
					2007-Present	Director	Asian Property (Sukhumvit) Co., Ltd.	Property Development
					2004-Present	Director	Signature Advisory Partners Co., Ltd.	Property Development
					2003-Present	Director	Asian Property (Krungthep) Co., Ltd.	Property Development
					2002-Present	Director	The Value Property Development Co., Ltd.	Property Development
					2002-Present	Director	Thonglor Residence Co., Ltd.	Property Development
					2000-Present	Director and Managing Director	Asian Property Development Plc.	Property Development
					1996-Present	Director	Smart Service and Management Co., Ltd.	Property Management
					1993-2010	Director	Asian Property Co., Ltd.	Property Development
					1994-Present	Director	Pathumwan Asset Co., Ltd.	Property Development
					2001-2010	Director	Asian Property Holding Co., Ltd.	Asset Management

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2002-2010	Director	Asian Property (Ladphrao) Co., Ltd.	Property Development
					2004-2010	Director	Trillion Development Co., Ltd.	Property Development
					2004-2010	Director	Asian Property (Ratchavipa) Co., Ltd.	Property Development
					2007-2010	Director	Asian Property (Sathon) Co., Ltd.	Property Development
					2007-2012	Director	AP (Ratchada) Co., Ltd.	Property Development
Mr. Chaiyarat Thampeera (Director)	56	- M.B.A.	0.00	-	2009-Present	Director	Built Land Co., Ltd.	Property Development
		Angelo State University, Texas, U.S.A.			2004-Present	Vice Chairman and CEO	Pre Built Plc.	Construction
		- Bachelor of Law, Chulalongkorn University			2001-Present	Director	Siam Retail Development Co., Ltd.	Real estate sales & leasing Development
		- Bachelor of Business Administration, Ramkhamhaeng University			2001-Present	Director	Square Ritz Plaza Co., Ltd.	Real estate sales & leasing
		- National Defence College			2000-Present	Director	Asian Property Development Plc.	Property Development
		- Finance for Non-Finance Director 8/2004			2000-Present	Director and CEO	PCM Construction Material Co., Ltd.	Manufacturing and Distributing construction
		- Director Accreditation Program 45/2005			1993-2010	Director	Asian Property Co., Ltd.	Property Development
		- Role of the Chairman Program 16/2007			1994-2012	Director	Pathumwan Asset Co., Ltd.	Property Development
					2001-2010	Director	Asian Property Holding Co., Ltd.	Asset Management
					2001-2010	Director	Quality Construction Products Plc.	Manufacturing and distributing Construction material

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2002-2010	Director	Asian Property (Ladphrao) Co., Ltd.	Property Development
					2003-2012	Director	Asian Property (Krungthep) Co., Ltd.	Property Development
					2004-2010	Director	Trillion Development Co., Ltd.	Property Development
					2004-2010	Director	Asian Property (Ratchavipa) Co., Ltd.	Property Development
					2004-2010	Director	Q-CON Eastern Co., Ltd.	Manufacturing and distributing Construction material
					2004-2012	Director	Peeranont Co., Ltd.	Property Development
					2004-2012	Director	Signature Advisory Partners Co., Ltd.	Property Development
					2007-2012	Director	CR Asset Co., Ltd.	Property Development
Mr. Siripong Sombutsiri (Director, Executive Director and Authorized Signatory Director)	57	- M.B.A. Sul Ross University, U.S.A. - Director Accreditation Program 2/2003	0.00	-	2012-Present	Director	Asian Property (2012) Co., Ltd.	Property Development
					2011-Present	Director	Asian Property (2011) Co., Ltd.	Property Development
					2011-Present	Director	Infinite Electronic (Thailand) Co., Ltd.	Manufacture and Distribute Electronic Appliances
					2010-Present	Director	SQE Construction Co., Ltd.	Construction
					2010-Present	Director	Asian Property Co., Ltd.	Property Development

Name / Position	Age	Education	Shares		Experiences during the last 5 years		Company	Type of Business
			Held	Relationship				
			(as of 9/01/13)	between Management	Period	Position		
					2009–Present	Executive Director	Asian Property Development Co., Ltd.	Property Development
					2009–Present	Director	The Value Property Development Co., Ltd.	Property Development
					2009–Present	Director	Asian Property (Sukhumvit) Co., Ltd.	Property Development
					2009–Present	Director	Asian Property (Krungthep) Co., Ltd.	Property Development
					2009–Present	Director	Thonglor Residence Co., Ltd.	Property Development
					2009–Present	Director	Signature Advisory Partners Co., Ltd.	Property Development
					2004–Present	Director and Audit Committee	Bangkok Chain Hospital Plc.	Hospital
					2002–Present	Director	Asian Property Development Plc.	Property Development
					2007–2008	Executive Vice President	TMB Bank Public Company Limited	Banking
					2009–2010	Director	Asian Property (Ratchavipa) Co., Ltd.	Property Development
					2009–2010	Director	Asian Property Holding Co., Ltd.	Asset Management
					2009–2010	Director	Asian Property Co., Ltd.	Property Development
					2009–2010	Director	Asian Property (Ladphrao) Co., Ltd.	Property Development
					2009–2010	Director	Trillion Development	Property Development

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2009-2010	Director	Asian Property (Sathon) Co., Ltd.	Property Development
Mr. Wason Naruenatpaisan (Director, Chief Operation Officer and Authorized Signatory Director)	48	- M.B.A., Burapha University - B.B.A. Bangkok University - Director Accreditation Program 81/2009	0.00	-	2012-Present	Director	Asian Property (2012) Co., Ltd.	Property Development
					2011-Present	Director	Asian Property (2011) Co., Ltd.	Property Development
					2010-Present	Director	SQE Construction Co., Ltd.	Construction
					2010-Present	Director	Asian Property Co., Ltd.	Property Development
					2010-Present	Director	AP (Sathon) Co., Ltd.	Property Development
					2009-Present	Director and Chief Operation Officer	Asian Property Development Plc.	Property Development
					2009-Present	Director	Asian Property (Sukhumvit) Co., Ltd.	Property Development
					2005-Present	Director	Capital and Property Management Co., Ltd.	Asset Management
					2005-Present	Director	The Value Property Development Co., Ltd.	Property Development
					2005-Present	Director	Smart Service and Management Co., Ltd.	Property Management
					2005-Present	Director	Bangkok CitiSmart Co., Ltd.	Broker for Property Sale & Rent
					2005-Present	Director	Thonglor Residence Co., Ltd.	Property Development

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2005–Present	Director	Asian Property (Krungthep) Co., Ltd.	Property Development
					2005–Present	Director	Signature Advisory Partners Co., Ltd.	Property Development
					1994–Present	Director	Pathumwan Asset Co., Ltd.	Property Development
					2000–2009	Chief People Officer and Chief Operation Officer (Acting)	Asian Property Development Plc.	Property Development
					2005–2010	Director	Trillion Development Co., Ltd.	Property Development
					2005–2010	Director	Asian Property Holding Co., Ltd.	Asset Management
					2005–2010	Director	Asian Property (Ladphrao) Co., Ltd.	Property Development
					2005–2010	Director	Asian Property Co., Ltd.	Property Development
					2007–2010	Director	Asian Property (Sathon) Co., Ltd.	Property Development
					2009–2010	Director	Asian Property (Ratchavipa) Co., Ltd.	Property Development
Ms. Kittiya Pongpujaneekul (Director, Chief Financial Officer and Authorized Signatory Director)	48	– Ms. in Accounting Chulalongkorn University – Director Accreditation Program 84/2010	0.03	–	2012–Present	Director	Asian Property (2012) Co., Ltd.	Property Development
					2011–Present	Director	Asian Property (2011) Co., Ltd.	Property Development
					2010–Present	Director	SQE Construction Co., Ltd.	Construction
					2010–Present	Director	Asian Property Co., Ltd.	Property Development

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2010–Present	Director	Asian Property Development Plc.	Property Development
					2007–Present	Director	AP (Sathon) Co., Ltd.	Property Development
					2009–Present	Director	Signature Advisory Partners Co., Ltd.	Property Development
					2009–Present	Director	Asian Property (Krungthep) Co., Ltd.	Property Development
					2009–Present	Director	Asian Property (Sukhumvit) Co., Ltd.	Property Development
					2009–Present	Director	Thonglor Residence Co., Ltd.	Property Development
					2009–Present	Director	The Value Property Development Co., Ltd.	Property Development
					2005–Present	Director	Capital and Property Management Co., Ltd.	Asset Management
					2001–Present	Chief Financial Officer	Asian Property Development Plc.	Property Development
					1996–Present	Director and Executive Vice President, Accounting	Smart Service and Management Co., Ltd.	Property Management
					2009–2010	Director	Trillion Development Co., Ltd.	Property Development
					2009–2010	Director	Asian Property (Ratchavipa) Co., Ltd.	Property Development
					2009–2010	Director	Asian Property Co., Ltd.	Property Development

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2009-2010	Director	Asian Property Holding Co., Ltd.	Asset Management
					2009-2010	Director	Asian Property (Ladphrao) Co., Ltd.	Property Development
					2009-2010	Director	Asian Property (Sathon) Co., Ltd.	Property Development
Mr. Visanu Suchartlumphong (Director, Chief Business Unit 1, Authorized Signatory Director)	51	- M.B.A., Thammasat University - Bachelor of Civil Engineering, Chiang Mai University - Director Accreditation Program 87/2010	0.01	-	2012-Present	Director	Asian Property (2012) Co., Ltd.	Property Development
					2011-Present	Director	Asian Property (2011) Co., Ltd.	Property Development
					2010-Present	Director	Asian Property Development Plc.	Property Development
					2010-Present	Director	SQE Construction Co., Ltd.	Construction
					2010-Present	Director	Asian Property Co., Ltd.	Property Development
					2007-Present	Director	AP (Sathon) Co., Ltd.	Property Development
					2009-Present	Director	Asian Property (Sukhumvit) Co., Ltd.	Property Development
					2009-Present	Chief Business Unit 1	Asian Property Development Plc.	Property Development
					2005-Present	Director	Smart Service and Management Co., Ltd.	Property Management
					2005-Present	Director	Bangkok CitiSmart Co., Ltd.	Broker for Property Sale & Rent
					2005-Present	Director	Thonglor Residence Co., Ltd.	Property Development

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2005–Present	Director	The Value Property Development Co., Ltd.	Property Development
					2005–Present	Director	Asian Property (Krungthep) Co., Ltd.	Property Development
					2005–Present	Director	Signature Advisory Partners Co., Ltd.	Property Development
					2005–2009	Chief Marketing Officer	Asian Property Development Plc.	Property Development
					2005–2010	Director	Trillion Development Co., Ltd.	Property Development
					2005–2010	Director	Asian Property Holding Co., Ltd.	Asset Management
					2005–2010	Director	Asian Property Co., Ltd.	Property Development
					2005–2010	Director	Asian Property (Ladphrao) Co., Ltd.	Property Development
					2007–2010	Director	Asian Property (Sathon) Co., Ltd.	Property Development
					2009–2010	Director	Asian Property (Ratchavipa) Co., Ltd.	Property Development
Mr. Pomwut Sarasin (Director)	53	– M.B.A. Pepperdine University California, U.S.A., – B.B.A. Boston University, U.S.A	0.00	–	2009–Present	Director	Asian Property Development Plc.	Property Development
					1999–Present	Vice Chairman	Thai Pure Drinks Ltd.	Beverage
					Present	Director and Chairman of Audit Committee	Charoong Thai Wire & Cable Plc.	Electric, Cables and Telecommunication Cable Manufacture

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
		- Directors Accreditation Program 45/2005			Present	Director	Denso (Thailand) Co., Ltd.	Advance Automotive Technology, System and Components
					Present	Director	Honda Automobile (Thailand) Co., Ltd.	Car Manufacture
					Present	Director	Isuzu Engine Manufacturing (Thailand) Ltd.	Diesel Engine and Components Manufacture
					Present	Director	Isuzu Motor (Thailand) Ltd.	Truck Manufacture and Component Sales
					Present	Director	Thai Asia Pacific Brewery Co., Ltd.	Brewer and Distributor of Beer
					Present	Director	Thai Bridgestone Co., Ltd.	Tire Manufacture
					Present	Director	Thai-MC Co., Ltd.	Raw Material and Components For Electric and Electronic Appliances Purchasing
					Present	Director	Tri Petch Isuzu Sales Co., Ltd.	Automotive Sales and Service
					Present	Director	Tri Petch Isuzu Leasing Co., Ltd.	Automotive Sale and Leasing
					Present	Director	Thai International Die Making Co., Ltd	Automotive Components and Die Manufacture
					Present	Director	Mikuni (Thailand) Co., Ltd.	Automotive Components Manufacture
			2553			Director	Nava Leasing Plc.	Automotive and Machine Leasing

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
Mr. Shaw Singhaseni (Director)	59	- M.B.A. (Management) University of San Francisco, U.S.A.	0.00	-	2006–Present	Director and Audit Committee	The Royal Ceramic Industry Plc.	Manufacturer, Importer and Distributor of Floor Tiles and Wall Tiles
		- Director Accreditation Program 36/2005			2001–Present	Director	Asian Property Development Plc.	Property Development
Mr. Phanporn Dabbarangsi (Director and Chairman of Audit Committee)	62	- Master of Business Administration (Finance), Michigan State University, Michigan, U.S.A.	0.00	-	2012–Present	Advisor	SCB Life Assurance Plc.	Life Insurance
		- Bachelor of Accountancy (Finance and Banking) Chulalongkorn University			2010–Present	Director and Chairman of Audit Committee	Asian Property Development Plc.	Property Development
		- Director Accreditation Program 84/2010			2001–2012	Senior Executive Vice President	SCB Life Assurance Plc.	Life Insurance
Mr. Kosol Suriyaporn (Director and Audit Committee)	49	- Bachelor of Law Chulalongkorn University	0.00	-	2001–Present	Lawyer	Price Sanond Prabhas & Wynne Ltd.	Legal Consultant
		- Barrister at Law Audit Committee Program 1/2004			2000–Present	Director and Audit Committee	Asian Property Development Plc.	Property Development
Mr. Nontachit Tulayanonda (Director and Audit Committee)	54	- M.A at Tarleton State University, Texas U.S.A	0.00	-	2010–Present	First Executive Vice President, Risk Management Group	Land and House Retail Bank	Bank
		- Audit Committee Program 1/2004			2005–Present	Director and Audit Committee	Muang Mai Guttry	Latex Transmutation

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2000–Present	Director and Audit Committee	Asian Property Development Plc.	Property Development
					2005–2009	First Executive Vice President, Lending Group	Land and House Retail Bank	Bank
Mr. Opas Ruangrajitpakorn (Chief Risk Officer)	52	– M.B.A. Kasetsart University – Bachelor of Economics, Thammasat University	0.00	–	2009–Present	Chief Risk Officer	Asian Property Development Plc.	Property Development
					2005–Present	Director	Smart Service and Management Co., Ltd.	Property Management
					1994–2009	Chief Financial Officer	Asian Property Co., Ltd.	Property Development
					1995–2008	Director	Pre Built Plc.	Construction
					2001–2008	Executive Vice President, Finance	Asian Property Development Plc.	Property Development
Mrs. Supalak Chanpitak (Chief Business Unit 4)	53	– Bachelor of Architecture Chulalongkorn University – M.B.A. Thammasat University	0.02	–	2010–Present	Director	SQE Construction Co., Ltd.	Construction
					2010–Present	Chief Business Unit 4	Asian Property Development Plc.	Property Development
					2005–2010	Executive Vice President	Pruksa Real Estate Plc.	Property Development
Mr. Piyawat Suephaisal (Executive Vice President, Business Affair Liaison Dep.)	53	– Bachelor of Business Administration, Ramkhamhaeng University	0.00	–	2001–Present	Executive Vice President Business Affair Liaison Department	Asian Property Development Plc.	Property Development
					1994–2010	Executive Vice President, Sales	Asian Property Co., Ltd.	Property Development

