



Annual Report

Living Land Capital Public Company Limited

2012



The motto that Living Land always used as a core in our administration is “FORWARD”.

From 7 alphabets which we define as:

Faith	we always have faith and intent to produce only best thing
Output	our output must be outstanding and advance in every aspects.
Reliability	is important thing that we must give to all of our customers.
Wisdom	we are working with wisdom for the new project.
Accountability	is a must, for all of our working process.
Reinforcement	we are ready to give reinforcement to others in every ways we can.
Devotion	we are glad to devote for our customer’s benefit.

Vision

We’re striving for the steadiness and perfection of Real Estate Development Business. We’re striving to give only our best homestead for our customers and we’re striving to provide the best after-sale service to maximize our customer complacency.

Mission

Living Land never stops developing projects in order to meet our customer demand, along with developing our staff potential and the administration for ensuring the investor, to allow each and every project of Living Land to become the image that are interested by public in the aspect of reliable company and reliable service.



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Message from Chairman

In the year 2012, the Company already fulfilled our share allotment on Private Placement as approved by Annual General Meeting of shareholder No. 1/2012 dated April 23, 2012. The specified price was in accordance with the Notification of Capital Market supervisory board, Tor Jor 28/2008 which was not lower than 90% of the average market price calculated by weighted average of the company's closing share price with duration of 14 business days prior to the date of offering. In meantime that the company's financial expenses were down, the company had better liquidity in manage our normal business effectively.

On December 17, 2012 the Board of Directors' meeting of the Company passed a resolution in approving the acquisition of 608,000 ordinary shares of Platinum Auto Service Co., Ltd. ("Platinum") accounting for 76% of total paid-up shares at par value of Baht 100 per share with the purchasing price of Baht 238.48 from their former shareholders who had no relationship and/or any connection with the directors and managements of the Company. Later by our Board of Directors' meeting on February 22, 2013 which passed a resolution in approving the acquisition of the remaining 192,000 ordinary shares of Platinum accounting for 24% in the same purchasing price which caused the company as the fully owner. Benefits which the Company obtained are as follows;

1. Diversification of risks from depending on only property development business to the new business which generates better return.
2. Car rental could be a supporting business of our main business by providing car rental to customers both in our existed and new projects.
3. Platinum had net profit during last consequence 3 years with more outstanding in the future. Therefore, it can generate good returns for the Company.
4. Car rental business has continuous growth along with the economic growth. Thus, Platinum, which is still a small company, will have opportunities and potential to grow significantly. In addition, Platinum has had customers on its own market.

The Company still continues to focus on core business of property development. Because the industry is still to grow further as a consequence of the government's stimulus and business development in supporting of the projects. In addition, the development of our internal controlled included budgeting system is on process. The Company maintained the principles of good governance and Social responsibility environmental. Development Human Resource together with new inventiveness for the company to make progress and further.

Finally, on behalf of the Board of Directors, I would like to thank our shareholders and partners in sponsoring company always. All directors and employees will dedicate and fully mobilize to perform the full duties according to the Principles of good governance to create sustainable growth.

-Signed-

Mr. Apichart Jeerapan
Chairman of the board of directors
Independent Directors

-Signed-

Mr. Wanchai Subbhaapayak
Chief Executive Officer
Executive Director

Report of Audit Committee To shareholders of Living Land Capital Public Company Limited

Audit Committee of Living Land Capital Public Company Limited comprises 3 independent directors. All of the independent directors are not the executives or employees of the company. Audit Committee of the company comprises;

1.Mr.Chaiwat Asawintarakul	Chairman of Audit Committee
2.Mr.Pann Kasemsup	Audit Director
3.Mr.Tanyapong Limwongyuth	Audit Director

During the year 2012, in the meeting of the Board of Directors no.4/2012 on Friday 30th March 2012 had a resolution to appoint Mr. Chaiwat Asawintarakul to be in a position of chairman of the Audit Committee instead of Mr.Prawit Kaonoo who had resigned. And the meeting of the Board of Directors no.10/2012 on Thursday 15th November 2012 had a resolution to appoint Mr. Tanyapong Limwongsuth to be in a position of Audit Committee instead of Mr. Treepop Sarasat who had resigned.

Audit Committee performed duties as assigned by the Board of Directors upon Audit Committee charter according to the requirement of the Stock Exchange of Thailand. There are totally 5 Audit Committee meetings during the year 2012. The meetings of Audit Committee were provided with the executive, the external auditor, the internal auditor in order to consider for the opinion of the Audit Committee as appropriated. The performance of the Audit Committee can be concluded as following:

Review and audit of financial statement

Audit Committee has considered the presentation of external auditors on the interim, quarterly, annual financial statement, including direct advises. In this regard, Audit Committee invited the executive of the accounting office to clarify and explain the issues to Audit Committee. Such action ensured that the company's financial reports were made properly, completely and reliable according to the general accepted accounting standard, with sufficient level of information disclosure.

Audit Committee has an opinion in compliance with the external auditor that the company's financial reports were made properly and completely as it should be in principle, and they were reliable according to the general accepted accounting standard.

Inspect controlling system and internal audit

Audit Committee has assigned the internal audit office to evaluate for internal control, financial accounting and operations by approving the annual audit plan in compliance with the environment of the organization. The audits were operated by considering missions, scope of work, obligations, responsibilities and independence. Audit Committee received the audited report directly from the internal auditor and the recommendations were given to ensure that the company has an appropriate of internal control, follow-up process and evaluation, as part of good corporate governance procedure. Audit Committee has an opinion that internal control of company as a whole is appropriate when considering organization and environment, operational control of management, information system, and good communication as well as the independent of internal audit system.

Review of operation in accordance with law and corporate governance principle

Audit Committee has focused on the company's compliance according to securities law, terms of securities exchange commission and law relating to business of the company. Audit Committee has an opinion that there was no significant issue that the company did not follow the laws and regulations.

Review of related transactions or possible conflict of interest items

Audit Committee has considered the related transactions or possible conflict of interest items and let the external auditor provide quarterly report to Audit Committee to aware that such related transactions including possible conflict of interest are in normal business processes. Audit Committee has an opinion that related transactions or items of possible conflict of interest are necessary for business operation and they are reasonable and beneficially to the company.

Selection and appointment of auditors


Audit Committee has considered the independent, the performance and the experience of auditors including the appropriateness of remuneration to ensure that the duties of auditors are satisfactory performed.


Audit Committee recommended Board of Directors to propose for approval from the Annual General Meeting of shareholders to appoint Mrs. Wiliarat Rojnakaran, the Certified Public Auditor No.3104 or Miss Somchintana Polhiranrat, the Certified Public Auditor No. 5599 or Mr. Visuth Petchpanichkul, the Certified Public Auditor No.7309 from DIA International Audit Co.,Ltd. to be the auditors of the company for the year 2013. In conclusion for the year 2012, the Audit Committee has performed the duties and responsibilities as assigned independently. The opinions and recommendations were given to the Board of Directors for making decision as well.

On behalf of Audit Committee

-Signed-
(Mr. Chaiwat Asawintarangkul)
Chairman of Audit Committee

Details of the Company's Directors and the Executives

 Mr. Apichart Jeerapan Chairman of the Board of Directors Independent Directors			
Education Degree	Bachelor of Laws, Ramkhamhaeng University		
Working Experiences in the past five years	Jan12-Present June 08-Present June 08-Present June 08-Present July1991-Present Oct 06 – Mar 08 1984 - 1990	Consultant of laborer sub committee Chairman of the Board of Director and Independent Director Consultant of Committee on Human Rights, The Rights and Liberties and Consumer Protection The Consultants Executive Partner Member of the National Legislative Assembly Lawyer	The senate Living Land Capital Plc. The senate Hattip PCL. The Nation Law Office Siampremier The National Legislative Assembly Baker & Mckenzie Bangkok Co., Ltd.
Other training courses	-		
Any training course at The Institute of Directors	-		
Any illegal behavior in the past 10 years	Nil		

 Mr. Wanchai Subbhapayak Chief Executive Officer Company's Director Management Director			
Education Degree	Bachelor of Commerce and Accountancy, Major in Marketing, Thammasat University		
Working Experiences in the past five years	Nov 06-Present 1993-Sep 2007 1995 – 2007	Chief Executive Officer Managing Director Executive Director	Living Land Capital PCL. Top Line Living Co., Ltd. Professional Food and Beverage Co., Ltd
Other training courses	-		
Any training course at The Institute of Directors	DCP 85/2007		
Any illegal behavior in the past 10 years	Nil		



Mr. Narongchai Jitmalerat

Company's Director
Management Director

Education Degree	- Master of Science in Accounting - Bachelor of Business Administration, Thammasat University		
Working Experiences in the past five years	2012- Present 2007 - 2010	Director Senior Vice President – General Management Department – For Deputy Managing Director – Operations (Accounting, Finance, Procurement, Laws and General Management)	Living Land Capital Plc. Thailand Priviledge Card Co., Ltd.
Other training courses	-		
Any training course at The Institute of Directors	DAP 100/2013		
Any illegal behavior in the past 10 years	Nil		



Mrs. Chuanpis Chaiymuanwong

Company's Director

Education Degree	- Bachelor of Economics, Thammasat University - Master of Economics, Thammasat University - Bachelor of Laws, Ramkhamhaeng University		
Working Experiences in the past five years	2012 – Present 2010 - Present 2005 - Present 2006 - Present 2006 – 2008 2002 – 2006	Director Managing Director Director Director The National Legislative Assembly Director	Living Land Capital Plc. P Plus P Plc. Nawanakorn Plc. Star Sanitary Ware Plc. The senate National Housing Authority
Other training courses	- National Defence College (Vor Por Ror Or 41-11) - College of Politics and Governance, King - Prajadhipok's Institute (Por Por Ror 11)		
Any training course at The Institute of Directors	DAP 53/2006		
Any illegal behavior in the past 10 years	Nil		