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
Mr. Pumipat Sinacharoen (Chief People Officer, Deputy Chief Financial Officer and Corporate Secretary)	42	- M.B.A., The American Graduate School of International Management (Thunderbird), U.S.A. - Bachelor of Economics, Thammasat University	0.03	-	2012-Present	Chief People Officer	Asian Property Development Plc.	Property Development
					2012-Present	Director	Asian Property (2012) Co., Ltd.	Property Development
					2011-Present	Director	Asian Property (2011) Co., Ltd.	Property Development
					2010-Present	Director	SQE Construction Co., Ltd.	Construction
					2010-Present	Director	Asian Property Co., Ltd.	Property Development
					2009-Present	Deputy Chief Financial Officer	Asian Property Development Plc.	Property Development
					2009-Present	Director	Asian Property (Krungthep) Co., Ltd.	Property Development
					2009-Present	Director	The Value Property Development Co., Ltd.	Property Development
					2009-Present	Director	Thonglor Residence Co., Ltd.	Property Development
					2009-Present	Director	Signature Advisory Partners Co., Ltd.	Property Development
					2007-Present	Director	AP (Sathon) Co., Ltd.	Property Development
					2007-Present	Director	Asian Property (Sukhumvit) Co., Ltd.	Property Development
					2005-Present	Director	Bangkok CitiSmart Co., Ltd.	Broker for Property Sale & Rent
					2005-Present	Director	Smart Service and Management Co., Ltd.	Property Management
					2005-Present	Director and Audit Committee	Fortune Parts Industry Plc.	Manufacturing and distributing auto parts

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2002-2009	Executive Vice President, Business Development Department	Asian Property Development Plc.	Property Development
					2005-2012	Chief Executive Officer	Bangkok CitiSmart Co., Ltd.	Broker for Property Sale & Rent
					2006-2007	Performance Measurement Director	National Institution for Brained-based Learning	Public Organization
					2007-2010	Director	Asian Property (Sathon) Co., Ltd.	Property Development
					2007-2011	Director	Securities Analysts Association	Association
					2007-Present	Director	AP (Ratchada) Co., Ltd.	Property Development
					2009-2010	Director	Asian Property Co., Ltd.	Property Development
					2009-2010	Director	Asian Property Holding Co., Ltd.	Asset Management
					2009-2010	Director	Asian Property (Ratchvipa) Co., Ltd.	Property Development
					2009-2010	Director	Trillion Development Co., Ltd.	Property Development
					2009-2010	Director	Asian Property (Ladphrao) Co., Ltd.	Property Development
Mr. Marote Vananan (Chief Commercial Service)	42	- M.B.A., Khon Khaen University - Bachelor of Business Administration, Thai Chamber of Commerce University	0.00	-	2012-Present	Chief Commercial Officer	Asian Property Development Plc.	Property Development
					2009-Present	Chief Executive Officer	Smart Service and Management Co., Ltd.	Property Management
					2009-2012	Deputy Chief Commercial Officer	Asian Property Development Plc.	Property Development

Name / Position	Age	Education	Shares Held (as of 9/01/13)	Relationship between Management	Experiences during the last 5 years		Company	Type of Business
					Period	Position		
					2008	National Channel Sales Manager	Motorola (Thailand) Co., Ltd.	Telecom- munication
					2005-2007	National Sales Manager	Chevron Thai Co., Ltd.	Energy
Mr. Somchai Wattanasawapak (Chief IT Officer)	49	- M.B.A., Kasetsart University	0.00	-	2012-Present	Chief IT Officer	Asian Property Development Plc.	Property Development
					2009-2012	Deputy Chief IT Officer	Asian Property Development Plc.	Property Development
					2004-2008	Vice President-IT	Pruksa Real Estate Pcl.	Property Development
Mr. Vittakarn Chandavimol (Chief Marketing Officer)	43	- M.B.A., University of Portland, Oregon, U.S.A.	0.00	-	2012-Present	Chief Marketing Officer	Asian Property Development Plc.	Property Development
					2010-2012	Deputy Chief Marketing Officer	Asian Property Development Plc.	Property Development
					2007-2009	Associate Director- Strategic Marketing	CIGNA Insurance Co., Ltd.	Insurance
					2003-2007	Marketing Manager	Motorola (Thailand) Co., Ltd.	Telecom- munication
Mr. Pamorn Prasertsan (Deputy Chief Business Unit 2)	41	- M.B.A. National Institute of Administration - Bachelor of Civil Engineering, King Mongkut's University of Technology Thonburi	0.00	-	2010-Present	Deputy Chief Business Unit 2	Asian Property Development Plc.	Property Development
					2008-2010	Senior Vice President	Asian Property Development Plc.	Property Development
					2005- 2008	Vice President	Asian Property Development Plc.	Property Development
Mr. Boonlert Ratinthorn (Deputy Chief Business Unit 3)	40	- B.A. Bangkok University	0.03	-	2010-Present	Deputy Chief Business Unit 3	Asian Property Development Plc.	Property Development
					2008- 2010	Senior Vice President	Asian Property Development Plc.	Property Development
					2005-2008	Vice President	Asian Property Development Plc.	Property Development

Good Corporate Governance

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

During 2012, the Company has operated its business under CG concern which can be divided into 5 categories;

1. Rights of the Shareholders

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

- Shareholder meeting

The Company held an Annual General Meeting of the Shareholders on 30 April 2012, which did not exceed 4 months after the fiscal year end. The meeting registration started at 13.00 hrs. and the meeting was inaugurated at 14.30 hrs. The meeting venue was easily accessed by various means of transportation as it was taken place at Westin Grand Sukhumvit hotel in a central business district. Besides, the Company has employed Thailand Securities Depository Co., Ltd., ("TSD") to manage the meeting registration for systematic, transparent and verifiable process

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

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

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

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

- Rights of the shareholders in the Annual General Meeting

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

Shareholder's Criteria

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

The Company reserves the rights not to adopt the following agenda;

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

Documents filing

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

Consideration procedure

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

For the last Annual General Meeting, the Company notified thru Stock Exchange of Thailand news board and the Company website of the offer for a right to propose an AGM agenda for a period between 1 to 31 December, 2011. However, no proposal has been made yet.

- Dividend payout policy

The Company has dividend payout policy of no more than 50% of net profits (shown in a consolidated financial statement) in any financial year. The Company will consider various factors to determine the dividend, such as operation result and financial status, liquidity, business expansion prospect, and other factors related to the Company's operation. In 2011, the Company achieved Baht 1,551 million net profit and equivalent to Baht 0.55 per share. For 2011 operating result, dividend payment was approved for Baht 0.18 per shares, equivalent to Baht 0.18 per share and 32.8% of net profit, complying with the Company dividend payout policy.

The dividend payment must be approved by the Company's board of directors and shareholders. For the year 2008, 2009, 2010, 2011, and 2012, the Company paid dividend at 38.9%, 35.6%, 40%, 40% and 32.8% of net profits of the financial year 2007, 2008, 2009, 2010 and 2011, respectively.

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

- Enquiries and suggestions

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

- Regular mail, addressed to Investor Relations section, Asian Property Development Plc., 170/57 Ocean Tower 1, 18th floor, New Ratchadapisek road, Klongtoey sub-district, Klongtoey district, Bangkok 10110
- Email to investor@ap-thai.com
- Telephone no. 02 261 2518-22
- Facsimile no. 02 261 3446

2. Equitable treatment of shareholders

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

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

The Company also released the written measure of internal information protection, called "*The Usage of Internal Information and Acquisition Policy*" and published to directors, executives and staff. The Company CG policy also requires the executives to disclose their gain and loss of the Company business to Board of Directors. Currently, no director has any gain or loss of the Company business. Moreover, directors are required to disclose their share holding in the

Company to Stock Exchange Commission by submitting the regulated form and declare to the Board of Director in every meeting. (See more details in **Usage of the Internal Information policy**)

3. Role of stakeholders

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

- Employee policy

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

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

- Trade partner policy

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

- Consumer liability policy

1. The Company shall control its products and services to meet the standard at all time, as well as evaluate and improve to lessen the effect on consumers.
2. The Company shall set up channels, i.e. a call center and webpage in Facebook website for consumers to place their complaints.

3. Consumers must be informed accurate and sufficient information of the Company's products and services. The Company must be well aware of consumers' liability, particularly in the aspect of safety and risk protection. Any contracts or agreements between the Company and consumers must be made with transparency and common understanding among all partners. Consumers must be offered enough time to study and chances for inquiries.
4. Consumer rights and personal information must be guarded. Such information shall not be used without consent.

- **Creditor policy**

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

- **Trade partner policy**

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

- **Shareholder policy**

The Company treats shareholders equally and discloses its information timely, accurate and completed. (See more details in *Right of shareholders section*)

- **Environment policy**

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

- **Health and safety policy**

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

- **Corporate Social Responsibility policy (CSR)**

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

- **Human rights policy**

The Company, directors, executives and staff shall respect universal human rights as followed;

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

- Intellectual property rights policy

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

- Whistle-blower policy

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

4. Information Disclosure and Transparency

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

- Related units

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

- Information disclosure

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

- Financial reporting

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

- Investor relations

The investor relations division was set up to act as a communication center between the Company and investors, shareholders, analysts or others, to acknowledge the Company business operation and activities. Mr. Pumipat Sinacharoen was appointed as the Company Secretary with contact number (66) 2261 2518-22, or e-mail: investor@ap-thai.com, and www.ap-thai.com. Moreover, the Company website and call center are also another alternative options for contacts.

5. Responsibilities of the Board

- Board of Directors structure

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

Moreover, the chairman of the board is an independent director and does not hold any chairman position in any sub-committee. The chief executive officer and the managing director held 23.33% and 9.91% (combining the shares held by spouse) shares in the Company, respectively (as of 9 January 2013). Therefore, the CEO and managing director are both major shareholders and act on behalf of all shareholders in managing the Company with the objective to maximize shareholders' benefit. However, chairman of the board, CEO, and managing director are not the same person, which creates a balance of power and distinct area of responsibilities for each individual.

- Guideline of directorship in other company

The Company's Board of Directors launched a guideline that Directors who represent the Company's executive management and/or managing director and/or chief executive officer can receive directorship position no more than 5 other company groups. Moreover, the other company's business must not have conflict of interest with the Company (the definition of "company group" is the group of company that is more than 50% held by similar group of shareholders, directly and indirectly). For the non-executive directors, it depends on their personal judgment in considering the directorship in other companies.

- Director's qualification

1. Possessing knowledge and experiences relating to the business sector, understanding and interest in the Company business
2. Possessing loyalty and honesty in business management
3. Devoting to the directorship task with high responsibility
4. Independent considering and judging on a basis of the shareholders' benefit
5. Participating regularly in the meeting
6. Ruling with the corporate good governance principle, business ethic and relevant laws and regulations

- Scope of responsibilities of the board of directors

1. Launch mission, strategy and work plan of the Company to be a guideline of the Company administration for the best benefit of shareholders. Consider and approve important transactions of the Company without assigning CEO or Managing Director such as land purchase or loan application. However, the board of directors passes on the issues to CEO or Managing Director for further process according to the Company's policy.

2. Act in compliance with the Company's objectives, regulations, and shareholders' resolutions.
3. Set up the follow-up and assessment of work performance of executives and staff, internal auditing system and sufficient risk management measures.
4. Consider appointments of an outsources to render the Company internal auditing service and advise.
5. Consider any arisen conflict, on a basis of Stock Exchange of Thailand's regulations.
6. Direct the Company with honesty, fair and transparency.
7. Must not engage in the business of the same nature as the Company that might compete with the Company. Must not be a partner in the partnership, unlimited-liability partner in limited partnership, or director of another company limited or public company limited that engages in the business of the same nature as the Company that might compete with the Company, unless informing to the shareholders' meeting prior to the appointment.
8. Must promptly inform the Company of any conflict of interest, direct or indirect, arisen from any contract made with the Company, or any increase or reduction in holding of the Company's or subsidiaries' shares or debentures.
9. Must arrange general ordinary shareholders' meeting within 4 months after the end of Company's fiscal year.
10. Must prepare the balance sheet and income statement as at the end of fiscal year and propose them to the shareholders at the annual general shareholders' meeting.

- Director rotation

Each director stays in the position for 3 years each term. Once the term expires, the Nomination and Remuneration committee shall consider a suitable candidate to replace the director, retired by rotation. The committee shall select candidates based on their skills, abilities, and experience suitable for the Company. The director who is retired by rotation could be selected to resume the post in the proceeding terms.

- Board of directors' self evaluation

The Company's board of directors shall evaluate themselves every year, using board of director self-evaluation form provided by the Stock Exchange of Thailand. The Company has adjusted the form to be suitable for evaluating the Company's directors. The evaluation helps each director and board of directors to consider and review any problems and obstacles during the past year. It is also a tool to inspect and analyze whether the board of directors are efficient or has completed all the duties or not.

The Company has prepared the evaluation for the CEO and Managing Director. The Company's board of directors (without CEO and managing director) will carry out evaluation to analyze and give feedback to the CEO/ managing director to analyze their flaws that need improvement. The evaluation result will also be used by the nomination and remuneration committee to determine annual remuneration.

- Director and management development program

The Company encourages training for directors and managements. All directors had attended the courses arranged by Thai Institute of Directors such as Director Accreditation, Finance for Non-Finance Director, and Audit Committee, etc. For the executive training, the Company has provided management training program every year by inviting external speaker to conduct the trainings that broaden working ability and empower leadership.

Supervision of the use of insider information

The Board of Directors approved the supervision of the use of insider information and report of the Company's share holding on 27 February 2011 with the following objectives;

1. Informing the management in every division regarding duties and responsibilities to report their holdings of the Company's shares and punishments according to the Securities and Exchange Act B.E. 2535 and regulations of the Stock Exchange of Thailand.
2. The Company obliges the management to report any changes in their shareholding to the Office of Securities Exchange Commission and the Stock Exchange of Thailand according to Section 59 of the Securities and Exchange Act B.E. 2535. The management shall provide the copy of the report to the Company on the same day that they provide the report to the Office of Securities Exchange Commission and the Stock Exchange of Thailand.
3. Connected transactions made by directors and executives must be reviewed by independent directors to ensure the best benefit or prevent loss of the Company.
4. The Board of Directors issues the principle and penalty measures on the usage of internal information before reviewed by certified public accountants, approved by the audit committee and the Board of Directors or publicly disclosed.

Moreover, the silent periods are set for directors, executives and staff involving significantly in financial reporting to refrain from the Company's stock trading during the period closely to the financial report disclosure (before and after) so as to allow enough time for shareholders and public to study the report and equal investment opportunities.

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

- | | |
|---------------------|--|
| 1. First violation | Written warning |
| 2. Second violation | Salary Cut/suspension |
| 3. Third violation | Termination of employment without compensation |

- Conflict prevention measure

The Company has set a measure to prevent any conflicts arisen from individual and the Company interests as followed;

1. Any directors, executives or staff taking a directorship position or consultant in a company, organization or business association with the same business type as the Company shall inform the Board of Directors before their acceptance.
2. Directors must inform their conflicts and details to the Board of Directors thru the chairman immediately and abstain from joining a discussion, raising an opinion, casting a vote or other actions intended to show such abstention on a conflicted agenda.
3. With an aim for transparent and verifiable business conduction, the Company discloses its major shareholders to the public, and its directors and executives must report their shareholding to SEC and SET. Moreover, minutes of the meetings must also be kept for future resumption.
4. An independent unit shall be set up when there is an amalgamation, acquisition or take-over by the Company to scrutinize the transaction price and the process in order to ensure the fair and transparency.