Mr. Chaiwat Asawintarakul

Chairman of Audit Committee

Independent Director

Education Degree	<ul style="list-style-type: none"> - Master of Education (Curriculum and Teaching Methodology), Beijing Languages and Cultural University - Master of Business Administration, Thammasat University - Lawyer Certificate, Institute of Legal Education of the Thai Bar 		
Working Experiences in the past five years	2007-Present	Chairman of Audit Committee Independent Director Chairman of Audit Committee Independent Director Company's Director	Living Land Capital Plc. Merchant Partner Securities Plc. General Engineering Plc. Natural Park Plc. Eastern Printing Plc. Krungthai Car Rent and Lease Plc. Boat House Hua Hin Co.,Ltd. Andaman Long Beach Resort Co.,Ltd. Krabee Southern Beach Co.,Ltd. Cheingmai Hot Spring Co.,Ltd. Resort Holding Co.,Ltd. Bright Lilly(Thailand)Co.,Ltd. Prospect Consulting Co.,Ltd. M.J.L.Intertrade Co.,Ltd.
Other training courses	-		
Any training course at The Institute of Directors	DAP 24/2004 DCP 81/2006 ACP 12/2006		
Any illegal behavior in the past 10 years	Nil		



Mr. Pann Kasemsap

Audit Director
Independent Director

Education Degree	- Bachelor of Law –International law, Southern Methodist, U.S.A. - Bachelor of Law Thammasat University		
Working Experiences in the past five years	2011- Present 2011 - Present 2002 - Present 1996 - 2002	Independent Director and Audit Director Independent Director and Audit Director Lawyer (Partner) and Deputy Managing Director Lawyer (Senior Associate)	Living Land Capital Plc. Copper Wire Plc. HNP Consultant Co.,Ltd, Baker & McKency, Bangkok
Other Training Course	-		
Any training course at The Institute of Directors	ACP 37/2011, MFM 6/2011, MIA 11/2011, MFR 14/2012, MIR 12/2012 , DCP 140/2010, FSD 10/2010		
Any illegal behavior in the past 10 years	Nil		



Mr. Tanyapong Limwongyuth

Audit Committee
Independent Director

Education Degree	- Certificate of Finance Business Laws - Bachelor of laws, University of Thai Chamber of Commerce - Master of Laws (Major in international laws), Thammasat University		
Working Experiences in the past five years	2011-Present 2009-2011 2005-2009	Company's Secretary Director Laws and Compliance Director Director Laws Consultant	Kaset Thai International Sugar Corporation Co.,Ltd. Intelligence Partner Co.,Ltd. Major Ceneplex Plc. L.F.B.Consultant Co.,Ltd. G Steel Plc.
Other Training Course	-		
Any training course at The Institute of Directors	DAP 100/2013 CSP 15/2006		
Any illegal behavior in the past 10 years	Nil		



Mr.Siriwat Towatchirakul
Company's Director

Education Degree	-Bachelor Degree,University of Maryland College Park Major in International Business and Logistics		
Working Experiences in the past five years	2009-Present 2002-Present 2002-Present 2002-Present 2005-Present	Director Managing Director Director Director Director	Max Metal Corporation Plc. Siriya Home Land Co.,Ltd. Amornpan Department Store Co.,Ltd. Amorn Patcharapan Co.,Ltd. Thai Real Estate Association
Other Training Course	-		
Any training course at The Institute of Directors	DAP 82/2010		
Any illegal behavior in the past 10 years	Nil		

Mr. Samkhan Bhuvanit

Company's Secretary

Education Degree	Bachelor of Economics, Major in Finance, Ramkhamhaeng University		
Working Experiences in the past five years	Sep 05 - Present Jun 03 – Aug 05 Feb 02 – May 03 Feb 99 – Jan 02 Apr 85 – Jan 98	Procurement & Admin Director / Company's Secretary Deputy Managing Director Deputy Dean Chief of Finance Deputy Vice President – Provincial Credit	Living Land Capital Plc. Yontrakit's affiliate Co. Ltd Conservatory of Music, Rangsit University Faculty of Music, Silpakorn University Asia Credit Plc,
Other Training Course	FPCS Program for Company's Secretary from Thai Listed Company Association		
Any training course at The Institute of Directors	-		
Any illegal behavior in the past 10 years	Nil		

Mr.Arkorn Siorattanarangsri Deputy Managing Director			
Education Degree	- Bachelor in Marketing, Thammasart University, - M.B.A, Public Administration Science, NIDA		
Working Experiences in the past five years	2010 - Present	Deputy Managing Director of Operation Group and Business Development Group	Living Land Capital Plc.
	2008 -2010	Chief Financial Officer	Living Land Capital Plc.
	2007-2008	Business Channel Development Manager	Siam Commercial Bank
	2007	ATM Channel Management Manager	
Other Training Course	-		
Any training course at The Institute of Directors	-		
Any illegal behavior in the past 10 years	Nil		

Ms. Parichart Jitpirom Director of Accounting and Finance Office			
Education Degree	Bachelor of Accounting, Business Administration Faculty, Ramkhamhaeng University		
Working Experiences in the past five years	Oct 08- Present	Director of Accounting Office	Living Land Capital Plc.
	2007-Sep 08	Director of Accounting Department	Living Land Capital Plc.
	2003 - 2006	Accounting Manager	The Mandarin Hotel Plc.
Other Training Course	-		
Any training course at The Institute of Directors	-		
Any illegal behavior in the past 10 years	Nil		

Name	Subsidiaries				Affiliates
	Topline Living	Nanthapop	Tangerine Property	Living Land Asset Management	Top Live Venture
1. Mr. Apichart Jeerapan	-	-	-	-	-
2. Mr. Wanchai Subbhapayak	/	/	/	-	/
3. Mr. Narongchai Chitmaleerat	/	/	/	-	-
4. Mrs. Chuenpit Chaiymuangwong	-	-	-	-	-
5. Mr. Chaiwat Asawintarakul	-	-	-	-	-
6. Mr.Pann Kasemsap	-	-	-	-	-
7. Mr.Tanyapong Limwongyuth	-	-	-	-	-
8. Mr.Siriwat Tohwatchirakul	-	-	-	-	-
9. Mr.Archom Siorattananarangsri	-	-	-	-	-
10. Mr.Samkhan Bhuvanit	-	-	-	-	-
11. Miss Parichat Chitpirom	-	-	-	-	-

Table of the Management Positions

Remark x = Chairman of the Board of Directors
 / = Director
 // = Management Director

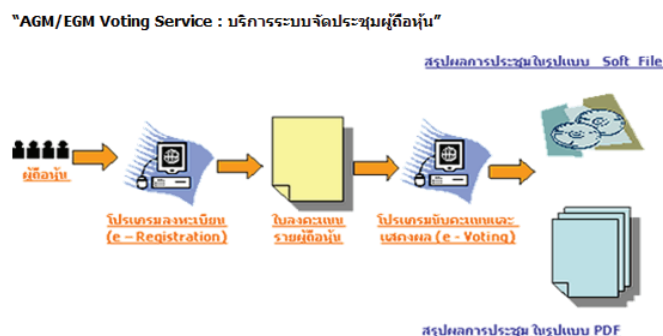
Corporate Governance

The Company has realized the importance of good corporate governance, which is a major factor in promoting the Company's overall efficiency through excellent business ethics in order to create a control mechanism that enhances transparency, justice and confidence on the part of the stakeholders. The Company has strictly followed the rules and regulations stipulated by the Stock Exchange of Thailand in 2006. The Company has reviewed the policy annually as the latest on 22nd February 2013, which involved the 5 following aspects:

Section 1 Shareholder's rights

The Board of Directors has determined a policy regarding good corporate governance, which has become very essential to long-term business operation. The Board of Directors is sincere in determining policy and well as direction that enhances good practices with effective system of monitoring and internal control for the long-term benefits of shareholders within the scope of the laws and recognized business ethics.

The Board of Directors has a policy to hold an annual shareholders' meeting within 4 months after the end of the fiscal year with other shareholders' meeting if necessary. During the shareholders' meeting, the Board of Directors will send invitation letter along with necessary information and its opinions to the shareholders with regard to issues included in the agenda, method and regulation used during the meeting for voting around 7-14 days before the meeting or according to the existing law. The Board of Directors also determines and makes public the venue, date and time of the shareholders' meeting 30 days before the actual meeting via Company's website to allow shareholders to have enough time to study. The Board of Directors also has a clear policy to refrain from limiting the opportunity or the shareholders in attending and voting with uncomplicated registration method and voting procedures. Chairman of the shareholders' meeting will allow ample time for shareholders to ask questions and express opinions equally. The meeting will also record important issues in the meeting report. The shareholders' meeting is attended by members of the Board of Directors, members of the Audit Committee and top executives, who will be willing to answer questions related to the issues.



Section 2 Equal treatment for all shareholders

The Company realizes that treating all shareholders, majority, minority and institutional shareholder, equally when it comes to voting rights using the number of shares in possession to determine the number of vote at the ratio of 1 share to 1 vote. This method has been informed to all shareholders with correct and adequate information about the company and enough time for them to prepare for the shareholders' meeting including details of agendas to help make decision. Therefore, at each shareholder's meeting, the Company sends out meeting invitation along with documents containing complete details that are adequate for the meeting way before its time according to the laws stipulate. The information is also publicized in the Company's website even before the documents are sent out so that shareholders will have enough time to study them thoroughly.