- Disclosure of related transactions

The Company issued the ruling for related transaction disclosure by the directors and executives to prevent the conflicts as followed;

Director and executive

Director and executive must immediately inform the Company thru the Board of Directors of their association or share holding in any entity which may have conflict with the Company interest, directly or indirectly involving in a contract of which the Company is a party or holding shares in the Company or its subsidiaries on the following basis;

- Related person

The report of a related person shall be in accordance with the definition of a related person as stated in Article 89/1 of Security and Stock Exchange of Thailand B.E. 2535 that;

1. A person with controlling power over the Company or directors of a juristic person where possess such power.
2. Spouse, child or adopted child who does not become sui juris of director, executive or a person under 1.
3. A juristic person where a person under 1. and 2. holds its share(s).

- A juristic person required to report

A juristic person is required to make a report of any transaction related to the Company or its subsidiaries as stated in Article 89/14 of Security and Stock Exchange Act.

- Report timing

The Corporate Secretary shall submit the reporting forms to directors and executives quarterly to review and verify or amend within 7 days after the end of each quarter or after acknowledge the amendment.

- Document storage

The Corporate Secretary shall submit related transaction reports to the Chairman of the Board of Directors for review and sign for acknowledgement within 7 days, and keep the reports for future reference.

Employee

Employee, including their family, must submit written report to the Managing Director or Chief People Officer when associating or holding share in other entity where there maybe benefit or conflict with the Company.

Human Resource

As of 31 December 2012, the Company and its subsidiaries have 1,144 employees.

Remuneration and provident fund

Remuneration offered to the Company employees in cash are; for example, monthly salary, bonus and the employer's contribution in provident fund which is equivalent to baht 526.9 million. In 2012, the Company started new provident fund schemes for employees where employees have more choices, increasing from 1 policy to 3 policies, to better match their needs. Choices of provident funds are K Master Pool Fund, SCB Master Fund and TMBAM M Choice. Moreover, not only the Company selected the most appropriate scheme in each funds, but also acknowledge employees on their details.

Labor dispute

From 2010 to 2012, the Company has no dispute with executives or staff, regarding the violation or employment contract breaching.

Employee development policy

In 2012, the Company aims to develop the employee capabilities of the Company and its subsidiaries to match the job requirement as to best support the Company in the midst of highly competitive market. As a result, the Company has reformed its organizational structure in order to deepen the scope of work and refine the process. In respect of staff development, AP Academy was initiated two years ago and LC Academy and BU Academy were then started up and actively running.

LC Academy, a training course developed by the Company, was aimed to enhance capabilities of staff in Commercial Service area with emphasis on sales persons, a.k.a. Living Consultants. The course is divided into 3 types according to the year of working, i.e., Living Consultants with less than 1 year of working will be receiving the On Board Program for New Comers course or Introduction to Basic Construction Knowledge, those with more than 1 year but not exceeding 2 years will be receiving the Charming Others or Think Different, Do Different course and those with more than 2 years of working will be receiving Analyze Your Customer One Step Ahead or Bring Out the Best in You course. The courses offered are assessed and improved by specialists in human resource and customer service fields on a regular basis.

BU Academy, a training course developed by the Company, was aimed to enhance capabilities of staff in Business Units area with emphasis on staff involving in a construction process, Site Engineers for instant. The course is designed separately for Site Engineers and for superior ranked staff. Site engineers will be receiving the Construction Methods and Quality Standards or Construction Law course, while the superior ranked staff will be receiving Project Management or Material Scheduling for Project Managers, for instant. The courses offered are assessed and improved by specialists in human resource and construction fields on a regular basis.

Staffs of other departments are also given training courses with regard of their fields of works; for example, taxation of real estate business or computer program courses. The courses are taught by internal and external specialists.

Internal control system

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

Risk management is also another crucial issue; therefore, the Company set up a working unit of risk management and assigned a person to be mainly responsible for internal control of risk management for efficient follow-up and management.

The Company also hired P&L Internal Audit Company Limited for internal audit, with emphasis on business and operation risks. The objective is to audit and enhance the Company's operation efficiency, increase the confidence level of the audit committee and the executives that the information system is reliable, all to create confidence in controlling, supervising, and utilizing the Company's asset appropriately. These could enable the audit committee and executives to foresee potential problems and ensure that the Company has efficient control system and the employees strictly comply with the internal control system.

With regards to the internal control of accounting, the Company auditor Ms. Kamonthip Lertwitworatthep, who is the auditor of the Company's financial statements, from Ernst & Young Co., Ltd has assessed that the internal control system in the accounting practice revealed no crucial flaw.

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

During the audit committee meeting no. 1/2012 on 27 February 2012, the committee has evaluated internal control system by inquiring information from the management and tracing evidence documents. After evaluating 5 aspects of internal control system, which are organization and environment, risk management, the management's operational control, information technology and communication, and monitoring system, the audit committee concluded that the Company has adequate internal control measures in all 5 aspects. The Company set goals in business administrating to achieve, evaluated regularly internal and external risk factors and managing the foreseen risks. The Company also reorganized the company's structure and responsibilities, allowed the auditors and the internal auditors which are both independent outsources to examine the Company's activities



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Risk factors



Business risk

Economic volatility risk

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

Product/Service risk

Construction material cost risk

Project construction encounters risk of rising construction material prices, which results in additional cost and lower profit. The company moderates the risk by limiting each project development period to be within 2-3 years, from land purchase to last unit's ownership transfer period, to minimize construction material price fluctuation. Accordingly, the company accurately estimates construction material cost.

Moreover, the company usually negotiates material price and places order before setting each unit selling price. Since the company's portfolio consists of high valued projects of Baht 500-3,000 million each, the company buys materials in large quantity, thus having substantial bargaining power over contractors and suppliers. In addition, in 2011 the company has initiated "Supply Chain Project" to ensure data synchronization between the company and suppliers. Therefore, manufacturing planning and management and material price forecasting shall be more accurate and the construction material cost risk is consequently lessened.

Labor shortage risk

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

Financial risk

Receivable collection risk

As of December 31, 2012, the total account receivables of the company and subsidiaries was totaling Baht 108.09 million including trade account receivable and note receivable of Baht 7.38 million, and other account receivable of Baht 100.71 million. Trade account receivable and note receivable can be classified by due period as follows:

(Unit:MB)

Due Period	2012	2011	2010
Undue	3.87	3.63	2.85
Overdue			
Less than 12 months	3.47	4.16	5.52
Over 12 months	2.51	18.82	16.96
Less Allowance for doubtful debt	(2.47)	(18.72)	(16.48)
Account Receivable - Net	7.38	7.89	8.85
Other account receivable	100.71	60.84	46.32
Total Trade Account Receivable and Other Account Receivable - Net	108.09	68.73	55.16

The overdue receivable (over 12 months) was reduced by Baht 16.31 million. This receivable amount was originally from the construction material production and distribution companies prior to their merger with Asian Property Company Limited in the year 2000. The economic recession and baht devaluation in 1997 significantly affected financial status and repayment ability of these debtors'. The doubtful amount is accounted for 61.93% of total account receivable (excluding other account receivable). And the company has already set aside the allowance for these doubtful accounts.

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

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

Risk from being guarantor for subsidiaries and related companies

The company has guaranteed loans for subsidiaries and related companies according to the shareholding proportion, as detailed in the table below. Hence, the company shall be entitled to the default risk of the borrowers, which consequently may affect the operations and financial status of the company as a guarantor. As of December 31, 2012, the outstanding debt balance of subsidiaries amounted to Baht 143 million which is deemed to be paid off. However, the outstanding debt of the subsidiaries, guaranteed by the company, is shown in the consolidated financial statement of the company.

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

Guarantor		Guarantee (Subsidiaries)		Credit Line (MB)		Progress	Financial Status of Guarantees/ Shareholders' equity (MB)	
Shares		Guaran-		31	31		31	31
Company Holding	Company	Company	teed	December	December		December	December
(%)			Proportion	2012	2011		2012	2011
APD	99.99	APK	100	144	749	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	367	370
APD	99.99	VPD	100	4,474	3,360	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	324	324
APD	99.99	APST	100	420	1,530	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	424	319
APD	99.99	TLR	100	-	15	Guarantee for partial overdrafts	14	13
APD	99.99	APSV	100	1	402	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	31	49
APD	99.99	AP2011	100	617	-	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	276	7
APD	99.99	AP2012	100	1,563	-	Guarantee for partial overdrafts; other loan credits are in the process of repayment to the creditor	291	-
Total				7,219	6,056			

APD = Asian Property Development Plc.

VPD = The Value Property Development Co., Ltd.

TLR = Thonglor Residence Co., Ltd.

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

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

APST = Asian Property (Sathorn) Co., Ltd.

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

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

Risk from loan repayment to financial institutions and mature bond

Owing to Euro crisis and US sluggish economy, the world economy has been adversely affected. As well, Thai economy has been impacted especially Thai export and manufacturing sector. The Thai government, therefore, attempts to boost up investment and domestic consumption to sustain economic growth. However, the political unrest situation is yet another factor which has negative aftermath on the country stability and economic development. Thus, the company has continued its flexible policies and strategies to keep up with economic situation in each particular period. The approach includes new project launch, land procurement, inventory control, and cash flow management.

At the end of year 2012, the company had total outstanding bond value of Baht 10,000 million and liability to financial institutions (i.e., overdraft accounts, promissory notes, bill of exchange, and long-term loans) of Baht 2,282 million. As of December 31, 2012, the company perceived the backlog amount of Baht 27,247 million and maintains its financial performance and operating result in good standard with current ratio of 3.4 and debt to equity ratio of 1.3. The company has cash balance and/or equivalent items of Baht 743.8 million. This shows that the company ability to pay off debt's when it is due. Furthermore, the company conducts a timely funding policy by issuing bonds to match with the construction period and maintains an appropriate amount of bond issuance each round (currently, the company has over Baht 10,000 million credit line with financial institutions). The company aims to remain the debt to equity ratio at the agreed rate illustrated in the bond covenant.

Year	2013	2014	2015	2016
Amount of bonds that mature (MB)	2,500	2,250	2,750	2,500

Risk from engagement in Land Purchase Agreements and Lease Agreement

As of December 31, 2012, the Company and related entities were engaged in land purchase agreements with other companies or external parties for future project development. And the outstanding balance under land purchase obligation was Baht 3,006 million. And Baht 115 million balance under the operating lease obligation.

As being flexibility-oriented, the company always plans ahead and adjusts its strategy to best suit with the current economic situation; new project launch, land procurement, construction and cash flow management are deemed as vital roles. The company sustains its financial status and operating result in good standard (as previously stated in "Risk from loan repayment to financial institutions and mature bonds"); therefore, the company is capable of paying off these obligations.

Risk from interest rate fluctuation

Due to uncertainty in global interest rate which may impact cost of capital for project development and operation, the company mitigates the risk by issuing fixed-interest bonds in order to remain the interest rate low and be shielded from the upward interest rate trend. At the end of the year 2012, the company's interest-bearing debts (inclusive of bonds and long-term loans due within a year) were Baht 12,282.5 million and the proportions of fixed-rate and floating rate are 94.9 and 5.1 respectively.

Risk incurred by ESOP warrant exercise, issued to employees of the company and subsidiaries**Risk incurred by dilution effect**

On April 24, 2009, the Annual General Shareholders' meeting (AGM) approved the issuance of ESOP to the company's and its subsidiaries' employees for 48,680,463 units with the exercise price of Baht 3.00 per unit. Later in 2011 AGM, it was approved that the dividend would be paid in cash and stock. This results change in warrant exercise ratio to 1 warrant unit per 1.2 ordinary shares with exercise price of Baht 2.5 per 1 ordinary share. This change was effective since June 20, 2011 onwards. In the case that all rights are exercised, the profit division or control dilution will be affected by reducing the current shareholders' profit portions and voting rights, depending on the use of the warrants.

As of December 31, 2012, the company has remained 9,725,513 units of the unexercised warrants. And there are 11,670,616 shares of common stock available for warrant exercising. And the warrants will be expired on March 7, 2013.



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2012 Audit Committee Report

Dear Shareholders,

The Audit Committee of Asian Property Development Public Company Limited ("the Company") consisted of 3 independent directors with the expertise ranges from fields of administrative management, finance and accounting, law, and corporate governance and risk management, namely Mr. Phanporn Dabbarangsi, Mr. Nontachit Tulayanonda and Mr. Kosol Suriyaporn.

In 2012 fiscal year, the Audit Committee performed its duty independently by meeting with the management team, auditors, and internal auditors for 4 times. The attendance record can be found in Audit Committee Meeting Attendance of 2012 in Management section.

The Audit Committee has performed the following tasks;

1. Financial reports examination

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

For the year-end financial statement of 2012, the Audit Committee found the Company's financial reports prepared in accordance with the generally accepted accounting standards and provided accurate and sufficient information in the financial disclosure, in the way that is useful for shareholders and investors.

2. Internal control system accuracy and sufficiency assurance

Audit Committee appointed an external firm, P&L Internal Audit Co., Ltd., where has neither interest nor conflict to the Company business, to provide internal audit service. The Audit Committee studied a yearly internal audit plan, reported the meeting resolutions to the Board of Directors and then followed the result with the management team. The Audit Committee also advised and amended the yearly internal audit plan to ensure efficiency and effectiveness.

The Internal Audit Report showed the suitability and sufficiency of the Company's internal control.

3. Suitability of the Company's auditors approval

Audit Committee observed the work performance of Ernst & Young Office Limited and their auditor, namely Miss Kamontip Lertwitworatep, C.P.A. Registration No. 4377, nominated to be the company's auditor for the year 2011 in the previous Annual General Meeting of the shareholders of the Company.

Audit Committee found that the auditors worked independently, skillfully and efficiently. They are also qualified as approved auditors by Stock Exchange Commission.

4. Connected transaction or conflict of interest monitor

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

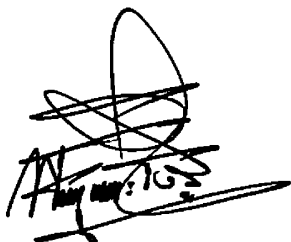
Audit Committee deemed the Company's disclosure sufficient and conformed with rules and regulations of Stock Exchange Commission and Stock Exchange of Thailand.

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

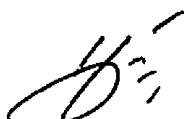
Audit Committee monitored and encouraged the Company to strictly follow the good governance principles, Securities and Stock Exchange Act, rules and regulations of Stock Exchange of Thailand and relevant business law.

For the year-end financial statement of 2012, the Audit Committee, internal auditors, auditors and management team attentively adopted the good governance principles, Securities and Stock Exchange Act, rules and regulations of Stock Exchange of Thailand and relevant business law into the Company business conduct, as well as initiated the written good practice principle in order to enable the cross checking and updating the corporate governance to the amended regulations.

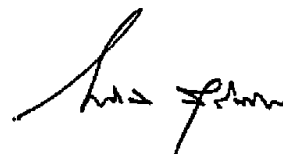
Audit Committee



Mr. Phanporn Dabbarangsi
Chairman of Audit Committee



Mr. Nontachit Tulayanonda
Audit Committee



Mr. Kosol Suriyaporn
Audit Committee

Directors' Responsibilities on Financial Statement

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

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

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

The Board of Directors believes that the Company's overall internal control system has performed to a satisfactory level to lend credibility and provide reliability to Asian Property Development Public Company Limited and its subsidiaries' financial statements for the year ended 31 December 2012. The Board of Directors also believes all these financial statements have been presented fairly for both operating results and cash flow in all material respects.