In case the shareholders cannot attend the meeting by themselves, a proxy can be made to represent them in the shareholders' meeting, representing them in the voting. In addition, the Company also proposes an independent director or a person as a proxy using the proxy form as

allowed by the Ministry of Commerce, which clearly indicates the details because at every shareholder's meeting the Board of Directors realizes the equality of all shareholders. Shareholders are allowed to register for the meeting before the scheduled time. Chairman of the meeting will explain how the voting is conducted and will follow the topic according to the set agenda without adding to it with uninformed issues. The form used in voting and method of voting are clear in order to avoid conflict of interest because all the directors are considered people standing to gain and lose. In any case of director gaining or losing, they must disclose such information to the meeting and forfeit the right to vote on such issue for utmost transparency and sincere inspection.

In case of voting for directors, the Company proposes to conduct the vote of each director individually. Those with the names approved by the Board of Directors will refrain from voting on his or her particular agenda. The chairman will allow the shareholders to ask questions and express their opinions equally. Important details of the meeting will be recorded systematically for convenient inspection and publicized on the Company's website at <http://www.livinglandcapital.co.th> 14 days after the shareholders' meeting.

Section 3 Roles of stakeholders

The Company realizes the rights of all groups of stakeholders or people who stand to gain and lose, from internal persons such as employee and executive in the Company and subsidiaries to outsiders like customer, business partner, community and other organizations in the society. The Company also realizes the importance of support from all types of people who stand to gain and lose, which helps strengthen competitiveness and profitability as well as long term achievement. With all that, the Company operates under the existing laws and regulations, given into strong consideration responsibilities to society and consumers. The Company will consider the rights of these stakeholders fairly and listen to their opinions and suggestions before deciding any actions that may affect them.

Section 4 Information disclosure and transparency

The Company realizes the importance of accurate, proper, adequate, transparent, consistent, trustworthy and punctual information disclosure according to the requirement from the Stock Exchange of Thailand and the Securities and Exchange Commission because information pertaining to financial statements and general things, or even other important information affecting the share price is influential to the decision of investors and related parties, who are informed of such information through media under the care of the Stock Exchange of Thailand. The Company also sets up special unit to handle information dissemination to shareholders, analysts and various related institutions. Investors can inquire for more information by calling 0-2711-6969 or e-mail to IR@ll.co.th. The Company also adds a new channel for access to the information via website at <http://www.livinglandcapital.co.th>. Information available at the website includes Company's background, Board of Directors structure, shareholding structure, financial statements, annual reports (56-2) and (56-1), news reported to the stock market, share price, etc.

The Company has a policy to have the Board of Director responsible for individual and consolidated financial statements by assigning the Audit Committee to make reviews and assessments of the internal control system to build up confidence on the part of all stakeholders or parties standing to gain and lose. The Board of Directors also reports its responsibility to financial reports and financial information appeared on the Company's annual report. The financial statements are prepared according to the general accounting standards recognized in Thailand using appropriate method and careful judgment as well as assessment to disclose adequate information for the benefits of the shareholders and general investors, who will utilize the information to know the financial position and operating performance truthfully and adequately. The quality of financial reports will appear in the report of responsibility the Board of Directors has toward the Company's annual financial statements.

Section 5 Responsibilities of Board of Directors

1. Structure of Board of Directors and subcommittee

Structure of Board of Directors

The Company has determined the qualifications of persons capable of becoming members of the Board of Directors in order to comply with existing laws. The Company also considers the professional experience and expertise, along with knowledge and skills of the persons to help

enhance effective corporate governance. The appointment of members of the Board of Directors and Executive Committee follows a set of regulations and procedures to select appropriate persons with transparency and credibility through the screening of the Board of Directors or persons empowered by the shareholders. The Company has a clear scope of responsibility of the directors and subcommittee members including their term in the Company's management structure.

The Board of Directors comprises 8 members with the following details:

- Executive directors 2 persons
- Non-executive directors 6 persons

In addition, the structure of the Board of Directors requires a chairman who is not the same person with Chief Executive Officer. He is also being an Independent Director (Mr. Apichart Chirapandhu) and a chairman of the Board to separate the duties clearly on policy determination and routine management. The Board of Directors' members have a portion of more than a quarter of total of the Company's directors' members, with 4 independent directors to create appropriate balance and fairness. Information regarding the structure of management is disclosed under the topic of structure of management.

2. Subcommittee

The Board of Directors appoints an Audit Committee to help monitor auditing issue of the Company with authority to inspect as indicated in the structure of management.

- **The Executive Committee**

As described in "Management Structure"

- **The Audit Committee :**

The Board of Directors has reached a resolution to appoint an Audit Committee, which comprises 3 independent directors. Chairman of the Audit Committee must be a person with knowledge and qualification in finance and accounting according to the requirement from the Stock Exchange of Thailand. Members of the Audit Committee meet regularly. In 2011, they met 5 times and reported the result to the Company's Board of Directors. Their scope of responsibility is as described in the topic of scope and responsibility of the Audit Committee. Each of them will be in the position for 3 years round.

3. Role, function and responsibilities of directors

The Board of directors has a duty to determine the business direction, business plan, investment plan and find source of funding including control and monitor the operation of the Company to follow the plan accordingly. The Company has a clear policy to conduct business and pays attention to effective internal control at both the executive and operation levels with the Internal Audit unit to ensure appropriateness in the operation and financial related activities. This also includes inspecting for compliance to the laws and business ethics. The Company also has a policy to prepare documents on business and moral ethics for the directors and employees to understand the standard of treatment they are required for the Company, all groups of persons standing to gain and loss, general public and entire society.

4. Meetings of directors

The Company has specified that there shall be a meeting for the members of the Board of Directors at least once per 3 months or 4 times a year with extraordinary meetings if necessary. The meeting must have clear agenda before hand and consider monitoring the Company's performance on regular basis. 7 days prior to the meeting, there must be proper invitation along with agenda and document sent to the members so that they will have ample time to study the information. During the meeting Chairman of the Board of Directors will set aside enough time for the directors to have time to express their opinions freely. A director who stands to gain and lose in a certain issue will not take part in the decision making and the meeting will have a systematic report for convenient inspection and submission to the stock exchange within the given deadline.

5. Evaluation of directors

The Company has a policy to evaluate the performance of the Board of Directors once a year with objective to have the directors to evaluate the performance and obstacles that happen in the past year in order to improve efficiency.

Internal Control

Comment of the Board of Directors related to the sufficient of the internal control

Board of Directors had an opinion that the internal control, the business risk of the Company and the corporate control in overall is in satisfactory level and able to give a reasonable confident with the transparent of the financial statement of the Company and the subsidiaries for the year 2012 as the Audit Committee has audit together with the management and the auditor has stated entirely financial status and correct performance, believable, reasonable according to the general certified accounting standard. The accounting policy had been implemented appropriately, frequently, sufficiently as stipulated by the comment of the auditor in the financial statement of the Company.

In the meeting of the Board of Directors No.2/2003 on 22 February 2013 with the audit committee which had 3 independent directors, evaluated the internal control by the interview with the Executives. It could be summarized that the Company has sufficient system of internal control without the different opinion from the management.

The Company's auditor, DIA International Audit Co., Ltd, by Mrs. Wiliarat Rojnakaran, the Certified Public Auditor No. 3104 who audited the financial statement for year 2012 did not have any comment in the audit report that the Company has any substantial defect related to internal control.

Historical and Milestones of the Company

The previous name of Living Land Capital Public Company Limited was Hantex Public Company Limited. It engaged in a manufacturing of synthetic fiber and nylon thread, registered in the Stock Exchange of Thailand in textile sector, using the abbreviation name of HTX. Later, the Company faced with liquidity problem, halted the operation, and the central bankruptcy court ordered for rehabilitation in the year 2005, while the stock had transferred to Non-Performing Group during that period. Then, In the year 2006, the Company sent and filed a petition of rehabilitation plan to the central bankruptcy court and it was ordered an approval of the plan. So, during the year 2006 to 2007, the Company had processed the restructuring by the plan such as decreasing of capital, debt to equity swap, assets to debt settlement (detailed in annual report 2007) including seeking for a new investor. Living Land Group was found, it invested in the Company as the major shareholder.

Living Land Group established 20 years ago from the developer of townhouse project which had great successful. Real estate development under Living Land Group has been developed for more than 13 projects with total value of more than 5,600 million Baht. Most of them are detached house and townhouse project, focused on middle to low-end target group in the eastern city zone as it was specialized in that types of project. In the year 2005, Living Land Group has found the other opportunity in city condominium, so the Clover Thonglor has started to develop in Soi Thonglor Sukhumvit which was the project that received good response from the clients. Moreover, the Living Land Group has also engaged in tourism business by developing resort and villa projects so as to enhance the business channel of the Group in long term.

As the Company has its goal to expand the business in long term which required mobilized fund, Living Land therefore hold the major shares in Hantex which, during that time, had loss accumulated and was in the process of rehabilitation through central bankruptcy court and the Company stock had been moved from fashion sector to Non-Performing Group.

Living Land Group had become the major shareholder of Hantex and had process as the rehabilitation plan until the plan has been successfully restructured. The court ordered the cancelation of rehabilitation on 3 April 2008 and the Company submitted to wipe out the causes of withdrawal and transferred the stock to normal status and it was approved to be traded in real estate sector from 1st August 2008 thereon.

Milestone

After the Company has been managed by the Group of Living land in real estate business;

23 May 2007	Hantex Plc. registered the paid-up capital of 100,000,000 Baht by offering shares to Falcon 9 Co., Ltd. so the paid-up registered capital became 113,832,448 Baht
7 June 2007	The Central Bankruptcy Court ordered the approval of rehabilitation plan of the Company to operate real estate business to generate income including the offering of additional shares that will grant benefits for the Company to retain and grow up its business in correspondence with the existing business and the new investor.
29 June 2007	The Company has relocated the head office, correcting the name, company' seal including the articles of association and increased the share capital to be 1,015,000,000 Baht with the objective to allot to investors by Private Placement.
11 July 2007	The Stock Exchange of Thailand announced the changing of Company's name : <u>Previous</u> : HANTEX PUBLIC COMPANY LIMITED <u>New</u> : LIVING LAND CAPITAL PUBLIC COMPANY LIMITED and changing the abbreviation name from "HTX" to be "LL" to be traded in SET
16 July 2007	The Company invested in Heart of Living Co., Ltd., Turtle Hill Co., Ltd., Turtle

	Hill Villa Co.,Ltd. at the proportion of 100%, 69.99%, and 69.99% respectively so as to receive, transfer and invest in real estate business which was the main business of the new investor.
31 July 2007	The Company merged with Heart of Living Co., Ltd. which was the administrator of the Clover Thonglor Project by receiving total assets and liabilities to the Company.
24 September 2007	The Company signed for the new investment in 3 companies by purchasing shares from the existing shareholders in the proportion of 100% which were Top Line Living Co., Ltd. and Tangerine Property Co., Ltd.
28 October 2007	The administrator of the plan had a resolution to allot increasing capital shares to 10 investors amounting to 501,168,552 shares at par value of 1 Baht in total value of 501,168,552 Baht.
27 December 2007	The Company offered additional shares to investors that are not the related parties with the Company who are interested to invest in the Company's shares. Total shares were offered in total number of 105,000,000 shares at offering price of 1.90 Baht in total value of 199,500,000 Baht.
31 December 2007	The Company has registered capital of 1,015,000,000 Baht divided into ordinary shares of 1,015,000,000 shares at par value of 1 Baht. Paid-up capital was 780,000,000 Baht comprised 780,000,000 ordinary shares at par value of 1 Baht
2 December 2009	Tangerine Property Co., Ltd., the subsidiary of the Company, sold its investment of 24,997 shares in Dare to be Co., Ltd, a subsidiary, in total value of 500,000 Baht, in order to reduce the investment in hotel and resort business. Whereas Dare to be Co., Ltd had negative performance, total debts was above total assets.
7 April 2011	Mrs.Natruedee Jitruedeeampai, company's director, resigned from the Company because of her private business, effectively from 7 April, 2011 thereon.
4 August 2011	Big lot of shares sold to Mrs. Natruedee Jitruedeeampai amounting of 55,000,000 shares, Mr. Win Pinyawat amounting of 22,000,000 shares, Mrs. Suleepat Choungsukan amounting of 23,000,000 shares.
8 August 2011	- Mr. Pattaralap Taweewong Na Ayuthaya, Company's Director and Executive Director, resigned effectively from 10 August 2011 thereon. -Mr.Noppadol Tongprasert, Company's Director and Executive Director, resigned effectively from 8 August 2011 thereon.
11 August 2011	Mr. Treekwan Boonnak, Independent Director and Audit Director, resigned effectively from 11 August 2011 thereon.
15 August 2011	The resolution of the Board of Directors' meeting No.5/2001 - Appointed Mrs. Chuanpis Chaismuanwong to be Company's director to replace Mr. Pattaralap Taweewong Na Ayuthaya. - Appointed Mrs. Ingorn Sangsingkaew to be Company's Director to replace Mr.Noppadol Tongprasert.
16 September 2011	The resolution of the Board of Directors' meeting No.6/2001 - Appointed Mr.Pann Kasemsap to be Independent Director and Audit Director to replace the last Independent Director and Audit Director who resigned effectively from 16 September 2011 thereon.
21 September 2011	The Annual General Meeting of shareholders - Approved to reduce the un-paid registered capital from 1,015,000,000 Baht (One thousand fifteen million Baht) to be 780,000,000 Baht (seven hundred eighty hundred million) by canceling the unsold shares of 235,000,000 Baht (two hundreds thirty five million Baht) par
	value of 1 Baht and approved to correct additional memorandum of association in Article 4. - Increased the registered capital of the Company of 2,560,000,000 Baht (two thousand five hundred sixty million Baht) from 780,000,000 (seven hundred eighty million Baht) to be 3,340,000,000 Baht (three thousand three hundred forty million Baht) by issuing ordinary shares of 2,560,000,000 share at par value of 1 Baht, and consider the approval to correct additional memorandum of

	<p>association in Article 4.</p> <ul style="list-style-type: none"> - Certified the issuance of warrant to purchase ordinary shares of the Company in the amount of 780,000,000 units (seven hundred eighty million units) in order to allot warrants to the existing shareholders of the Company by Right Offering. - Allotted increasing shares capital of not exceeding 780,000,000 shares (seven hundred eighty million shares) at par value of 1 Baht to existing shareholders at offering price of 0.25 Baht (twenty five stang) by determining the rights to the shareholders who have their names on the registration book on the record date on 29 September 2001 and closing date on 30 September 2001. - Allotted the increasing of share capital of not exceeding 780,000,000 shares (seven hundred eighty million shares) at par value of 1 Baht to support for the exercise of warrants that offered to existing shareholders that exercise their rights by Right Offering at the exercise of 1 Baht per share. - Allotted the increasing capital shares of not exceeding 1,000,000,000 shares (One thousand million shares) at par value of 1 Baht by Private Placement to individual persons or institution investors according to the stipulated announcement of Securities and Exchange Commission no. Tor Jor 28/2008 Re: The allowance to offer new share to persons that shall not be the related parties of the Company. And it authorized the Board of Directors of the Company or the authorized directors to consider the allotment and offering, whereas the offering price shall not lower than 90% of market price which calculating by 14 days weighted averaged of the Company's share price in the Stock Exchange of Thailand before the offering date which shall not lower that the offering price to the existing shareholders. 				
7 December 2011	<ul style="list-style-type: none"> - Reduced registered capital of the Company from the existing of 1,015,000,000 Baht (One thousand fifteen hundred million Baht) to be 780,000,000 Baht (Seven hundred eighty million Baht) by canceling the unsold ordinary shares of 235,000,000 Baht (Two hundred thirty five million Baht) at par value of 1 Baht on 30 September 2011. - Registered the increasing capital of the Company from 780,000,000 Baht (Seven hundred eighty million Baht) to be 3,340,000,000 Baht (Three thousand three hundred forty million Baht) by issuing ordinary shares of 2,560,000,000 shares (Two thousand five hundred sixty million shares) at par value of 1 Baht according the resolution of the Annual General Meeting of shareholders no. 1/2011 on Wednesday 21 September 2011 				
18 January 2012	Mr.Peepat Rangupan, Company's Director and Executive director, resigned effectively from 13 January 2012 thereon.				
19 January 2012	<p>Board of Director's meeting No.17/2012</p> <ul style="list-style-type: none"> - Appointed Mr.Pob Petchsuwan to be Company's Director to replace Mr.Peepat Rangupan - Appointed Mr.Samkhan Bhuvanit to be Company's secretary to replace Mrs. Manthana Wongsuphaluk effectively from 19 January 2012 thereon. 				
6 February 2012	<ul style="list-style-type: none"> -The Company offered shares of 780,000,000 shares to the existing shareholders having their names on the registration book on 30 September 2554 at the proportion of 1 existing share: 1 new share at 0.25 Baht per share. The booking date and the payment date determined on 16-25 January 2012 in total value of 195 million Baht (sold in full amount) - Registered the capital increasing <p>From the existing of 780,000,000 Baht (seven hundred and eighty million Baht) To be the new amount of 1,560,000,000 Baht (One thousand five hundred sixty million Baht) divided into ordinary shares of 1,560,000,000 shares(One thousand five hundred and sixty million shares)</p> <p>Par value 1 Baht (one Baht)</p>				
14 February 2012	<p>Issuing of LL capital increasing as following :</p> <table> <tr> <td>Existing capital (Baht)</td> <td>: 780,000,000.00</td> </tr> <tr> <td>- Ordinary shares (shares)</td> <td>: 780,000,000</td> </tr> </table> <p>Increasing capital</p>	Existing capital (Baht)	: 780,000,000.00	- Ordinary shares (shares)	: 780,000,000
Existing capital (Baht)	: 780,000,000.00				
- Ordinary shares (shares)	: 780,000,000				