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

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

(Mr. Pichet Vipavasuphakorn)
Director and
Managing Director

(Mr. Chaiyarat Thampreera)
Director

(Mr. Siripong Sombutsiri)
Director

(Mr. Wason Naruenatpaisan)
Director

(Ms. Kittiya Pongpujaneekul)
Director

(Mr. Visanu Suchartlumphong)
Director

(Mr. Pornwut Sarasin)
Director

(Mr. Shaw Sinhaseni)
Director

(Mr. Phanporn Dabbarangsi)
Chairman of
the Audit Committee

(Mr. Kosol Suriyaporn)
Audit Director

(Mr. Nontachit Tulayanonda)
Audit Director

Independent Auditor's Report

To the Shareholders of Asian Property Development Public Company Limited

I have audited the accompanying consolidated financial statements of Asian Property Development Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2012, 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 Asian Property 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 Asian Property Development Public Company Limited and its subsidiaries and of Asian Property Development Public Company Limited as at 31 December 2012, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Kamontip Lertwitworatop

Certified Public Accountant (Thailand) No. 4377

Ernst & Young Office Limited

Bangkok: 26 February 2013

Statements of financial position

Asian Property Development Public Company Limited
and its subsidiaries
As at 31 December 2012

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Assets					
Current assets					
Cash and cash equivalents	6	743,823,338	437,720,088	395,365,474	285,144,643
Trade and other receivables	7	108,093,436	68,730,535	95,074,461	50,303,561
Inventories	8	26,490,024,247	26,616,091,155	19,306,900,080	19,923,783,965
Interest receivable – related parties	9	–	–	358,489,032	245,180,429
Dividend receivable – related parties	9	–	–	389,999,108	–
Short-term loans to related parties	9	–	–	3,396,270,000	3,635,750,000
Deposits for construction materials		843,741,166	1,108,778,544	756,187,917	973,703,220
Deposits for land		495,171,190	274,399,200	399,261,190	274,399,200
Other current assets		72,057,040	93,621,873	48,495,995	46,520,683
Total current assets		28,752,910,417	28,599,341,395	25,146,043,257	25,434,785,701
Non-current assets					
Restricted bank deposits	6	2,978,612	24,364,052	910,466	17,228,756
Investments in subsidiaries	10	–	–	2,321,506,076	2,380,484,369
Other long-term investments	11	24,996	134,879,005	–	134,854,009
Land and cost of project held for development	12	102,406,200	102,406,200	–	–
Investment properties	13	33,229,261	22,842,285	28,494,509	22,842,285
Property, plant and equipment	14	126,567,572	142,961,461	91,940,029	96,347,458
Goodwill		100,063,166	100,063,166	–	–
Intangible assets	15	124,617,990	210,172,497	31,229,241	32,956,365
Other non-current assets		69,438,194	37,484,997	23,716,157	22,893,441
Total non-current assets		559,325,991	775,173,663	2,497,796,478	2,707,606,683
Total assets		29,312,236,408	29,374,515,058	27,643,839,735	28,142,392,384

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

Statements of financial position (continued)

Asian Property Development Public Company Limited
and its subsidiaries
As at 31 December 2012

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2012	2011	2012	2011
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	1,659,499,457	3,629,354,071	1,659,499,457	3,429,354,071
Trade accounts payable	9, 17	776,597,924	574,962,067	647,542,720	399,160,444
Accrued interest expenses - related parties	9	-	-	78,301,050	169,734,075
Short-term loans from related parties	9	-	-	553,490,000	1,508,990,000
Current portion of long-term loans	18	50,000,000	292,510,000	-	10,000
Current portion of debentures	19	2,500,000,000	2,000,000,000	2,500,000,000	2,000,000,000
Unearned revenue		2,063,593,822	2,299,871,906	1,406,049,044	1,329,989,825
Accrued expenses		921,121,176	685,583,986	724,817,327	536,722,603
Corporate income tax payable		266,742,557	418,402,191	154,091,523	303,899,617
Accrued interest expenses		76,312,163	98,400,759	76,237,081	98,248,327
Other current liabilities		82,043,868	67,371,809	47,376,658	29,289,288
Total current liabilities		8,395,910,967	10,066,456,789	7,847,404,860	9,805,398,250
Non-current liabilities					
Long-term loans - net of current portion	18	573,000,000	502,000,000	480,000,000	502,000,000
Debentures - net of current portion	19	7,500,000,000	7,800,000,000	7,500,000,000	7,800,000,000
Retention payable	9, 20	283,586,322	312,992,256	196,323,798	216,942,012
Provision for long-term employee benefits	21	39,678,818	32,503,209	37,242,815	31,155,433
Total non-current liabilities		8,396,265,140	8,647,495,465	8,213,566,613	8,550,097,445
Total liabilities		16,792,176,107	18,713,952,254	16,060,971,473	18,355,495,695

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

Statements of financial position (continued)

Asian Property Development Public Company Limited
and its subsidiaries
As at 31 December 2012

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Shareholders' equity					
Share capital	22				
Registered					
2,859,949,729 ordinary shares					
of Baht 1 each		2,859,949,729	2,859,949,729	2,859,949,729	2,859,949,729
Issued and fully paid up					
2,848,272,038 ordinary shares					
of Baht 1 each					
(31 December 2011: 2,821,983,158 ordinary shares of Baht 1 each)		2,848,272,038	2,821,983,158	2,848,272,038	2,821,983,158
Share premium		71,943,680	32,510,360	71,943,680	32,510,360
Retained earnings					
Appropriated – statutory reserve	24	285,994,973	285,994,973	285,994,973	285,994,973
Unappropriated		9,313,437,792	7,492,708,586	8,376,657,571	6,559,378,646
Other components of shareholders' equity		–	26,964,382	–	87,029,552
Equity attributable to owners of the Company		12,519,648,483	10,660,161,459	11,582,868,262	9,786,896,689
Non-controlling interests of the subsidiaries		411,818	401,345	–	–
Total shareholders' equity		12,520,060,301	10,660,562,804	11,582,868,262	9,786,896,689
Total liabilities and shareholders' equity		29,312,236,408	29,374,515,058	27,643,839,735	28,142,392,384

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

Statements of comprehensive income

Asian Property Development Public Company Limited
and its subsidiaries
For the year ended 31 December 2012

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Profit or loss:					
Revenues					
Revenues from sales		17,196,693,518	13,541,107,048	12,173,534,956	10,542,800,214
Service income		112,936,782	97,433,109	–	1,521,439
Interest income		17,022,460	16,599,920	225,100,034	193,114,163
Dividend income	10, 11	4,004,078	5,817,165	892,630,679	882,817,007
Gain from sales of investments	11	117,286,405	3,679,608	177,181,685	9,506,502
Other income		55,093,500	52,753,709	43,431,295	46,174,285
Total revenues		17,503,036,743	13,717,390,559	13,511,878,649	11,675,933,610
Expenses	25				
Costs of sales		11,273,374,167	8,433,868,927	8,118,385,465	6,549,281,252
Selling expenses		1,613,342,599	1,277,927,811	1,239,087,889	1,014,092,201
Administrative expenses		1,514,785,131	1,417,380,161	1,179,298,193	1,065,609,082
Other expenses		11,436,138	2,407,219	24,409,708	337,333,099
Total expenses		14,412,938,035	11,131,584,118	10,561,181,255	8,966,315,634
Profit before finance cost and income tax expenses		3,090,098,708	2,585,806,441	2,950,697,394	2,709,617,976
Finance cost		(212,903,124)	(190,504,514)	(328,230,504)	(388,450,304)
Profit before income tax expenses		2,877,195,584	2,395,301,927	2,622,466,890	2,321,167,672
Income tax expenses	26	(547,918,250)	(844,362,356)	(296,653,701)	(561,064,839)
Profit for the year		2,329,277,334	1,550,939,571	2,325,813,189	1,760,102,833
Other comprehensive income:					
Gain (loss) on change in value of investment		(26,964,382)	16,410,336	(87,029,552)	10,583,441
Other comprehensive income for the year		(26,964,382)	16,410,336	(87,029,552)	10,583,441
Total comprehensive income for the year		2,302,312,952	1,567,349,907	2,238,783,637	1,770,686,274

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

Statements of comprehensive income (continued)

Asian Property Development Public Company Limited
and its subsidiaries
For the year ended 31 December 2012

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Profit attributable to:					
Equity holders of the Company		2,329,263,470	1,550,926,083	2,325,813,189	1,760,102,833
Non-controlling interests of the subsidiaries		13,864	13,488		
Total		2,329,277,334	1,550,939,571		
Total comprehensive income attributable to:					
Equity holders of the Company		2,302,299,088	1,567,336,419	2,238,783,637	1,770,686,274
Non-controlling interests of the subsidiaries		13,864	13,488		
Total		2,302,312,952	1,567,349,907		
Earnings per share	27				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.822	0.551	0.821	0.625
Weighted average number of ordinary shares (Shares)		2,834,533,139	2,816,749,956	2,834,533,139	2,816,749,956
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.817	0.547	0.816	0.620
Weighted average number of ordinary shares (Shares)		2,850,207,558	2,837,590,020	2,850,207,558	2,837,590,020

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

Cash flow statements

Asian Property Development Public Company Limited
and its subsidiaries
For the year ended 31 December 2012

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cash flows from operating activities				
Profit before tax	2,877,195,584	2,395,301,927	2,622,466,890	2,321,167,672
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	49,486,193	41,865,112	31,947,336	29,555,288
Amortisation	103,010,973	154,441,856	19,046,990	16,138,904
Doubtful debts	473,249	2,241,988	-	-
Decrease in allowance for diminution in value of inventory	(428,358)	-	-	-
Loss on disposals/write-off of assets	3,155,455	2,938,368	2,873,493	2,696,763
Loss from impairment of assets	10,962,889	2,000,000	-	-
Gain from sales of investments	(117,286,405)	(3,679,608)	(177,181,685)	(9,506,502)
Loss on diminution in investment value	-	-	24,409,708	337,333,100
Dividend income	(4,004,078)	(5,817,165)	(892,630,679)	(882,817,007)
Provision for long-term employee benefits	9,387,949	8,531,210	8,299,722	7,734,697
Write-off of income tax	(404,112)	-	-	-
Interest income	(17,022,460)	(16,599,920)	(225,100,034)	(193,114,163)
Interest expenses	179,090,306	158,412,804	302,388,624	362,079,638
Profit from operating activities before changes in operating assets and liabilities	3,093,617,185	2,739,636,572	1,716,520,365	1,991,268,390
Operating assets (increase) decrease				
Trade and other receivables	(39,791,218)	(15,808,753)	(44,770,900)	(15,519,385)
Inventories	531,961,686	(4,794,149,497)	945,687,841	(3,816,978,217)
Other current assets	49,950,223	(30,330,594)	90,678,001	(193,716,234)
Other non-current assets	(1,796,157)	(1,803,180)	(822,716)	(1,899,339)
Operating liabilities increase (decrease)				
Trade accounts payable	201,635,857	(136,022,339)	248,382,276	(140,655,221)
Unearned revenue	(236,278,084)	442,707,940	76,059,219	345,666,289
Other current liabilities	250,222,254	51,907,403	206,182,094	15,257,363
Retention payable	(29,405,934)	28,418,367	(20,618,214)	10,695,137
Provision for long-term employee benefits	(2,212,340)	-	(2,212,340)	-
Cash from (used in) operating activities	3,817,903,472	(1,715,444,081)	3,215,085,626	(1,805,881,217)
Cash paid for interest expenses	(601,510,621)	(643,780,690)	(734,541,961)	(627,708,395)
Cash paid for corporate income tax	(724,471,640)	(731,356,791)	(446,461,795)	(432,708,857)
Net cash from (used in) operating activities	2,491,921,211	(3,090,581,562)	2,034,081,870	(2,866,298,469)

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

Cash flow statements (continued)

Asian Property Development Public Company Limited
and its subsidiaries
For the year ended 31 December 2012

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cash flows from investing activities				
Decrease in restricted bank deposits	21,385,440	4,998,148	16,318,290	6,499,634
Cash received from short-term loans to related parties	-	-	3,763,000,000	2,205,641,270
Cash paid for short-term loans to related parties	-	-	(3,523,520,000)	(3,675,650,000)
Cash received from return on investment in subsidiary	-	-	685,160,665	-
Cash paid for investments in subsidiaries	-	-	(650,761,970)	(9,999,970)
Cash received from sales of long-term investments	225,176,032	13,732,682	225,176,032	13,732,682
Dividend received	4,004,078	3,878,111	502,631,571	880,877,953
Cash received from disposals of assets	1,195,645	23,000,000	1,064,307	23,000,000
Cash paid for purchases of equipment	(50,120,872)	(69,047,099)	(44,380,612)	(31,698,570)
Cash paid for purchases of intangible assets	(3,155,289)	(1,696,565)	(3,018,689)	(980,565)
Cash received from interest	17,022,460	16,599,920	111,791,431	31,609,970
Increase in non-controlling interests	8	30	-	-
Net cash from (used in) investing activities	215,507,502	(8,534,773)	1,083,461,025	(556,967,596)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	(1,987,000,000)	2,017,000,000	(1,787,000,000)	1,817,000,000
Cash received from short-term loans from related parties	-	-	894,073,938	1,305,700,000
Cash paid for short-term loans from related parties	-	-	(1,849,573,938)	(1,038,510,000)
Cash received from long-term loans	1,123,000,000	1,561,000,000	770,000,000	1,171,000,000
Cash paid for repayment of long-term loans	(1,294,510,000)	(1,799,682,480)	(792,010,000)	(1,195,682,480)
Cash received from issuance of debentures	2,200,000,000	3,800,000,000	2,200,000,000	3,800,000,000
Cash paid for debentures	(2,000,000,000)	(2,000,000,000)	(2,000,000,000)	(2,000,000,000)
Cash received from issuance of ordinary share capital	65,722,200	24,971,850	65,722,200	24,971,850
Dividend payment for equity holders of the Company	(508,534,264)	(421,867,520)	(508,534,264)	(421,867,520)
Dividend payment to non-controlling interests of subsidiaries	(3,399)	(158)	-	-
Net cash from (used in) financing activities	(2,401,325,463)	3,181,421,692	(3,007,322,064)	3,462,611,850
Net increase in cash and cash equivalents	306,103,250	82,305,357	110,220,831	39,345,785
Cash and cash equivalents at beginning of year	437,720,088	355,414,731	285,144,643	245,798,858
Cash and cash equivalents at end of year (Note 6)	743,823,338	437,720,088	395,365,474	285,144,643
Supplemental cash flow information				
Non-cash transactions from investing activities				
Change in fair value of investment	(26,964,382)	16,410,336	(87,029,552)	10,583,441
Transfer equipment to intangible assets	15,956,828	9,554,000	15,956,828	2,954,000
Transfer inventories to investment properties	12,010,685	-	7,050,496	-
Non-cash transactions from financing activities				
Issuance of stock dividend	-	468,741,602	-	468,741,602

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

Statements of changes in shareholders' equity

Asian Property Development Public Company Limited and its subsidiaries
For the year ended 31 December 2012

(Unit: Baht)