	<ul style="list-style-type: none"> - Ordinary shares (shares) : 780,000,000 New capital (Baht) : 1,560,000,000.00 - Ordinary shares (shares) : 1,560,000,000 Par value (Baht per share) : 1.00 Allotted to : Existing shareholders at the record date on 29 September 2011 in the amount of 780,000,000 shares Ratio (Existing shares : New shares) : 1 : 1 Reservation price (Baht/share) : 0.25 Date of booking and payment : 16 January 2012 to 25 January 2012
17 February 2012	Finished the process of issuing and allotment of warrants (LL-W1) to existing shareholders of the Company by Right Offering
2 March 2012	LL-W1 began to trade in the market as following Securities : Warrants Name of warrants : LL-W1 Secondary Market : SET No. of registered warrants : 780,000,000 units Exercise Ratio (Warrants: New shares) : 1 : 1 Exercise Price (Baht/share) : 1.00 Tenor of warrants : 3 years from the issuing date on 15 February 2012 Warrant price (Baht : unit) : 0.00 First day of exercise date : 29 June 2012 Final day of exercise date : 13 February 2015
28 March 2012	<ul style="list-style-type: none"> - Mrs. Ing-orn Sangsingkaew, a director, resigned effectively from 27 March 2012 thereon. - Mr. Pravit Kaonoo, Chairman of Audit Committee and Independent Director, resigned effectively from 28 March 2012 thereon.
30 March 2012	Board of Director's meeting No. 4/2012 <ul style="list-style-type: none"> - Appointed Mr.Chaiwat Asawintarangkul to be a chairman of Audit Committee, an independent director to replace Mr.Pravit Kaonoo. - Appoint Mrs.Orawan Lekrungruengkij to be a director to replace Mrs. Ing-orn Sangsingkaew effectively from 30 March 2012 thereon.
14 May 2012	Board of Director's meeting No. 6/2012 <ul style="list-style-type: none"> - Appointed Mr.Wanchai Subhapayak to be a director , Chief Executive Officer - Appoint Mr. Pob Petchsuwan to be a director, Managing Director effectively of 15 May 2012.
5 July 2012	Relocated the Company's Head Office <u>Previous</u> No 64/40 Moo 6 Ratpattana Rd., Saphansoong, Saphansoong Sub-district, Saphansoong District, Bangkok,10240 Telephone 0-2917-0380 (Auto 15 lines) Fax 0-2917-0366 <u>New</u> No.555/27 SSP Tower 1, Sukhumvit 63 (Eakamai), Sukhumvit Rd., North Klongton, Wattana District, Bangkok, 10110 Telephone 0-2711-6969 Fax 0-2711-6579
14 August 2012	Board of Director's meeting No. 7/2012 <ul style="list-style-type: none"> - Allotted by Private Placement to Mr.Wicha Baopimpa in the amount of 400,000,000 shares at 0.25 Baht per share in total value of 100,000,000 Baht. Sold 2 pieces of land and construction assets in Hirun Buri Project of Tanjerine Property Co.,Ltd., Borpood Sub-district, Koa Samui District, Suratthanee, total areas of 93-3-3 rai in total price of 75,000,000 Baht to Ms. Chotika Wichayatanyakul who is not a related party of the Company.
11 October 2012	Board of Director's meeting No. 8/2012 on 11 October 2012 at 12.00 hr. at the head office, The Company had a resolution as following <ul style="list-style-type: none"> - Cancelled the allotment of increasing capital by Private Placement to Mr.Wicha Baopimpa amounting to 400,000,000 shares at 0.25 Baht per share due to the relocating of his own investment plan, so he cancelled all the earlier proposal to purchase the increasing capital shares.

	<p>- Approved the allotment of increasing capital by Private Placement according to the resolution from the Annual General Meeting of the shareholders no.1/2012 on 23 April 2012 that approved the Company to allot and offer the increasing ordinary shares of the Company of 1,000,000,000 shares by Private Placement offering to specific persons or investors according to the announcement stipulated by the Securities Exchange Commission no. Tor Jor 28/2008, whereas the selling price must be determined at not lower than 90% of market price, calculated by weighted average from 14 days closing price of Living Land Capital Plc, on the Stock Exchange of Thailand prior to the offering date and also not lower than the offering price to the existing shareholders of 0.25 Baht per share. From this resolution, the Board of Directors had a resolution to approve the allotment by Private Placement to 4 specific individuals at the price of 0.25 Baht per share in total of 310,000,000 shares, which were</p> <ol style="list-style-type: none"> 1. Mrs Sunantha Jantaraserikul amount of 90,000,000 shares 2. Mr.Omorn Promdeeraj amount of 75,000,000 shares 3. Ms.Pattarawadee Uon-aab amount of 75,000,000 shares 4. Ms.Siriwan Raviwansoonthorn amount of 70,000,000 shares <p>Total increasing capital of 310,000,000 shares at 0.25 Baht per share in total value of 77,500,000 Baht.</p>
6 November 2012	Mr. Manop Keaw Chaoom, a director and an executive director, resigned effectively from 6 November 2012 thereon.
16 November 2012	<p>Board of Director's meeting No.1/2012 :</p> <ul style="list-style-type: none"> - Appointed Mr.Narongchai Chitmaleerat to be a director and an executive director to replace Mr.Manop Keawchaoom who had resigned. - Appointed Mr.Tanyapong Limwongsuth to be an independent director and an audit director to replace Mr.Sripope Sarasas who had resigned. - Changed the list of directors who have an authorized signatures to bide the Company as following Mr.Wanchai Subhpayak or Mr.Narongchai Jitmaleerat sign with Mr.Pob Petchsuwan or Mrs.Orawan Lekrungruengkij with the Company's seal.
26 December 2012	<p>The Company had increased its registered capital from 2,100,000,000 Baht by issuing ordinary shares of 230,000,000 Baht at par value of 1 Baht according to the resolution of the Board of Director NO.11/2013 on 17 December 2013 approved the Company to allot Private Placement shares according to the resolution of the Board of Director No.1/2013 on 23 April 2013 approved the Company to allot and offer ordinary shares of 1,000,000,000 shares by Private Placement to two of individual persons or investors by the announcement stipulated by Securities Exchanges Commission no.Tor Jor 28/2008 at the price of 0.25 Baht per share in total of 230,000,000 shares as detailed following:</p> <ol style="list-style-type: none"> 1. Mr. Worapoj Amnuaypol amount of 110,000,000 shares 2. Mr.Somkit Permpoon Amnuaypol amount of 120,000,000 shares

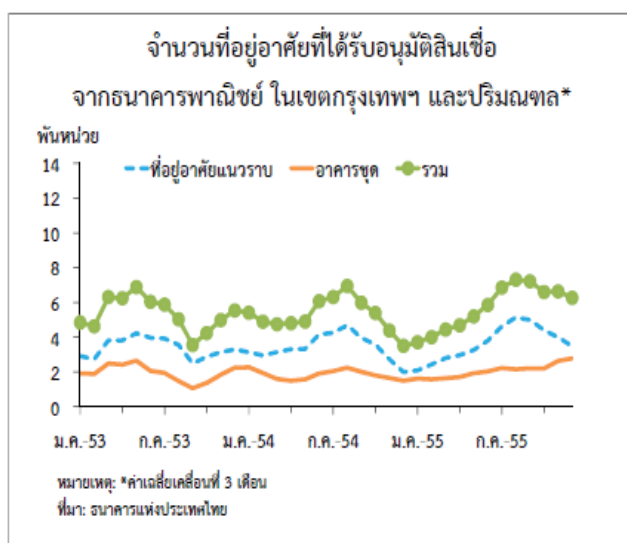
Summary of Economic Situation and Real Estate Business for Year 2012 and trend for year 2013

Thai economic forecasting report for year 2012-2013 from Fiscal Policy Office, Ministry of finance stated that Thai economic for the year 2012 has expanded 5.5% (forecasted at range 5.5 – 5.8%) increased from the previous year because the limitations in manufacture sector has been lessen respectively. Private demand including private consumption and private investment have been recovered after the flood. In addition with the government policy such as the increasing of wage and salary of government salary, paddy pawn project, first car project, first house project and the deduction of corporate tax that support the expenditure in the country. Meanwhile, the consumption and the investment of the government has supported the recover of economic. However, export sector of products and services is forecasted to be deteriorated according to the economic condition that still poor and volatile form the problem of public debt in the European countries. For the stability in the country. It is forecasted that the general inflation in 2012 was 3.3% (forecasted in range of 3.0-3.5) decreased from last year according to oil and commodity price in the world market that tend to increased in slower pace, which were a result of oil demand in world market that slow down including the policy of the government to look after the retail price of oil.

Report of economic and finance, Bank of Thailand, reported that the over all economic situation in December 2012 has deteriorated from the previous in both the investment and consumption of private sector and the export, commensurate with the manufacturing in the industry sector that slow down. However, the economic fundamental factors are still good from the expansion of employment, more confidence of consumer and entrepreneur. Private lending also expanding and the overall economic is consistency. The inflation is maintain and the balance of payment is a plus.

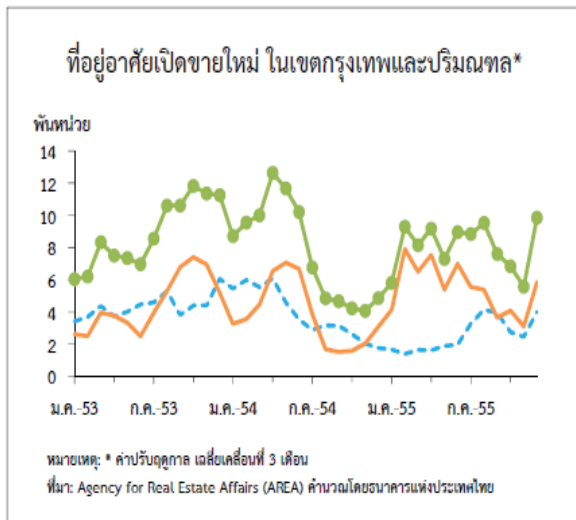
In government sector, the expenditure has reduced respectively according to the transferring of money to community fund project and fund for educations in the first of fiscal year. Meanwhile, the expenditure of investment is nearly to the last month number. Compounded with the increasing of revenue from corporate tax and the submission of 3G bidding, the government has a plus of cash balance of 8.6 million baht.

Economic stability; inflation increased to 3.63% from fresh food price, especially of vegetable and fruit price that are volatile. While the inflation rate is still at 1.78%. Balance of payment exceeded the balance of current account and balance of fund moving to government bond and private investment securities from foreign investors including short term loan from commercial banks in up-country.

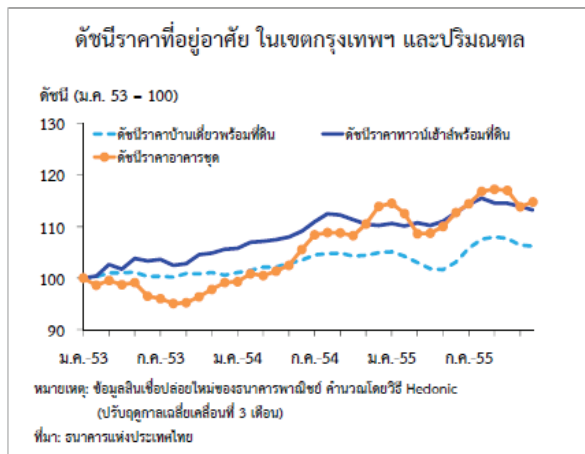


Real Estate Sector

The real estate market in December 2012 is slightly decelerated from the previous month, effected from the housing loans approvals from commercial banks in December 2012 (moving averaged 3 months) at 6,262 units, decreased from last months as at 6,633 units. The decrease was mainly caused from low-rise housing. The low-rise housing units that received loan approval in this month were 3,484 units, decreased from last month as at 3,990 units, while the condominium units received loan approvals were 2,778 units, slightly increased from last month as at 2,642 units.



The developer has launched more new projects, reflected by numbers of residential units opened for sale (Seasonal averaged at 3 months) in December 2012 were 9,846 units, increased from the 5,564 units last month. The increasing was caused from all types of residential unit, especially condominium units that increased almost two times. The new condominium unit launched 5,848 units, increased from 3,100 units last month. While the low-rise units was launched at 3,998 units increased from 2,464 units last month.



Price of low-rise units decreased, while price of condominium units slightly increased from the previous month, reflected from price index of condominium units in December which was 114.8, increased from last month as at 113.8. While price index of land and house units and townhouse index was 106.2 and 113.2 decreased from 106.4 and 113.9 respectively in the previous month.

For the overall picture in 2012, both demand and supply in real estate market were recovered after the flood at the end of the previous year. In demand aspect, there were housing units that got loan approval form commercial bank in Bangkok and surrounding areas in total of 71,289 units, increased from 60,904 units in the previous year. There were divided into low-rise residential of 45,268 units and condominium 26,022 units, increased from 39,814 units and 21,000 units respectively in the previous year.

For supply aspect, the in Bangkok and surrounding areas were 92,016 units, increased from 81,581 units in the previous year which was mainly a result of the increasing of condominium units. There were 59,571 condominium units launched for sale, increased from 40,134 units in the previous year. Meanwhile, there were 32,445 low-rise units launched for sale, decreased from 41,447 units in the previous year as the developer still slow down the projects in the beginning as they were cautious of flood in the first half of the year.

Price of housing units in all types were increase. Price index of land and house, townhouse and condominium in 2012 were at 105, 112.8 and 113.3 point respectively.

Trend of real estate market in year 2013

Besides the recovery situation that the market will growing from the confident of consumers, there are supporting factors such as low interest rate, , market trend in provincial area, the construction of new Bangkok Transit sky train line and the extension parts.

1. Housing price changing : Price of housing units in year 2013 tends to be adjusted up high. Price index of condominium units has expanded 7.6% compared to the same month of the previous year. Meanwhile, price index of land and house, townhouse expanded 2.3% and 1.7% compared to the same time of the previous year because of increasing of various costs such as :
 - a. Surging price of land, especially in the area beside BTS , main road, express way, new bridge. although the area surrounding the city can be developed to be only condominium and high-end detach house project.
 - b. The new implement of appraisal value announced on 1 July 2012 has been increased 17-20% has affected to the transaction fee.
 - c. The minimum level of wages of 300 baht/day has affected to construction cost. The price index of construction cost from January – September 2012 compared to the same period in 2011 increased by 4.3% from the higher cost of construction material which was a result of the higher demand from the damage of flood.

2. Residential market in provincial area

Bangkok and surrounding area is the biggest residential market by the population of above 12 million or 18% of total population of the country that covered 42% of GDP. But in term of the potential of expansion, the revenue in provincial area is growing with GDP Per Capita income more than the people in Bangkok and its outskirts.

For year 2006-2010, the growth rate of Bangkok and its outskirts was 3%, the growth rate of the middle, the north-east and the north area was 9%, while the growth rate of the west was 7% that will be the potential market from its expansion.

The factors of housing demand are different by

 - Traveling town market : the development types will be focused on resort, housing unit for the expatriates.
 - Industrial town market : The development will be focus on the people in the industry sector
 - Big city market : The development will be focus on the people in that area that has high economic expansion.
 -

3. The construction of the new sky train line and the extensions

Currently, total distance of sky train line is 78 kilometer. By the plan within year 2017, the line will be increased to 161 kilometers. Although the construction of many lines has just started, but there already affected to the demand and supply of the housing market significantly such as land price changing of which affected not only to the development cost but also the price of residential units.

Source: Residential estate situation in year 2012 and trend in year 2013 Government Housing Bank

1. General Information

1.1 Details of the Company

Name of the Issuer	Living Land Capital Public Company Limited
Registered No.	0107536000684
Location of Head Office	No.555/27 SSP Tower 1, Sukhumvit 63, Sukhumvit Road (Eakamai) North Klongton Subdistrict, Wattana District, Bangkok,10110
Telephone	0-2711-6969
Fax	0-2711-6579
Website	http://www.livinglandcapital.co.th
Business	Residential Real Estate Business, which are detached house, townhouse, commercial building, condominium and resort
Registered Capital	3,340,000,000 Baht
Paid-up Capital	2,100,000,000 Baht
Par Value	1 Baht per share

1.2 Juristic Persons holding shares more than 10%

Name and Address	Business	Registered Capital (Million Baht)	Par Value Per Share (Baht)	Paid-up Capital (Million Baht)	Holding Portion
Top Line Living Co.,Ltd. 555/27 SSP Tower 1, Sukhumvit 63, Sukhumvit Road (Eakamai),North Klongton Subdistrict, Wattana District, Bangkok,10110 Telephone 0-2711-6969 Fax 0-2711-6579	Real Estate Business	160	100.00	160	99.99%
Nanthapop Co.,Ltd. 555/27 SSP Tower 1, Sukhumvit 63, Sukhumvit Road (Eakamai), North Klongton Subdistrict, Wattana District, Bangkok,10110 Telephone 0-2711-6969 Fax 0-2711-6579	Real Estate Business	72.10	100.00	72.10	99.99%
Tangerine Property Co.,Ltd. 555/27 SSP Tower 1, Sukhumvit 63, Sukhumvit Road (Eakamai),North Klongton Subdistrict, Wattana District, Bangkok,10110 Telephone 0-2711-6969 Fax 0-2711-6579	Real Estate Business	50.00	100	50.00	99.99%
Top Live Venture Co.,Ltd. 555/27 SSP Tower 1, Sukhumvit 63, Sukhumvit Road (Eakamai), North Klongton Subdistrict, Wattana District, Telephone 0-2711-6969 Fax 0-2711-6579	Real Estate Business	0.40	100	0.40	49.99%

Remark : Hold shares by Tangerine Property Co.,Ltd.

1.3 Other Reference Persons

1.3.1 Securities Registrar

Thailand Securities Depository Co., Ltd.

No. 62 Securities Exchange of Thailand Building, Ratchadapisek Road, Klongtuey Sub-district, Klongtoey District, Bangkok, 10110

Telephone 0-2229-2800

Fax 0-2654-5427

Call Center 0-2229-2888

Website: www.tsd.co.th

1.3.2 Auditor

D.I.A. International Audit Co., Ltd.

Mrs. Wiliarat Rojnakaran, Certified Public Accountant No.3104

Ms. Somjintana Pholhirunrat, Certified Public Accountant No.5599

Mr. Visuth Petchpanichaku, Certified Public Accountant No. 7309

No 316/32 Soi Sukhumvit 22, Rama 4 Road, Klongton Sub-district, Klongtuey District, Bangkok, 10110

Telephone 0-2259-5300

Fax 0-2259-8956, 0-2259-8959, 0-2260-1553

Website: <http://www.diaaudit.com>

1.3.3 Advisor

Financial Advisor

Silom Advisory Co., Ltd.

Floor 19th Unit 1901, No 2 Silom Center Building

Silom Road, Suriyawong Sub-district, Bangrak District, Bangkok, 10500

Telephone 0-2632-7155-6

Fax 0-2632-7157

Legal Advisor

S.M.R.T.Co., Ltd.

22/255 Moo 13 Soi 7 Satreewitthaya, Ladprao Road, Ladprao Sub-District, Ladprao District, Bangkok, 10230

Telephone/Fax 089-124-0428, 089-900-7099

Summary of Financials

	2012	2011	2010
Consolidated Financial Statement			
Revenue from sales	105.65	423.72	1,605.41
Cost of goods sold	102.93	355.29	1,285.00
Other income	23.62	47.25	21.56
Selling expenses	10.90	34.72	42.37
Administration expenses	86.23	79.08	93.78
Other expenses	46.00	1.75	38.93
Interest expenses	19.96	48.12	67.37
Gross Profit	2.75	68.45	320.20
Profit (loss) before interest and tax	(116.77)	0.15	166.68
Profit (loss) before tax	(136.73)	(47.97)	99.31
Profit (loss) before extra ordinary items	-	-	-
Profit (loss) from debt restructuring	-	-	-
Net Profit (loss)	(136.73)	(47.97)	99.31
Financial Status			
Total Assets			
Current Assets	530.03	379.50	447.25
Fixed Assets	221.09	362.50	569.94
Total liabilities			
Current liabilities	255.52	387.18	637.75
Non-current liabilities	122.11	174.60	151.25
Shareholder's equity	373.49	180.22	228.19
Consolidated Financials			
Profitability Ratios			
Gross profit margin (%)	2.61	16.3	19.2
Operation profit margin (%)	(110.53)	0.04	10.37
Net profit margin (%)	(129.42)	(11.31)	6.18
Return of Equity (%)	(36.61)	(26.62)	43.52
Operation Efficiency Ratios			
Return on assets (%)	(18.21)	(6.47)	9.76
Return on fixed assets (times)	(5,695.40)	(559.45)	1,117.75
Total asset turnover (times)	(0.18)	(0.06)	0.10
Liquidity Ratio (times)	2.07	0.98	0.70
Debt to Equity ratio (times)	1.01	3.12	3.46

Remark: From Consolidated Financial Statement of the Company

Business Operation

1. Overall picture of Business and Characteristics of products and services

Low-rise project types (detached, townhouse, etc.)