Consolidated financial statements											
Equity attributable to owners of the Company											
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity - other comprehensive income		Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
				Appropriated - statutory reserve	Unappropriated	Surplus on change in fair value of investment					
Balance as at 1 January 2011		2,343,332,866	17,447,200	239,188,047	6,879,198,551	10,554,046	9,489,720,710	387,985		9,490,108,695	
Ordinary shares issued during the year	22	9,908,690	15,063,160	-	-	-	24,971,850	-		24,971,850	
Dividend paid	28	468,741,602	-	-	(890,609,122)	-	(421,867,520)	-		(421,867,520)	
Unappropriated retained earnings transferred to statutory reserve	24	-	-	46,806,926	(46,806,926)	-	-	-		-	
Total comprehensive income for the year		-	-	-	1,550,926,083	16,410,336	1,567,336,419	13,488		1,567,349,907	
Increase in non-controlling interests		-	-	-	-	-	-	30		30	
Decrease in non-controlling interests for dividend payment of subsidiaries		-	-	-	-	-	-	(158)		(158)	
Balance as at 31 December 2011		2,821,983,158	32,510,360	285,994,973	7,492,708,586	26,964,382	10,660,161,459	401,345		10,660,562,804	
Balance as at 1 January 2012		2,821,983,158	32,510,360	285,994,973	7,492,708,586	26,964,382	10,660,161,459	401,345		10,660,562,804	
Ordinary shares issued during the year	22	26,288,880	39,433,320	-	-	-	65,722,200	-		65,722,200	
Dividend paid	28	-	-	-	(508,534,264)	-	(508,534,264)	-		(508,534,264)	
Total comprehensive income for the year		-	-	-	2,329,263,470	(26,964,382)	2,302,299,088	13,864		2,302,312,952	
Increase in non-controlling interests		-	-	-	-	-	-	8		8	
Decrease in non-controlling interests for dividend payment of subsidiaries		-	-	-	-	-	-	(3,399)		(3,399)	
Balance as at 31 December 2012		2,848,272,038	71,943,680	285,994,973	9,313,437,792	-	12,519,648,483	411,818		12,520,060,301	

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

Statements of changes in shareholders' equity (continued)

Asian Property Development Public Company Limited and its subsidiaries
For the year ended 31 December 2012

(Unit: Baht)

Separate financial statements

	Note	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Retained earnings	Other components of equity - other comprehensive income		Total shareholders' equity
						Surplus on change in fair value of investment	Unappropriated investment	
Balance as at 1 January 2011		2,343,332,866	17,447,200	239,188,047	5,736,691,861	76,446,111		8,413,106,085
Ordinary shares issued during the year	22	9,908,690	15,063,160	-	-	-	-	24,971,850
Dividend paid	28	468,741,602	-	-	(890,609,122)	-	-	(421,867,520)
Unappropriated retained earnings transferred to statutory reserve	24	-	-	46,806,926	(46,806,926)	-	-	-
Total comprehensive income for the year		-	-	-	1,760,102,833	10,583,441		1,770,686,274
Balance as at 31 December 2011		2,821,983,158	32,510,360	285,994,973	6,559,378,646	87,029,552		9,786,896,689
Balance as at 1 January 2012		2,821,983,158	32,510,360	285,994,973	6,559,378,646	87,029,552		9,786,896,689
Ordinary shares issued during the year	22	26,288,880	39,433,320	-	-	-	-	65,722,200
Dividend paid	28	-	-	-	(508,534,264)	-	-	(508,534,264)
Total comprehensive income for the year		-	-	-	2,325,813,189	(87,029,552)		2,238,783,637
Balance as at 31 December 2012		2,848,272,038	71,943,680	285,994,973	8,376,657,571	-		11,582,868,262

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

Notes to consolidated financial statements

Asian Property Development Public Company Limited
and its subsidiaries
For the year ended 31 December 2012

1. General information

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

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Asian Property Development Public Company Limited ("the Company") and the following subsidiary companies:

Company name	Nature of business	Country of incorporation	Percentage of shareholding	
			2012	2011
Subsidiaries				
The Value Property Development Co., Ltd. and subsidiary	Real estate development	Thailand	100	100
AP (Sathon) Co., Ltd.	Real estate development	Thailand	100	100
Asian Property (Sukhumvit) Co., Ltd.	Real estate development	Thailand	100	100
Asian Property (Krungthep) Co., Ltd.	Real estate development	Thailand	100	100
Asian Property Co., Ltd.	Real estate development	Thailand	100	100
Thonglor Residence Co., Ltd. and subsidiary	Real estate development	Thailand	100	100
Smart Service & Management Co., Ltd.	Service	Thailand	100	100
Bangkok CitiSmart Co., Ltd.	Service	Thailand	100	100
Asian Property (2011) Co., Ltd.	Real estate development	Thailand	100	100
Asian Property (2012) Co., Ltd.	Real estate development	Thailand	100	-
AP (Ratchada) Co., Ltd.	Real estate development	Thailand	-	100

On 5 January 2012, the meeting of the Company's Board of Directors passed a resolution to establish Asian Property (2012) Company Limited. The Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 9 January 2012, as described in Note 10.

On 14 March 2012, the Annual General Meeting of shareholders of AP (Ratchada) Company Limited (the subsidiary) approved to dissolve the subsidiary, with an effect from 3 April 2012. The subsidiary registered the dissolution with the Ministry of Commerce on 3 April 2012, as described in Note 10.

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- e) Investments in the subsidiaries as recorded in the Company's books of account are eliminated against the equity of subsidiaries.
- f) The premium of investment exceeds the fair value of net assets of subsidiaries at the acquisition date is presented as goodwill or intangible asset under non-current assets in the consolidated statement of financial position.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

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

3. New accounting standards issued during the years not yet effective

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

Accounting standards:

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

Financial Reporting Standard:

TFRS 8	Operating Segments
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Accounting Standard Interpretations:

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

The Company's management believes that TAS 20 (revised 2009), TAS 21 (revised 2009), SIC 10, SIC 21 and SIC 25 are not relevant to the business of the Company, and TFRS 8 will not have any significant impact on the financial statements for the year when it is initially applied, while TAS 12 will have impact on the financial statements as follows:

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognize deferred tax assets and liabilities under the stipulated guidelines. The management of the Company expects the adoption of this accounting standard to have the effect of increasing the Company and its subsidiaries' brought-forward retained earnings of the year 2013 by approximately Baht 161 million (the Company only: increasing by approximately Baht 69 million).

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

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

The management of the Company has assessed the effect of these standards and believes that they are not relevant to the business of the Company.

4. Significant accounting policies

4.1 Revenue recognition

Revenue from sales of real estate

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

Construction income

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

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

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

Rendering of services

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

Interest income

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

Dividends

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

4.2 Cost of sales of real estate

Cost of sales of land and houses/condominium units

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

Cost of land

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

Cost of construction

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

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

4.3 Cash and cash equivalents

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

4.4 Trade accounts receivable

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

4.5 Inventories

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

Land

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

Deferred interest

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

Infrastructure

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

Deferred project development costs

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

4.6 Investments

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

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

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

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

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

4.7 Investment properties

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

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

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

4.8 Property, plant and equipment and depreciation

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

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

Land improvement	- 5 years
Buildings and constructions	- 20 years

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

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

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

4.9 Borrowing costs

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

4.10 Intangible assets

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

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

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

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

4.11 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.12 Related party transactions

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

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

4.13 Operating leases

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

4.14 Impairment of assets

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

An impairment loss is recognised in profit or loss.

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

4.15 Employee benefits

Short-term employee benefits

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

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in profit or loss.

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

4.16 Provisions

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

4.17 Income tax

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

5. Significant accounting judgments and estimates

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

Leases

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

Allowance for doubtful accounts

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

Impairment of equity investments

The Company treats available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Property plant and equipment and depreciation

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

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

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

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 has contingent liabilities as a result of litigation. The Company's management has used judgment to assess the results of the litigation and believes that provision for such contingent liabilities recorded as at the end of reporting period is sufficient.

6. Cash and cash equivalents

Cash and cash equivalents as at 31 December 2012 and 2011 consisted of the following:

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Cash	448,940	56,852	226,222	51,168
Deposits at banks	297,862	405,232	170,053	251,206
Total	746,802	462,084	396,275	302,374
Less: Restricted bank deposits	(2,979)	(24,364)	(910)	(17,229)
Cash and cash equivalents	743,823	437,720	395,365	285,145

As at 31 December 2012, bank deposits in savings accounts carried interests between 0.625 and 1.75 percent per annum (2011: between 0.75 and 2.25 percent per annum).

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

7. Trade and other receivables

As at 31 December 2012 and 2011, the outstanding balances of trade and other receivables were unrelated parties, as detailed below.

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Trade receivables				
<u>Aged on the basis of due dates</u>				
Not yet due	3,868	3,636	-	-
Past due				
Up to 12 months	3,467	4,158	-	-
Over 12 months	2,516	18,817	-	16,479
Total trade receivables	9,851	26,611	-	16,479
Less: Allowance for doubtful accounts	(2,472)	(18,721)	-	(16,479)
Trade receivables - net	7,379	7,890	-	-
Other receivables	100,714	60,841	95,074	50,304
Trade and other receivables - net	108,093	68,731	95,074	50,304

8. Inventories

(Unit: Thousand Baht)						
	Consolidated financial statements					
	Cost		Reduce cost to		Inventories - net	
	2012	2011	net realisable value		2012	2011
	2012	2011	2012	2011	2012	2011
Land	16,423,530	17,330,118	(29,151)	(29,151)	16,394,379	17,300,967
Land improvement	518,997	542,901	-	-	518,997	542,901
Work in progress	6,550,735	5,921,822	-	(428)	6,550,735	5,921,394
Infrastructures	1,374,437	1,329,842	-	-	1,374,437	1,329,842
Deferred interest expenses	870,874	854,601	(118,369)	(118,369)	752,505	736,232
Deferred project development costs	896,274	780,522	-	-	896,274	780,522
Construction materials	2,697	4,233	-	-	2,697	4,233
Total	26,637,544	26,764,039	(147,520)	(147,948)	26,490,024	26,616,091

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2012	2011	2012	2011	2012	2011
Land	11,892,006	13,308,017	(10,259)	(10,259)	11,881,747	13,297,758
Land improvement	447,575	453,517	-	-	447,575	453,517
Work in progress	4,337,581	3,817,766	-	-	4,337,581	3,817,766
Infrastructures	1,237,482	1,197,954	-	-	1,237,482	1,197,954
Deferred interest expenses	684,021	587,438	-	-	684,021	587,438
Deferred project development costs	718,494	569,351	-	-	718,494	569,351
Total	19,317,159	19,934,043	(10,259)	(10,259)	19,306,900	19,923,784

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

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Number of projects on hand at beginning of year	51	41	37	30
Completed projects	(17)	(7)	(12)	(7)
New projects	12	17	10	14
Projects on hand at end of year	46	51	35	37
Total contracted sales (Million Baht)	47,539	49,914	33,049	31,759
Percentage of total sales of projects on hand (percent)	93.04	95.71	91.86	94.58

The Company and its subsidiaries have mortgaged their land, with total net book value as at 31 December 2012 and 2011 of Baht 19,422 million and Baht 16,041 million, respectively (the Company only: Baht 14,903 million and Baht 12,840 million, respectively), with banks as collateral for overdrafts and loans from those banks, as described in Note 16 and 18.

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

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Borrowing costs included in cost of inventories (Thousand Baht)	417,418	474,751	335,795	328,485
Capitalisation rate (Percent per annum)	3.93 - 5.75	4.48 - 7.25	3.93 - 5.75	4.48 - 5.75

9. Related party transactions

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

(Unit: Thousand Baht)

	For the years ended 31 December				Pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2012	2011	2012	2011	
<i>Transactions with subsidiaries</i>					
<i>(eliminated from the consolidated financial statements)</i>					
Revenues from sales	-	-	26,660	-	Reference price from the Land Department
Guarantee income	-	-	4,360	8,453	At the rate of 1% of the average of outstanding guarantee balance
Interest income	-	-	210,605	178,217	Interest at rate of 5.50% per annum (2011: 6.12 – 7.25% per annum)
Dividend income	-	-	888,627	877,000	At the declared rate
Construction cost	-	-	182,825	160,283	Comparable price with third parties
Purchases of land	-	-	-	12,142	Reference price from the Land Department
Other expenses	-	-	47,337	34,128	Comparable price with third parties
Interest expenses	-	-	53,653	94,432	Interest at rate of 5.50% per annum (2011: 6.12 – 7.25% per annum)
<i>Transactions with related companies</i>					
Dividend income	4,004	5,817	4,004	5,817	At the declared rate
Purchases of construction materials	15,805	21,967	15,501	20,785	Comparable price with third parties
Rental expenses	5,471	5,104	5,471	5,104	At the contractual price

As at 31 December 2012 and 2011, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Interest receivable - related parties				
<u>Subsidiaries</u>				
The Value Property Development Co., Ltd.	-	-	279,469	153,529
Asian Property (Sukhumvit) Co., Ltd.	-	-	-	80,931
AP (Sathon) Co., Ltd.	-	-	45,637	6,039
Asian Property (2012) Co., Ltd.	-	-	19,908	-
Asian Property (2011) Co., Ltd.	-	-	7,832	2,410
Thonglor Residence Co., Ltd.	-	-	4,422	1,989
Smart Service & Management Co., Ltd.	-	-	1,221	206
Asian Property (Krungthep) Co., Ltd.	-	-	-	76
Total interest receivable - related parties	-	-	358,489	245,180
Dividend receivable - related parties				
<u>Subsidiaries</u>				
AP (Sathom) Co., Ltd.	-	-	260,000	-
Asian Property (Sukhumvit) Co., Ltd.	-	-	99,999	-
Asian Property (Krungthep) Co., Ltd.	-	-	30,000	-
Total dividend receivable - related parties	-	-	389,999	-
Trade accounts payable - related parties (Note 17)				
<u>Subsidiaries</u>				
Signature Advisory Partners Ltd.	-	-	52,839	13,975
SQE Construction Co., Ltd.	-	-	6,658	28,856
<u>Related company</u>				
(related by common directors)				
PCM Construction Material Co., Ltd.	1,335	1,286	1,335	1,286
Total trade accounts payable - related parties	1,335	1,286	60,832	44,117
Interest payable - related parties				
<u>Subsidiaries</u>				
Asian Property Co., Ltd.	-	-	70,579	145,745
Asian Property (Krungthep) Co., Ltd.	-	-	5,551	-
Asian Property (Sukhumvit) Co., Ltd.	-	-	2,171	-
AP (Ratchada) Co., Ltd.	-	-	-	23,989
Total interest payable - related parties	-	-	78,301	169,734
Retention payable - related party (Note 20)				
<u>Related party</u>				
(related by common directors)				
Pre-Built Plc.	-	937	-	937
Total retention payable - related party	-	937	-	937

The balances of loans between the Company and those related parties as at 31 December 2012 and 2011, and the movements of are as follows:

Short-term loans to related parties

(Unit: Thousand Baht)

Company name	Separate financial statements			Balance as at 31 December 2012
	Balance as at 31 December 2011	During the year		
		Additional granting	Receiving	
<u>Subsidiaries</u>				
The Value Property Development Co., Ltd.	2,063,000	1,866,300	(1,142,000)	2,787,300
Asian Property (2012) Co., Ltd.	–	698,020	(296,000)	402,020
AP (Sathon) Co., Ltd.	573,800	870,000	(1,344,000)	99,800
Thonglor Residence Co., Ltd.	26,800	30,200	(2,000)	55,000
Asian Property (2011) Co., Ltd.	367,650	36,000	(377,000)	26,650
Smart Service & Management Co., Ltd.	26,500	9,000	(10,000)	25,500
Asian Property (Sukhumvit) Co., Ltd.	547,000	–	(547,000)	–
Asian Property (Krungthep) Co., Ltd.	31,000	14,000	(45,000)	–
Total short-term loans to related parties	3,635,750	3,523,520	(3,763,000)	3,396,270

Short-term loans from related parties

(Unit: Thousand Baht)

Company name	Separate financial statements			
	Balance	During the year		Balance
	as at			as at
	31 December	Additional	Transfer in	31 December
	2011	borrowing	(out) from merger	2012
<u>Subsidiaries</u>				
Asian Property (Krungthep) Co., Ltd.	-	350,074	(73,574)	276,500
Asian Property (Sukhumvit) Co., Ltd.	-	472,000	(293,000)	179,000
Asian Property Co., Ltd.	851,400	57,000	(1,358,000)	547,590
AP (Ratchada) Co., Ltd.	657,590	15,000	(125,000)	(547,590)
Total short-term loans from related parties	1,508,990	894,074	(1,849,574)	-
				553,490