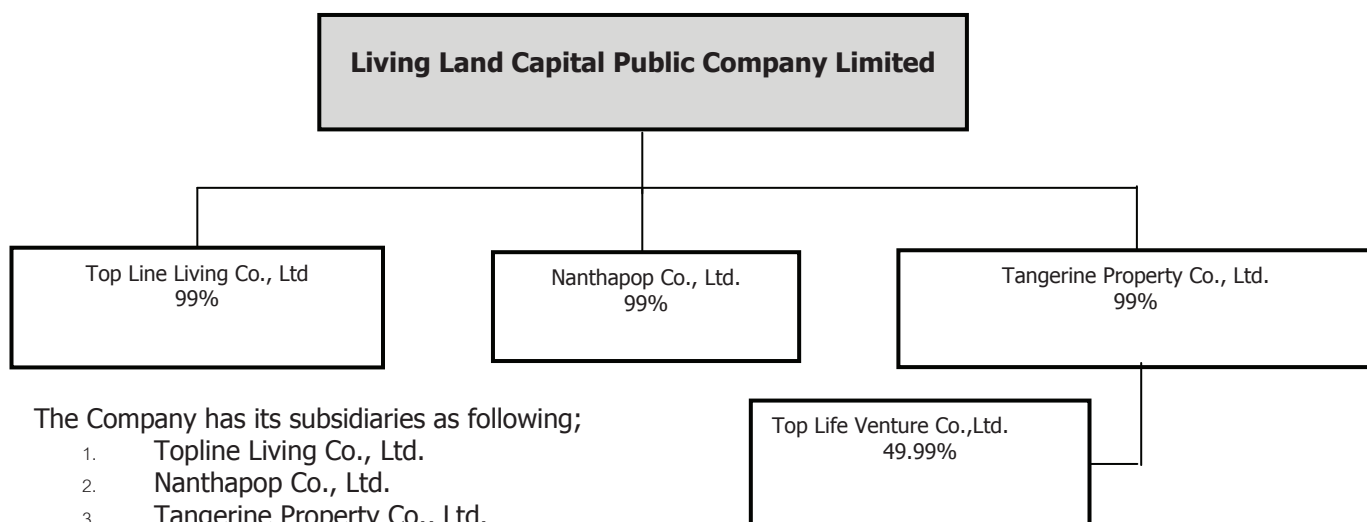
The company and its subsidiaries focus on medium to high end customers. The detached house units are pricing around 3-6 million baht, while townhouse or twin house units are pricing around 1.5 – 3.0 million baht, The target group of customers needs their quality of life and good environment, including full facilities. They require the products that will fulfill their needs and worthwhile to their value of money, especially when comparing in term of type, size, usable function with other products in the same area.

High-rise project types (Condominium)

Customer target of condominium units of the company comprised 2 groups, which are

1. The group that seek for residential in downtown and require modern facilities in transportation and accommodation. So, the location is the most important factor. The clients in middle to high sector are the middle to high level executives of the government and private sectors, foreign business man who works in the country, freelance such as architect, engineer, doctor, including entrepreneur and investor.
2. The group of employees that seek for their own modern residential when they are moved to work in big cities in provincials.

Structure of the Group Company and investment in subsidiaries, affiliates, and other companies;



The Company has its subsidiaries as following;

1. Topline Living Co., Ltd.
2. Nanthapop Co., Ltd.
3. Tangerine Property Co., Ltd.
4. Top Life Venture Co., Ltd

- **Topline Living Co., Ltd.** established in 2001 to operate real estate business. It develops the project types of detach house and townhouse in middle level which are Ban Manee Kram Project-Phuket, detach house project under the name of Living Nara Ramkhamhang and Living Nara Rangsit, townhouse project under the name of Ban Poonsin-Suwannabhum. The Company bought 1,600,000 shares of Top Line Living, par value of 100 Baht, from a buyer in the proportion of 99.99% of registered capital, total value of 160,000,000 baht.

- **Nanthapop Co., Ltd** established in 1994 to operate real estate business. Currently, it is the project manager of Ruanchaopraya Project which is a project the developer and a distributor of pieces of land along Chaopraya river which has total sale value of around 214 million baht. The Company bought 721,000 shares of Nanthapop Co.,Ltd., par value of 100 baht, from a buyer in the proportion of 99.99% of total paid-up registered capital in total value of 72,100,000 baht.

- **Tangerine Property Co., Ltd.** established in 2005 to operate real estate business. Currently, it is a developer of hotel and resort project which are Bangrak Resort Project. The Company bought 500,000 shares of Tangerine Property Co.,Ltd., par value of 100 baht, from a buyer in the proportion of 99.99% of total paid-up registered capital in total value of 50,000,000 baht.

- **Top Life Venture Co., Ltd.** established in 2005 to operate real estate business. Presently, it has a registered capital 0.40 million baht, 4,000 shares, par value of 1 baht. The Company holds 49.99 % of registered capital.

2. Income Structure

Type of income	2010		2011		2012		Change	
	Amount	%	Amount	%	Amount	%	Amount	%
Selling and service income								
Detached house and land	26.34	6.39	371.73	78.82	78.52	60.50	(293.21)	(78.88)
Town house and shop house	10.58	2.58	0.90	0.19	15.33	11.81	14.43	1,603.34
Condominium	351.66	85.37	51.09	10.83	11.80	9.09	(39.29)	(76.91)
Resort	0.82	0.20	0.63	0.13	0.51	0.40	(0.12)	(19.05)
Other income	22.51	5.46	47.26	10.02	23.62	18.20	(23.64)	(50.03)
Total income	411.91	100.00	471.61	100.00	129.78	100	(341.83)	(72.49)

Remark : : Other income in year 2010 comprised income from assets transfer for debt settlement 15.45 million baht. Electricity and water meter installation service 1.98 million baht, accounting adjustment on rental 2.49 million baht, and others 2.59 million baht.

: Other income in year 2011 comprised income from assets transfer for debt settlement 0.7 million baht

Profit from a cancellation of the investment in a subsidiary (Living Land Asset Management Co., Ltd.) 0.79 million baht. Profit from a reverse of provision on land deposit of 2 subsidiaries amount of 30 million baht and others 15.7 million baht.

: Other income in year 2011 comprised profit from debt compromising 15.29 million baht, profit from sales of assets 1.79 million baht, profit from assets settlement 0.86 million baht and others 5.66 million baht.

Current Projects

As of 31 December 2012, there are 5 projects under developments both in low-rise and high-rise, totally 306 units in total project amount of 852 million baht as following:

project		Type of project	Operation company	Location	Number of unit	Value (Million baht)	Project starting date
1	Living Nara Rangsit Phase 2	Detached House	Topline Living	Tanyaburi Pathumthani	63	204	Finished
2	Living Nara Rangsit Phase 3	Detached House	Topline Living	Tanyaburi Pathumthani	83	343	September 2009
3	The Clover Phuket **	Condominium	Topline Living	Muang Phuket	85	236.40	November 2007
4	Poonsin Privacy Plus	Commercial building	Topline Living	Ratattana Rd, Bangkok	8	23	March 2012 ^{1/}

project		Type of project	Operation company	Location	Number of unit	Value	Project starting date
5	G 28	Apartment for rent	Living Land Capital	Changwattan a 28, Bangkok	65	72	June 2012 ^{2/}
				Total	304	878.40	

Remark : Poonsin Privacy Plus Project and G28 Project postponed the plan to begin the projects from October 2011 and November 2011 respectively as many provincial areas of Thailand got affects from the gigantic flood event, therefore real estate market condition is not good.

3. Competitive Strategy

The Company and affiliates has the strategies to promote sales as follows:

Product Strategy: The Company and affiliates focus on a satisfactory and worthwhile on value of money. The best products are selected to the valued clients in every of aspects in order to serve for the demand of the occupant and that environment. The Company and affiliates have a policy to study and develop residential types with product innovation to serve for the mobile market demand.

Price Strategy: The Company determined selling price before starting each project from the information of target market, competitors in nearby area and construction cost. In general, The Company determined selling price by the purchasing power of the clients while keeping the quality of products and profit margin.

Promotion Strategy: The Company has promoted projects via many media channel such as billboards, posters, magazine, brochures, including the database of existing clients or visitors in order to penetrate to right target. The most effective promotion would focus on the billboards or signboards in the project's areas that attract the client directly.

After Sale Service Strategy: The Company has set up the team to service and facilitate the clients. Customer Relationship Management (CRM) system is developed continuously to close with the target.

4. Source of product and service

4.1 Procurement of land and materials

The Company and its affiliated don't have policy to accumulate land bank for a long time. So, the Company will study the feasibility of each project before acquiring each plot of land. The study included market situation, competition, market demand, investment opportunities. If the project is feasible, the Company will negotiate to purchase the land piece via land owner directly or the broker that offer the appropriate price compared with market price and appraisal price.

Besides land pieces that are raw materials of the products, The Company has considered to invest in real estate projects that is pending, can be occupied and has an opportunity to generate more revenue.

The development of every project of the Company and its affiliates will be studied in the aspects of location, restriction of laws, investment opportunity that should be in line with the market condition of consumers especially for the target group. The Company will develop the products itself and also accepted the design from service providers which depend on types of products and target market.

[illegible]

Asset Management Department has provided the juristic party for the inhabitants according to Land Allotment Act B.E. 20000 that would a service after sale for the clients.