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

Directors' and management's remuneration

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

	(Unit: Thousand Baht)	
	Consolidated and separate	
	financial statements	
	2012	2011
Short-term employee benefits	105,797	92,181
Post-employment benefits	5,156	4,761
Total	110,953	96,942

Guarantee obligations with related parties

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

(Unit: Thousand Baht)

Company name	Nature of business	Separate financial statements											
		Paid-up share capital		Percentage of shareholding		Investment value under cost method	Allowance for impairment of investments		Investments in subsidiaries - net		Dividend received for the years ended 31 December		
		2012	2011	2012	2011		2012	2011	2012	2011			
				Percent	Percent								
AP (Sathon) Co., Ltd.	Real estate development	162,500	589,238	100	100	496,245	643,511	-	-	496,245	643,511	260,000	-
AP (Ratchada) Co., Ltd.	Real estate development	-	430,000	-	100	-	839,045	-	(337,333)	-	501,712	43,430	817,000
The Value Property													
Development Co., Ltd.	Real estate development	500,000	500,000	100	100	500,000	500,000	-	-	500,000	500,000	-	-
Asian Property Co., Ltd.	Real estate development	895,834	895,834	100	100	407,103	407,103	-	-	407,103	407,103	102,700	-
Asian Property													
(Krungthep) Co., Ltd.	Real estate development	300,000	300,000	100	100	294,016	294,016	-	-	294,016	294,016	82,500	60,000
Thonglor Residence Co., Ltd.	Real estate development	10,000	10,000	100	100	10,000	10,000	-	-	10,000	10,000	-	-
Asian Property													
(Sukhumvit) Co., Ltd.	Real estate development	10,000	10,000	100	100	10,000	10,000	-	-	10,000	10,000	399,997	-
Asian Property													
(2011) Co., Ltd.	Real estate development	300,000	10,000	100	100	300,000	10,000	-	-	300,000	10,000	-	-
Asian Property													
(2012) Co., Ltd.	Real estate development	300,000	-	100	-	300,000	-	-	-	300,000	-	-	-
Bangkok CitiSmart Co., Ltd.	Service	4,000	4,000	100	100	4,142	4,142	-	-	4,142	4,142	-	-
Smart Service & Management Co., Ltd.	Service	5,000	5,000	100	100	4,900	4,900	(4,900)	(4,900)	-	-	-	-
Total investments in subsidiaries						2,326,406	2,722,717	(4,900)	(342,233)	2,321,506	2,380,484	888,627	877,000

10.1 Investments in ordinary shares of subsidiaries

(Unit: Thousand Baht)

Company name	Nature of business	Paid-up share capital	Percentage of shareholding	Cost of investment		Investment value under equity method	
				2012	2011	2012	2011
Percent							
Investment of The Value							
Property Development							
Co., Ltd.							
SQE Construction Co., Ltd.	Construction	50,000	100	50,000	50,000	48,287	45,209
Investment of Thonglor							
Residence Co., Ltd.							
Signature Advisory Partners Ltd.	Real estate development	1,000	100	1,100	1,100	484	3,481

10.2 Changes in investments in subsidiaries

Asian Property (2011) Company Limited

On 10 November 2011, the meeting of the Company's Board of Directors passed a resolution to establish Asian Property (2011) Company Limited. It has registered capital of Baht 10 million, comprising 1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 28 November 2011.

On 6 February 2012, the Extraordinary General Meeting of shareholders of Asian Property (2011) Company Limited approved to increase the subsidiary's registered share capital by Baht 290 million (29 million ordinary shares of Baht 10 each) from Baht 10 million (1 million ordinary shares of Baht 10 each) to Baht 300 million (30 million ordinary shares of Baht 10 each). The subsidiary registered the share capital increase with the Ministry of Commerce on 8 February 2012.

Asian Property (2012) Company Limited

On 5 January 2012, the meeting of the Company's Board of Directors passed a resolution to establish Asian Property (2012) Company Limited. It has registered capital of Baht 10 million, comprising 1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 9 January 2012.

On 6 February 2012, the Extraordinary General Meeting of shareholders of Asian Property (2012) Company Limited approved to increase the subsidiary's registered share capital by Baht 290 million (29 million ordinary shares of Baht 10 each) from Baht 10 million (1 million ordinary shares of Baht 10 each) to Baht 300 million (30 million ordinary shares of Baht 10 each). The subsidiary registered the share capital increase with the Ministry of Commerce on 8 February 2012.

AP (Sathorn) Company Limited

On 18 June 2012, the meeting of the Board of Directors of AP (Sathon) Company Limited passed a resolution to call for payment of the remaining share capital from its shareholders of Baht 61 million (57 million ordinary shares of Baht 1.07 each). The Company had already paid for the proportion of its investment on 10 July 2012.

On 24 August 2012, the Extraordinary General Meeting of AP (Sathon) Company Limited approved to decrease the subsidiary's registered share capital by Baht 487.5 million (48.75 million ordinary shares of Baht 10 each) from the registered share capital of Baht 650 million (65 million ordinary shares of Baht 10 each) to Baht 162.5 million (16.25 million ordinary shares of Baht 10 each). The subsidiary registered the share capital decrease with the Ministry of Commerce on 28 September 2012. The share capital reduction of Baht 279.5 million had been offset against deficit of the subsidiary and the remaining of Baht 208 million had been paid to the shareholders of the subsidiary at the rate of Baht 4.27 per share. The Company received the return on its investment of Baht 208 million on 28 September 2012.

10.3 Amalgamation

On 14 March 2012, the Annual General Meeting of shareholders of AP (Ratchada) Company Limited (the subsidiary) approved to dissolve the subsidiary, with an effect from 3 April 2012. The subsidiary registered the dissolution with the Ministry of Commerce on 3 April 2012.

On 15 March 2012, AP (Ratchada) Company Limited entered into an agreement to transfer its entire business to Asian Property Company Limited. AP (Ratchada) Company Limited sold all of its assets and liabilities to Asian Property Company Limited at their net book values, based on its financial statements as at 2 April 2012. After the transfer of business and sales of assets and liabilities, AP (Ratchada) Company Limited has ceased its operations since 3 April 2012.

On 4 April 2012 and 9 May 2012, the Company received the return on its investment as a result of the dissolution of AP (Ratchada) Company Limited, at the rate of Baht 11.10 per share, or a total of Baht 477 million. The subsidiary registered its liquidation on 15 May 2012.

11. Other long-term investments

(Unit: Thousand Baht)						
	Percentage of shareholding		Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011	2012	2011
	Percent	Percent				
<u>Cost</u>						
<u>Investments in related company</u>						
Pre-Built Plc.	-	18.01	-	107,890	-	47,824
<u>Investment in other company</u>						
Asia Recovery Property Fund 1	-	-	25	25	-	-
Total			25	107,915	-	47,824
Add: Revaluation surplus from changes in value of investments			-	26,964	-	87,030
Fair value			25	134,879	-	134,854

During 2012, the Company sold 40.1 million ordinary shares (2011: 3.5 million ordinary shares) of Pre-built Plc., or a total of approximately Baht 225 million (2011: Baht 14 million). The Company recognised gain from sales of investments of approximately Baht 117 million in the consolidated financial statement (the Company only: Baht 177 million) (2011: Baht 4 million in the consolidated financial statement and Baht 10 million in separate financial statement).

On 26 April 2011, the Annual General Meeting of the shareholders of Pre-Built Plc. passed a resolution to approve payment of dividend to its shareholders the rate of Baht 0.15 per share. The dividends were paid by cash at the rate of Baht 0.1 per share and by ordinary share at a rate of 20 existing shares per 1 stock dividend, or equivalent to Baht 0.05 per share. The Company received dividends of Baht 3.9 million and 1.9 million ordinary shares on 23 May 2011.

On 26 April 2012, the Annual General Meeting of the shareholders of the Pre-built Plc. passed a resolution to approve payment of dividend to its shareholders at the rate of Baht 0.20 per share. The dividends were paid by cash at the rate of Baht 0.15 per share and by ordinary share at a rate of 20 existing shares per 1 stock dividend, or equivalent to Baht 0.05 per share. The Company received dividends of Baht 4.0 million and 1.3 million ordinary shares on 23 May 2012.

12. Land and cost of project held for development

Land and cost of project held for development as at 31 December 2012 and 2011 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Allowance for impairment loss		Land and cost of project held for development - net	
	2012	2011	2012	2011	2012	2011
Land	128,620	128,620	(31,820)	(31,820)	96,800	96,800
Land improvement	1,599	1,599	-	-	1,599	1,599
Infrastructure	3,477	3,477	-	-	3,477	3,477
Deferred interest expenses	96,334	96,334	(96,334)	(96,334)	-	-
Deferred expenses	530	530	-	-	530	530
Total	230,560	230,560	(128,154)	(128,154)	102,406	102,406

13. Investment properties

The net book value of investment properties, representing condominium units for rent, as at 31 December 2012 and 2011 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cost	36,447	24,478	31,529	24,478
Less: Accumulated depreciation	(3,218)	(1,636)	(3,034)	(1,636)
Net book value	33,229	22,842	28,495	22,842

A reconciliation of the net book value of investment properties for the years 2012 and 2011 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Net book value at beginning of year	22,842	24,066	22,842	24,066
Transfer from inventories	12,011	-	7,051	-
Depreciation charged during the year	(1,624)	(1,224)	(1,398)	(1,224)
Net book value at end of year	33,229	22,842	28,495	22,842

The fair value of the investment properties as at 31 December 2012 is approximately Baht 113 million (the Company only: Baht 103 million) (2011: Baht 85 million). The fair value has been determined based on comparable market price by referring to the purchase-sale information and the comparable transactions of the assets bought-sold during the same period, taking into account the location, size and shape of land, type and condition of the assets.

The Company has pledged its investment properties amounting to approximately Baht 1 million (2011: Baht 1 million) as guarantee at the Civil Court.

14. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements									
	Land and improvement	Buildings and constructions	Club houses, swimming pool and playground	Sample houses and sales office	Furniture, fixtures and equipment	Vehicles	Mold	Other fixed assets	Assets under installation	Total
Cost										
1 January 2011	55,801	4,085	42,473	588	129,366	1,482	-	36,745	8,650	279,190
Additions	-	-	-	-	18,710	978	27,340	8,666	13,353	69,047
Disposals/write-off	(32,894)	-	-	-	(1,127)	-	-	(395)	(1,498)	(35,914)
Transfer to intangible assets	-	-	-	-	-	-	-	-	(9,554)	(9,554)
Transfer in (out)	-	-	-	-	362	-	-	19	(381)	-
31 December 2011	22,907	4,085	42,473	588	147,311	2,460	27,340	45,035	10,570	302,769
Additions	-	-	-	-	9,328	1,357	978	8,398	30,060	50,121
Disposals/write-off	-	-	-	-	(5,514)	(2,104)	-	(4,477)	-	(12,095)
Transfer to intangible assets	-	-	-	-	-	-	-	-	(15,957)	(15,957)
Transfer in (out)	-	-	-	-	3,026	-	-	-	(3,026)	-
31 December 2012	22,907	4,085	42,473	588	154,151	1,713	28,318	48,956	21,647	324,838
Accumulated depreciation										
1 January 2011	8,558	2,868	33,566	588	46,446	1,482	-	18,548	-	112,056
Depreciation for the year	-	204	501	-	28,406	170	4,676	6,684	-	40,641
Depreciation on disposals /write-off	(3,047)	-	-	-	(331)	-	-	(359)	-	(3,737)
31 December 2011	5,511	3,072	34,067	588	74,521	1,652	4,676	24,873	-	148,960
Depreciation for the year	-	204	502	-	31,009	301	9,122	6,724	-	47,862
Depreciation on disposals /write-off	-	-	-	-	(4,294)	(1,485)	-	(3,621)	-	(9,400)
31 December 2012	5,511	3,276	34,569	588	101,236	468	13,798	27,976	-	187,422

[illegible]

	Separate financial statements					
	Land and improvement	Buildings and constructions	Furniture, fixtures and equipment	Motor vehicles	Other fixed assets	Assets under installation
						Total
Cost						
1 January 2011	55,801	4,085	107,508	627	27,291	3,370
Additions	-	-	14,439	978	4,248	12,033
Disposals/write-off	(32,894)	-	(921)	-	(341)	(1,498)
Transfer to intangible assets	-	-	-	-	-	(2,954)
Transfer in (out)	-	-	362	-	19	(381)
31 December 2011	22,907	4,085	121,388	1,605	31,217	10,570
Additions	-	-	8,392	622	5,307	30,060
Disposals/write-off	-	-	(4,148)	(1,249)	(3,133)	-
Transfer to intangible assets	-	-	-	-	-	(15,957)
Transfer in (out)	-	-	3,026	-	-	(3,026)
31 December 2012	22,907	4,085	128,658	978	33,391	21,647
Accumulated depreciation						
1 January 2011	8,558	2,868	39,265	627	14,178	-
Depreciation for the year	-	204	23,385	170	4,572	-
Depreciation on disposals/write-off	(3,047)	-	(192)	-	(318)	-
31 December 2011	5,511	3,072	62,458	797	18,432	-
Depreciation for the year	-	204	25,707	199	4,439	-
Depreciation on disposals/write-off	-	-	(3,137)	(630)	(2,481)	-
31 December 2012	5,511	3,276	85,028	366	20,390	-
						114,571

(Unit: Thousand Baht)

	Separate financial statements (continued)						
	Land and improvement constructions	Buildings and constructions	Furniture, fixtures and equipment	Motor vehicles	Other fixed assets	Assets under installation	Total
Allowance for impairment loss							
1 January 2011	29,148	353	-	-	-	-	29,501
Decrease in allowance for impairment loss	(24,346)	-	-	-	-	-	(24,346)
31 December 2011	4,802	353	-	-	-	-	5,155
31 December 2012	4,802	353	-	-	-	-	5,155
Net book value							
31 December 2011	12,594	660	58,930	808	12,785	10,570	96,347
31 December 2012	12,594	456	43,630	612	13,001	21,647	91,940
Depreciation for the year							
2011 (included in the administrative expenses)							28,331
2012 (included in the administrative expenses)							30,549

As at 31 December 2012 and 2011, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 44 million and Baht 39 million, respectively (the Company only: Baht 14 million and Baht 10 million, respectively).

15. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements	
	Computer software	Premium on project value	Total	Computer software	Total
Cost					
1 January 2011	52,268	452,207	504,475	51,055	51,055
Additions	1,696	–	1,696	980	980
Transfer from equipment	9,554	–	9,554	2,954	2,954
31 December 2011	63,518	452,207	515,725	54,989	54,989
Additions	3,156	–	3,156	3,019	3,019
Write-off	(1,863)	(282,655)	(284,518)	(1,863)	(1,863)
Transfer from equipment	15,957	–	15,957	15,957	15,957
31 December 2012	80,768	169,552	250,320	72,102	72,102
Accumulated amortisation					
1 January 2011	6,411	144,700	151,111	5,894	5,894
Amortisation for the year	18,442	136,000	154,442	16,139	16,139
31 December 2011	24,853	280,700	305,553	22,033	22,033
Amortisation for the year	21,756	81,255	103,011	19,047	19,047
Amortisation on write-off	(207)	(282,655)	(282,862)	(207)	(207)
31 December 2012	46,402	79,300	125,702	40,873	40,873
Net book value					
31 December 2011	38,665	171,507	210,172	32,956	32,956
31 December 2012	34,366	90,252	124,618	31,229	31,229
Amortisation for the year					
2011 (included in the administrative expenses)			154,442		16,139
2012 (included in the administrative expenses)			103,011		19,047

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

16. Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2012 and 2011 comprised the following:

(Unit: Thousand Baht)

	Interest rate		Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011	2012	2011
	(percent per annum)	(percent per annum)				
Promissory notes	3.87 – 4.35	4.53 – 5.50	470,000	750,000	470,000	550,000
Bill of exchanges	2.91 – 3.32	3.34 – 3.92	1,200,000	2,907,000	1,200,000	2,907,000
Total			1,670,000	3,657,000	1,670,000	3,457,000
Less: Prepaid interest expenses			(10,501)	(27,646)	(10,501)	(27,646)
Short-term loans from financial institutions			1,659,499	3,629,354	1,659,499	3,429,354

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

17. Trade accounts payable

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Trade accounts payable – related parties	1,335	1,286	60,832	44,117
Trade accounts payable – unrelated parties	775,263	573,676	586,711	355,043
Total trade accounts payable	776,598	574,962	647,543	399,160

18. Long-term loans

Long-term loans as at 31 December 2012 and 2011 can be summarised as follows:

(Unit: Thousand Baht)

Significant terms and conditions of loan agreement					Outstanding long-term loan amount		
No.	Lender	Credit facilities	Repayment term	Collateral	Interest rate	Non-current portion	Total
(Percent per annum)							
2012							
The Company							
1.	Bank	15,660,295	At 60 – 70 percent of selling price upon release of the mortgage and due within 2013 – 2016	The mortgage of land and construction thereon	MLR-1.75 to MLR-1.5	480,000	480,000
Total loan of the Company					-	480,000	480,000
Subsidiaries							
Asian Property (2011) Company Limited							
1.	Bank	587,000	At 70 percent of selling price upon release of the mortgage and due within 2015	The mortgage of land and construction thereon	MLR-1.75	50,000	50,000
The Value Property Development Company Limited							
1.	Bank	2,619,000	At 70 percent of selling price upon release of the mortgage and due within 2013 – 2015	The mortgage of land and construction thereon	MLR-1.75	50,000	93,000
Total loans of the subsidiaries					50,000	93,000	143,000
Total loans of the Company and its subsidiaries					50,000	573,000	623,000

(Unit: Thousand Baht)

Significant terms and conditions of loan agreement					Outstanding long-term loan amount	
No.	Lender	Credit facilities	Repayment term	Collateral	Interest rate	Non -
						Current portion
(Percent per annum)						
2011						
The Company						
1.	Bank	13,950,295	At 60 – 70 percent of selling price upon release of the mortgage and due within 2012 – 2015	The mortgage of land and construction thereon	MLR-2.00 to MLR-1.5 and 4.75	10 502,000 502,010
Total loan of the Company						
Subsidiary						
AP (Sathon) Co., Ltd.						
1.	Bank	1,430,000	At 70 percent of selling price upon release of the mortgage and due within 2012	The mortgage of land and construction thereon	MLR-1.50	292,500 - 292,500
Total loan of the subsidiary						
Total loans of the Company and its subsidiary						
						292,500 - 292,500
						292,510 502,000 794,510

These loan agreements contain covenants and restrictions imposed by the lenders on the Company and its subsidiaries, related to such matters as the maintenance of debt-service-coverage ratio according to the agreements.

As at 31 December 2012, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 18,389 million (the Company only: Baht 14,003 million) (2011: Baht 16,703 million (the Company only: Baht 12,911 million)).

19. Debentures

Debentures as at 31 December 2012 and 2011, which are unsubordinated, unsecured debentures with registered name, were summarised below.

Name of debenture	Fixed interest rate	Period	Maturity date	Consolidated and separate financial statements			
				Unit		Amount	
				2012	2011	2012	2011
				(Thousand units)	(Thousand units)	(Thousand Baht)	(Thousand Baht)
AP122A	5.50% p.a. for year 1 – 1.5 6.00% p.a. for year 1.5 – 3	3 years	5 February 2012	–	1,000	–	1,000,000
AP127A	5.00% p.a.	3 years	24 July 2012	–	1,000	–	1,000,000
AP132A	4.90% p.a.	3 years and 5 months	15 February 2013	1,000	1,000	1,000,000	1,000,000
AP138A	3.80% p.a.	3 years and 6 months	4 August 2013	500	500	500,000	500,000
AP139A	3.80% p.a.	3 years, 7 months and 26 days	30 September 2013	1,000	1,000	1,000,000	1,000,000
AP141A	3.50% p.a.	3 years and 6 months	19 January 2014	1,000	1,000	1,000,000	1,000,000
AP157A	4.00% p.a.	4 years, 11 months and 4 days	9 July 2015	500	500	500,000	500,000
AP147A	4.25% p.a.	3 years and 6 months	27 July 2014	850	850	850,000	850,000
AP147B	4.25% p.a.	3 years, 5 months and 24 days	27 July 2014	400	400	400,000	400,000
AP157B	4.50% p.a.	4 years, 5 months and 2 days	9 July 2015	250	250	250,000	250,000
AP159A	4.65% p.a.	4 years and 3 months	7 September 2015	500	500	500,000	500,000
AP151A	4.50% p.a. for year 1 – 3 5.80% p.a. for year 3 – 3.5	3 years and 6 months	8 January 2015	1,500	1,500	1,500,000	1,500,000
AP162A	4.75% p.a.	4 years and 6 months	28 February 2016	300	300	300,000	300,000
AP161A	4.00% p.a.	4 years	27 January 2016	1,000	–	1,000,000	–
AP169A	4.49% p.a.	4 years and 3 months	8 September 2016	1,200	–	1,200,000	–
Total						10,000,000	9,800,000
Less: Current portion						(2,500,000)	(2,000,000)
Debentures – net of current portion						7,500,000	7,800,000

- 19.1 On 27 January 2011, the Company issued and offered debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 27 April 2010, by issuing and offering 0.85 million units of named, unsubordinated, unsecured debentures, with debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 850 million, to the public and institutional investors. The debentures have 3-year and 6-month term from the date of issuance and bear the fixed interest rate of 4.25% per annum. The interest payment is to be made quarterly and the debentures are due for redemption on 27 July 2014.
- 19.2 On 3 February 2011, the Company issued and offered debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 27 April 2010, by issuing and offering 0.4 million units of named, unsubordinated, unsecured debentures, with debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 400 million, to the public and institutional investors. The debentures have 3-year, 5-month and 24-day term from the date of issuance and bear the fixed interest rate of 4.25% per annum. The interest payment is to be made quarterly and the debentures are due for redemption on 27 July 2014.
- 19.3 On 7 February 2011, the Company issued and offered debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 27 April 2010, by issuing and offering 0.25 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 250 million, to the private placement which is not more than 10 investors. The debentures have 4-year, 5-month and 2-day term from the date of issuance and bear the fixed interest rate of 4.50% per annum. The interest payment is to be made quarterly and the debentures are due for redemption on 9 July 2015.
- 19.4 On 27 April 2011, the Annual General Meeting of the Company's shareholders approved the cancellation of the non-issued debentures of Baht 1,000 million and approved the issuance and offering of debentures, amounting to not greater than Baht 12,000 million or equivalent to other currencies, with the withdrawal term of not more than 10 years from the issuance date. Such debentures will be offered one time or many times and/or in revolving nature, as considered appropriate, to the public and/or private placement and/or institutional investors or specific investors following the Securities and Exchange Commission's announcement or other applicable laws.
- 19.5 On 7 June 2011, the Company issued and offered debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 27 April 2011, by issuing and offering 0.5 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 500 million, to the 13 institutional investors and major investors. The debentures have 4-year, and 3-month term from the date of issuance and bear the fixed interest rate of 4.65% per annum. The interest payment is to be made quarterly and the debentures are due for redemption on 7 September 2015.
- 19.6 On 8 July 2011, the Company issued and offered debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 27 April 2011 by issuing and offering 1.5 million units of named, unsubordinated, unsecured debentures, with debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,500 million. The debentures have 3-year and 6-month term from the date of issuance and bear the fixed interest rate of 4.50% per annum for year 1-3 and 5.80% per annum for the last six months. Such debentures were offered to the public and institutional investors. The interest payment is to be made quarterly and the debentures are due for redemption on 8 January 2015.

19.7 On 30 August 2011, the Company issued and offered debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 27 April 2011 by issuing and offering 0.3 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 300 million, to the private placement. The debentures have 4-year and 6-month term from the date of issuance and bear the fixed interest rate of 4.75% per annum. The interest payment is to be made quarterly and the debentures are due for redemption on 28 February 2016.

19.8 On 27 January 2012, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 27 April 2011 by issuing and offering 1 million units of named, unsubordinated, unsecured debentures, with debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,000 million, to the public and institutional investors. The debentures have 4-year term from the date of issuance and bear the fixed interest rate of 4% per annum. The interest payment is made quarterly and the debentures are due for redemption on 27 January 2016.

19.9 On 30 April 2012, the Annual General Meeting of the Company's shareholders approved the issue and offering of up to Baht 5,000 million of registered, unsecured, unsubordinated short-term debentures without debentureholders' representative, with terms of not more than 270 days. Such debentures will be offered in Thailand to institutional investors and/or high net worth investors, in a single or multiple tranches and/or as a revolving issue, as considered appropriate.

19.10 On 8 June 2012, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 27 April 2011 by issuing and offering 1.2 million units of named, unsubordinated, unsecured debentures, with debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,200 million, to 13 institutional investors and major investors. The debentures have 4-year and 3-month term from the date of issuance and bear the fixed interest rate of 4.49% per annum. The interest payment is made every six months and the debentures are due for redemption on 8 September 2016.

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

20. Retention payable

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Retention payable – related parties	–	937	–	937
Retention payable – unrelated parties	283,586	312,055	196,324	216,005
Total retention payable	283,586	312,992	196,324	216,942

21. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Defined benefit obligation at beginning of year	32,503	23,972	31,155	23,421
Current service cost	8,106	7,456	7,099	6,704
Interest cost	1,282	1,075	1,201	1,030
Benefits paid during the year	(2,212)	-	(2,212)	-
Defined benefit obligation at end of year	39,679	32,503	37,243	31,155

Long-term employee benefit expenses included in the selling and administrative expenses was as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Current service cost	8,106	7,456	7,099	6,704
Interest cost	1,282	1,075	1,201	1,030
Total expense recognized in profit or loss	9,388	8,531	8,300	7,734

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	3.42	3.42	3.42	3.42
Future salary increase rate				
(depending on employee's age)	3 - 7	3 - 7	3 - 7	3 - 7
Staff turnover rate	5 - 25	5 - 25	5 - 25	5 - 25

22. Share capital

On 27 April 2011, the Annual General Meeting of the Company's shareholders approved to increase the Company's registered share capital by Baht 477 million (476,660,000 ordinary shares of Baht 1 each) from the registered share capital of Baht 2,383 million (2,383,289,729 ordinary shares of Baht 1 each) to Baht 2,860 million (2,859,949,729 ordinary shares of Baht 1 each). The Company registered the share capital increase and amended the Memorandum of Association with the Ministry of Commerce on 11 May 2011.

In 2012, due to the exercising of warrants as described in Note 23, the issued and paid up share capital of the Company increased by Baht 26 million (2011: Baht 10 million), from Baht 2,822 million (2,821,983,158 ordinary shares of Baht 1 each) to the issued and paid up share capital of Baht 2,848 million (2,848,272,038 ordinary shares of Baht 1 each). This resulted in a share premium between the exercise price and the par value of ordinary share of approximately Baht 39 million (2011: Baht 15 million), which was presented as "Share premium" the shareholders' equity.

23. Warrants

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

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

As at 31 December 2012 and 2011, the remaining balance of warrants were as follows:

	Number of units (Thousand units)	
	2012	2011
Warrants issued as at 8 March 2010	48,680	48,680
Less: Cumulative number of exercised warrants – beginning of the year	(17,047)	(8,723)
Number of warrants exercised during the year	(21,907)	(8,324)
Cumulative number of exercised warrants – end of year	(38,954)	(17,047)
Balance of warrants at the end of year	9,726	31,633

According to the resolution of the Annual General Meeting of the Company's shareholders held on 27 April 2011, the Company declared stock dividends as described in Note 28. This resulted in the change of the exercise price and ratio of warrants to the employees of the Company and the subsidiaries from the exercise ratio of 1 warrant per 1 ordinary share at an exercise price of Baht 3 each to be 1 warrant per 1.2 ordinary shares at an exercise price of Baht 2.50 each.

24. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside (2011: set aside of approximately Baht 47 million).

25. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Construction and infrastructure costs	6,573,272	5,070,561	4,652,919	3,957,606
Land cost	3,890,739	2,754,440	2,915,372	2,130,712
Salary and wages and other employee benefits	652,661	535,095	526,890	432,116
Advertising and promotion expenses	880,011	734,484	727,437	594,739
Loss on diminution in investment value	-	-	24,410	337,333
Rental expenses from operating lease agreements	51,786	39,135	42,460	31,406
Depreciation	49,486	41,865	31,947	29,555
Amortisation	103,011	154,442	19,047	16,139

26. Corporate income tax

Corporate income tax for the years ended 31 December 2012 and 2011 was calculated from net profit after adding back certain expenses which are disallowed for tax computation purposes.

27. Earnings per share

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

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

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

	Consolidated financial statements					
	Profit for		Weighted average		Earnings per	
	the year		number of ordinary shares		share	
	2012	2011	2012	2011	2012	2011
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	2,329,263	1,550,926	2,834,533	2,816,750	0.822	0.551
Effect of dilutive potential ordinary shares						
Warrant 9,725,513 units (2011: 31,632,913 units)			15,675	20,840		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	2,329,263	1,550,926	2,850,208	2,837,590	0.817	0.547
	Separate financial statements					
	Profit for		Weighted average		Earnings per	
	the year		number of ordinary shares		share	
	2012	2011	2012	2011	2012	2011
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	2,325,813	1,760,103	2,834,533	2,816,750	0.821	0.625
Effect of dilutive potential ordinary shares						
Warrant 9,725,513 units (2011: 31,632,913 units)			15,675	20,840		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	2,325,813	1,760,103	2,850,208	2,837,590	0.816	0.620

28. Dividends

28.1 On 27 April 2011, the Annual General Meeting of the Company's shareholders approved the payment of dividend for 2010 to the Company's shareholders as follows:

- by 468,741,602 ordinary shares of the Company, at a par value of Baht 1 per share, in the ratio of 5 existing shares per 1 stock dividend, or equivalent to Baht 0.20 per share, totaling approximately Baht 469 million.
- by cash at Baht 0.18 per share, totaling approximately Baht 422 million.

These dividends were paid on 24 May 2011.

28.2 On 30 April 2012, the Annual General Meeting of the Company's shareholders approved the payment of dividend for 2011 to the Company's shareholders at Baht 0.18 per share, totaling approximately Baht 509 million. These dividends were paid on 24 May 2012.

29. Provident fund

The Company and its subsidiaries and employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and its subsidiaries and their employees contribute to the fund monthly at the rate of 3 to 8 percent of basic salary. The funds, which are managed by Kasikorn Asset Management Company Limited, SCB Asset Management Company Limited and TMB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During 2012 and 2011, the Company and its subsidiaries contributed Baht 15 million and Baht 12 million, respectively (the Company only: Baht 14 million and Baht 11 million, respectively) to the funds.

30. Segment information

The significant business segments comprising the Company's and its subsidiaries' operations are the development of real estate, which includes land and house projects and residential condominium projects, construction and services for real estate business. These are carried on the single geographic area in Thailand. However, since financial information on the construction and services for real estate business segment is currently insignificant to the consolidated financial statements, the Company does not separately present the financial information of this segment. Revenues from construction business are inter-segment revenues, which are eliminated from the consolidated financial statements.

31. Commitments and contingent liabilities

31.1 Capital commitments

As at 31 December 2012, the Company and its subsidiaries had entered into agreements with third parties to purchase land with the amount payable in the future of approximately Baht 3,006 million (the Company only: Baht 2,214 million) (2011: Baht 575 million (the Company only: Baht 465 million)).

31.2 Operating lease commitments

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Payable within:				
Less than 1 year	70	49	62	40
1 to 5 years	45	32	42	25

31.3 Commitments under contracts for project developments

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

(Unit: Million Baht)			
Company name	2012	2011	
<u>The Company</u>			
Asian Property Development Plc.	6,014	5,594	
<u>Subsidiaries</u>			
The Value Property Development Co., Ltd.	1,337	2,231	
Asian Property Co., Ltd.	64	10	
AP (Sathon) Co., Ltd.	56	542	
Asian Property (Krungthep) Co., Ltd.	24	59	
Asian Property (2011) Co., Ltd.	17	-	
Asian Property (2012) Co., Ltd.	15	-	
AP (Ratchada) Co., Ltd.	-	41	
Asian Property (Sukhumvit) Co., Ltd.	-	37	
Total	7,527	8,514	

31.4 Guarantees

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

(Unit: Million Baht)			
Guarantees	2012	2011	
<u>Subsidiaries</u>			
The Value Property Development Co., Ltd.	4,474	3,360	
Asian Property (2012) Co., Ltd.	1,563	-	
Asian Property (2011) Co., Ltd.	617	-	
AP (Sathon) Co., Ltd.	420	1,530	
Asian Property (Krungthep) Co., Ltd.	144	749	
Asian Property (Sukhumvit) Co., Ltd.	1	402	
Thonglor Residence Co., Ltd.	-	15	
Total	7,219	6,056	

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

(Unit: Million Baht)

Company name	2012	2011
<u>The Company</u>		
Asian Property Development Plc.	648	1,025
<u>Subsidiaries</u>		
The Value Property Development Co., Ltd.	115	207
Asian Property Co., Ltd.	4	4
Asian Property (Krungthep) Co., Ltd.	3	63
AP (Sathon) Co., Ltd.	2	5
Asian Property (Sukhumvit) Co., Ltd.	1	2
Total	773	1,306

32. Financial instruments

32.1 Financial risk management

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

Credit risk

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

Interest rate risk

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

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

Consolidated financial statements						
31 December 2012						
	Fixed interest rate		Floating	Non-interest	Total	Interest rate
	Within	1-5 years	interest rate	bearing		
	1 year					
(Million Baht)						(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	252	492	744	0.625 to 1.75
Trade and other receivables	-	-	-	108	108	-
Restricted bank deposits	-	-	3	-	3	0.625 to 1.75
	-	-	255	600	855	
Financial liabilities						
Short-term loans from						
financial institutions	1,659	-	-	-	1,659	2.91 to 4.35
Trade accounts payable	-	-	-	777	777	-
Long-term loans	-	-	623	-	623	MLR-1.75 to MLR-1.5
Debentures	-	10,000	-	-	10,000	3.50 to 4.90
Retention payable	-	-	-	284	284	-
	1,659	10,000	623	1,061	13,343	

Consolidated financial statements						
31 December 2011						
	Fixed interest rate		Floating	Non-interest	Total	Interest rate
	Within	1-5 years	interest rate	bearing		
	1 year					
(Million Baht)						(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	339	99	438	0.75 to 2.25
Trade and other receivables	-	-	-	69	69	-
Restricted bank deposits	-	-	24	-	24	0.75 to 2.25
Other long-term investments	-	-	-	135	135	-
	-	-	363	303	666	
Financial liabilities						
Short-term loans from						
financial institutions	3,629	-	-	-	3,629	3.34 to 5.50
Trade accounts payable	-	-	-	575	575	-
Long-term loans	-	-	795	-	795	MLR-2.00 to MLR-1.5 and 4.75
Debentures	-	9,800	-	-	9,800	3.50 to 6.00
Retention payable	-	-	-	313	313	-
	3,629	9,800	795	888	15,112	

	Separate financial statements					
	31 December 2012					
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Interest rate
	Within 1 year	1-5 years				
	(Million Baht)					(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	132	263	395	0.625 to 1.75
Trade and other receivables	-	-	-	95	95	-
Short-term loans to related parties	-	-	3,396	-	3,396	5.50
Restricted bank deposits	-	-	1	-	1	0.625 to 1.75
	-	-	3,529	358	3,887	
Financial liabilities						
Short-term loans from						
financial institutions	1,659	-	-	-	1,659	2.91 to 4.35
Trade accounts payable	-	-	-	647	647	-
Short-term loans from related parties	-	-	553	-	553	5.50
Long-term loans	-	-	480	-	480	MLR-1.75 to MLR-1.5
Debentures	-	10,000	-	-	10,000	3.50 to 4.90
Retention payable	-	-	-	196	196	-
	1,659	10,000	1,033	843	13,535	

	Separate financial statements					
	31 December 2011					
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Interest rate
	Within 1 year	1-5 years				
	(Million Baht)					(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	206	79	285	0.75 to 2.25
Trade and other receivables	-	-	-	50	50	-
Short-term loans to related parties	-	-	3,636	-	3,636	MLR
Restricted bank deposits	-	-	17	-	17	0.75 to 2.25
Other long-term investments	-	-	-	135	135	-
	-	-	3,859	264	4,123	
Financial liabilities						
Short-term loans from						
financial institutions	3,429	-	-	-	3,429	3.34 to 5.50
Trade accounts payable	-	-	-	399	399	-
Short-term loans from related parties	-	-	1,509	-	1,509	MLR
Long-term loans	-	-	502	-	502	MLR-2.00 to MLR-1.5 and 4.75
Debentures	-	9,800	-	-	9,800	3.50 to 6.00
Retention payable	-	-	-	217	217	-
	3,429	9,800	2,011	616	15,856	

32.2 Fair values of financial instruments

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

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

33. Capital management

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

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

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

No changes were made in the objectives, policies or processes during the years ended 31 December 2012 and 2011.

34. Events after the reporting period

- a) On 7 January 2013, the meeting of the Company's Board of Directors passed a resolution to establish Asian Property (2013) Company Limited. It has registered capital of Baht 10 million, comprising 1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 7 January 2013.
- b) On 24 January 2013, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 27 April 2011 by issuing and offering 1.25 million units of named, unsubordinated, unsecured debentures, without debentureholder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,250 million, to private placement which is institutional and/or major investors. The debentures have 5-year term from the date of issuance and bear the fixed interest rate of 4.24% per annum. The interest payment is made every six months and the debentures are due for redemption on 24 January 2018.
- c) On 26 February 2013, the meeting of the Company's Board of Directors passed a resolution to establish AP (Asoke) Company Limited. It has registered capital of Baht 10 million, comprising 1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest.

35. Approval of financial statements

These financial statements were authorised for issue by the Board of Directors of the Company on 26 February 2013.

General Information

Asian Property Development Plc. Head office is situated at 170/57 Ocean Tower 1 Building., 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok with business objective of property development. Registration number is 0107537000149. Telephone number is (66) 2261 2518-22, facsimile is (66) 2261 2548-9 and URL is www.ap-thai.com.

As of 31 December 2012, Asian Property Development Plc. has a registered capital of Baht 2,859,949,729, consisting of 2,859,949,729 ordinary shares, and a paid-up capital of Baht 2,848,272,038, consisting of 2,848,272,038 ordinary shares.

Subsidiary companies

1. Asian Property Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building., 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105553079178. Telephone number is (66) 2261 2518-22, and facsimile is (66) 2261 2548-9.

As of 31 December 2012, Asian Property Co., Ltd. has a registered capital of Baht 895,833,900, consisting of 89,583,390 ordinary shares, and a paid-up capital of Baht 895,833,900, consisting of 89,583,390 ordinary shares.

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

Head office is situated at 170/57 Ocean Tower 1 Building., 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105537054875. Telephone number is (66) 2261 2518-22, and facsimile is (66) 2261 2548-9.

As of 31 December 2012, Asian Property (Krungthep) Co., Ltd. has a registered capital of Baht 300,000,000, consisting of 3,000,000 ordinary shares, and a paid-up capital of Baht 300,000,000, consisting of 3,000,000 ordinary shares.

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

Head office is situated at 170/57 Ocean Tower 1 Building., 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105550124504. Telephone number is (66) 2261 2518-22, and facsimile is (66) 2261 2548-9.

As of 31 December 2012, Asian Property (Sukhumvit) Co., Ltd. has a registered capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares, and a paid-up capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares.

4. Thonglor Residence Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building., 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105545118852. Telephone number is (66) 2261 2518-22, and facsimile is (66) 2261 2548-9.

As of 31 December 2012, Thonglor Residence Co., Ltd. has a registered capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares, and a paid-up capital of Baht 10,000,000, consisting of 1,000,000 ordinary shares.

5. Signature Advisory Partners Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building., 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105545061320. Telephone number is (66) 2261 2518-22, and facsimile is (66) 2261 2548-9.

As of 31 December 2012, Signature Advisory Partners Co., Ltd. has a registered capital of Baht 1,000,000, consisting of 100,000 ordinary shares, and a paid-up capital of Baht 1,000,000, consisting of 100,000 ordinary shares.

6. Bangkok CitiSmart Co., Ltd.

Head office is situated at 170/48 Ocean Tower 1 Building., 15th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property brokerage. Registration number is 0105548123024. Telephone number is (66) 2661 8999 and facsimile is (66) 2661 8044.

As of 31 December 2012, Bangkok CitiSmart Co., Ltd. has a registered capital of Baht 4,000,000, consisting of 400,000 ordinary shares, and a paid-up capital of Baht 4,000,000, consisting of 400,000 ordinary shares.

7. Smart Service Management Co., Ltd.

Head office is situated at 170/50 Ocean Tower 1 Building., 16th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property management. Registration number is 0105539066251. Telephone number is (66) 2261 2285-7 and facsimile is (66) 2259 2359.

As of 31 December 2012, Smart Service Management Co., Ltd. has a registered capital of Baht 5,000,000, consisting of 500,000 ordinary shares, and a paid-up capital of Baht 5,000,000, consisting of 500,000 ordinary shares.

8. SQE Construction Co., Ltd.

Head office is situated at 170/64,66 Ocean Tower 1 Building., 21st Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of construction. Registration number is 0105553083698. Telephone number is (66) 2261 2518-22, and facsimile is (66) 2261 2548-9.

As of 31 December 2012, SQE Construction Co., Ltd. has a registered capital of Baht 50,000,000, consisting of 5,000,000 ordinary shares, and a paid-up capital of Baht 50,000,000, consisting of 5,000,000 ordinary shares.

9. The Value Property Development Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building., 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105545118836. Telephone number is (66) 2261 2518-22, and facsimile is (66) 2261 2548-9.

As of 31 December 2012, The Value Property Development Co., Ltd. has a registered capital of Baht 500,000,000, consisting of 50,000,000 ordinary shares, and a paid-up capital of Baht 500,000,000, consisting of 50,000,000 ordinary shares.

10. AP (Sathorn) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building., 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105550123834. Telephone number is (66) 2261 2518-22, and facsimile is (66) 2261 2548-9.

As of 31 December 2012, AP (Sathorn) Co., Ltd. has a registered capital of Baht 162,500,000, consisting of 16,250,000 ordinary shares, and a paid-up capital of Baht 162,500,000, consisting of 16,250,000 ordinary shares.

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

Head office is situated at 170/57 Ocean Tower 1 Building., 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105554149013. Telephone number is (66) 2261 2518-22, and facsimile is (66) 2261 2548-9.

As of 31 December 2012, Asian Property (2011) Co., Ltd. has a registered capital of Baht 300,000,000, consisting of 30,000,000 ordinary shares, and a paid-up capital of Baht 300,000,000, consisting of 30,000,000 ordinary shares.

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

Head office is situated at 170/57 Ocean Tower 1 Building., 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105554149013. Telephone number is (66) 2261 2518-22, and facsimile is (66) 2261 2548-9.

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

13. AP (Ratchada) Co., Ltd.

(Dissolved during 2012)

Other references

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Fax: (66) 2359 1259

Auditor

Ernst & Young Office Limited

By Ms. Siriwan Suratepin C.P.A. Registration No. 4604

And/or Miss Kamontip Lertwitworatep, C.P.A. Registration No. 4377,

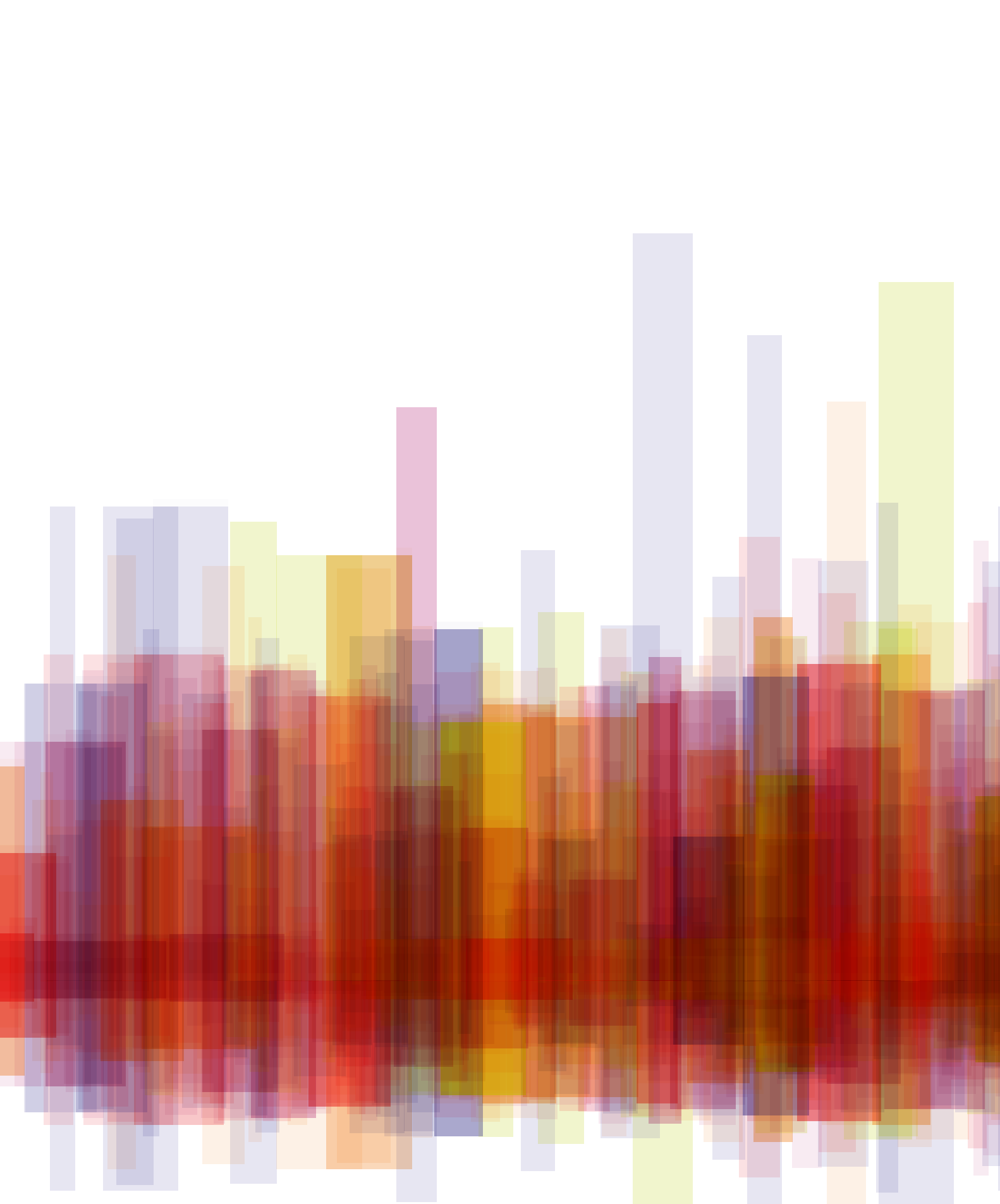
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