4.7 Goal of business operation

- Revise the organization structure for better efficiency by divided the management section in to project management unit and supporting unit. The representative of the two units will be sent to participate in the management subcommittee to report the progression, the policy, the problems, improvement of working efficiency.
- The Company has determined a clarify strategy for over all organization to conduct in the same direction to the goal.
- Promote the Company to be well known in public through social media and website.
- Focus on Business Development Department to analyze the feasibility of the projects by using the existing data base, to develop the modern home to match up with real demand including after sale service and efficiency juristic person to manage the projects.
- Economic trend and competition in the future as detailed in the topic " Economic trend and competition in the future"

4.8 Distribution and Distribution Channels

The Company and subsidiaries sell the products by direct sale via sale office at each project. Sample houses are illustrated to show quality of the project, together with the decoration to build up good environment for sale. Also, new projects are promoted through home and residential fairs. At the same time, another distribution channel is recommended by existing clients of the Company and its subsidiaries which is called "Friend-get-Friend". Besides, the Company and subsidiaries sometimes hire the professional to conduct for this sale channel.

Risk Factors

Risks from inventories

The Company has usually determined the quantity or the number of units to be developed in each real estate project in line with sale projection. However, when current economic condition is not served as the plan, sales target may be missed. There may leave some finished goods waiting for sale for a period of times. Hence, the Company has lessened risks from inventories by efficient inventories management. The developments in each specific phase are emphasized so that the construction plans can be adjusted promptly when the behavior of the clients has been changed significantly. Also, the Company would be able to adjust the products to commensurate with the different of satisfactory and ways of life of the clients.

Risk of providing source of fund to invest in new projects

By the liquidity problem, the company cannot avoid the following problem which is debt repayment problem with creditors and financial institutions. Although the Company is able to solve the problem within short period, but its affect to new credit requested for new projects from financial institutions is still limited. The credit granted for real estate business is more strictly considered, so the supported credit line is not available to operate the project of the Company. Therefore, the new big projects in the future that require huge amount of investment still had a limitation for investment expansion. The new business plan is therefore adjusted by emphasized on small projects that did not require high credit line according to the current market.

Risk of competition

Competitive conditions in the industry are even more severe. Big entrepreneurs still have a major market shares in the market as they has available fund, so they can develop every types of residential products by building specific brands to support for the demand of the buyers in all levels. By the severe competition, the current real estate market is obviously the market of buyers to have an opportunity to choose and decide the suitable products that worthwhile with the money paid. The qualified products will focus on the modernize, sufficient usable areas, quality of materials, convenient location, suitable price strategy and clearly target group, so as to add the potential to compete in the market

Risk of management cost

Before the Company would decide to invest for land cost to develop project, it has to study for the feasibility study of the projects in preliminary. The problem was that actual construction costs were above the expectation as construction material and wages were adjusted by oil price which had up-high trend. In addition, when development and construction period is prolonged, cost of constructions would be higher and therefore the profit in each project decreased from the previous study. However, the Company has improved the efficiency of construction management by adjusting the construction management plan in order to reduce the development and construction period to be in competitive level. In addition, the Company also had a plan to purchase the projects under development and construction that were pending from other entrepreneurs, in order to add in the development and construction for sale. This method would reduce the period of development and construction including some level of project cost.

Risks from the projects' delay

The reason of the projects' delay in general was derived from late constructions of contractors. It may due to lacks of labor, lacks of construction materials, unexpected natural disaster; heavy raining, sudden flood in the construction area. The Company has prevented the causes of this risk by sub-contracting partial of construction to sub-contractors, preparing the agreement to buy construction material in advance, and preparing the appropriate lagging time for the late construction in case of the natural disaster.

Shareholding and Management Structure

1. Shareholding Structure

Ordinary Shares – LL as of January 25, 2013

No	Shareholder	No. of shares (shares)	Holding portion (%)
1	Quest Capital Investment Limited	358,000,000	17.05
2	Falcon 9 Co.,Ltd.	135,000,000	6.43
3	Miss Kantima Pornsriniyom	70,000,000	3.33
4	Miss Nanthana Chitsrisunan	59,921,900	2.85
5	Thai NVDR Co.,Ltd.	44,697,700	2.13
6	Miss Sarinee Nuangchumnong	43,500,000	2.07
7	Mr. Authawut Sujarit	40,500,000	1.93
8	Mr. Chayanon Weerayuthakosol	37,436,200	1.78
9	Mr. Rangsan Anan	35,000,000	1.67
10	Mr. Kamol Jirapattama	32,200,000	1.53
	Others	1,243,744,200	59.23
	Total Shareholding	2,100,000,000	100.00%

Warrant LL-W1 as of February 15, 2013

No	Shareholder	No. of shares (shares)	Holding portion (%)
1	Mr. Sansern Prasertsilp	50,000,000	6.41
2	Mr. Pongpipat Pandee	31,211,100	4.00
3	Mr. Wiboon Pansapkul	27,998,900	3.59
4	Mr. Boonchai Panasakulkarn	20,000,000	2.56
5	Mr. Norawit Wiroonkijkosol	18,000,000	2.30
6	Mr. Somkiat Sunthornmanokul	16,000,000	2.05
7	Mr. Jie Zhang	14,500,000	1.85
8	Mr. Prapol Anukruadilok	13,500,000	1.73
9	Mr. Pornnarong Thaveepornjiradej	12,500,000	1.60
10	Miss Rivin Meteetanavichit	10,000,000	1.28
	Others	566,290,000	72.63
	Total Shareholding	780,000,000	100.00%

Remark :

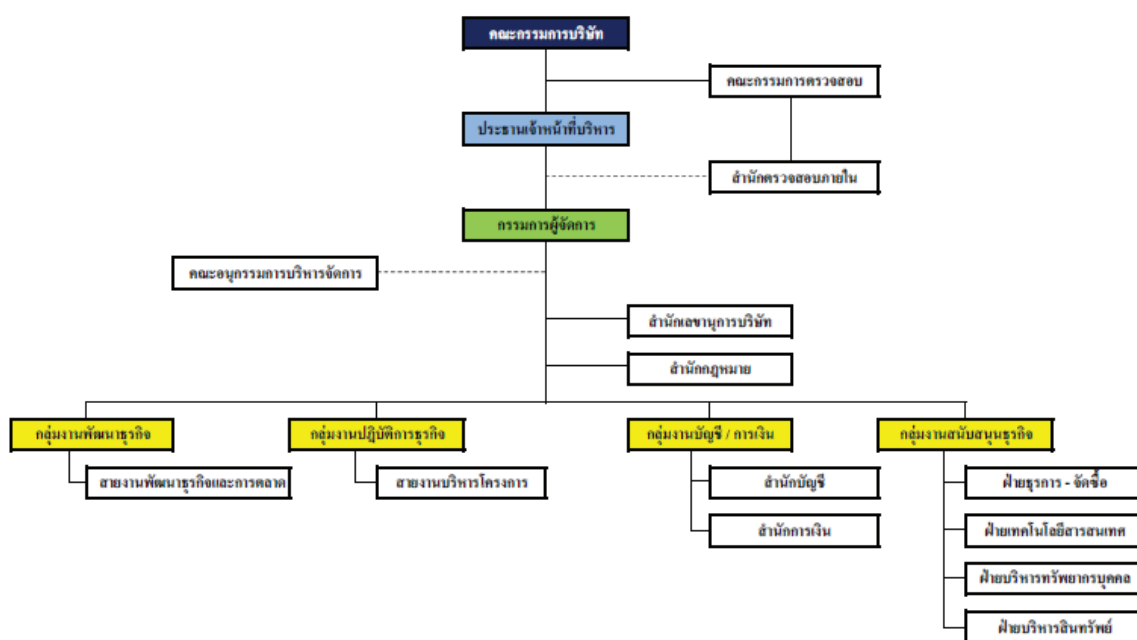
1. Each of the other shareholders hold share not more than 5%
2. Source : Thailand Securities Depository Co.,Ltd.

Limitation of foreign shareholdings

Foreign shareholders are allowed to hold shares in the Company in total at not more than 49% of the issued and paid-up shares

2. Management

2.1 Organization Chart



Name, Scope of responsibilities of each committee and name list of the Executives

The structure of the Board of Directors comprises 4 committees which are Board of Directors, Independent Committee, Audit Committee and Executive Committee. The Scope of responsibility of each committee are as following:

2.2 Board of Directors :

1. Mr. Apichart Chirapandhu	Chairman of the Board, Independent Director
2. Mr. Pob Petchsuwan	Director, Executive Director, Managing Director
3. Mr. Manop Keawchaoom ²	Director, Executive Director
4. Mr. Narongchai Jitmalerat ³	Director, Executive Director
5. Mr. Wanchai Subhaphayak	Director, Executive Director
6. Mrs. Orawan Lekrungruengkij ⁴	Director, Executive Director
7. Mr. Kamol Jirapattama ⁵	Director, Executive Director
8. Mrs. Chuanpis Chaiymuanwong	Director
9. Mrs. Ing-orn Sangsingkaew ⁶	Director
10. Mr. Pravit Khaonoo ⁷	Chairman of the Audit Committee and Independent Committee
11. Mr. Chaiwat Asawinhangkul ⁸	Chairman of the Audit Committee and Independent Committee
12. Mr. Pann Kasemsap	Audit Director and Independent Director
13. Mr. Sripope Sarasas ⁹	Audit Director and Independent Director
14. Mr. Tanyapong Limwongyuth ¹⁰	Audit Director and Independent Director
15. Mr. Samkhan Bhuvanit ¹¹	Secretary

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Mr. Pob Petchsuwan¹

- The position of Company's Director
Appointed by the resolution of the BOD No.1/2012 on 19 January 2012
- The position Managing Director
Appointed by the resolution of the BOD No.6/2012 on 14 May 2012 to replace Mr. Peepat Ranguan
- Resigned on 18 January 2013
- Resigned on 5 November 2012
- Appointed by the resolution of the BOD No.10/2555 on 15 November 2012 to replace Mr. Manop Keawchaoom

Mr. Manop Keawchaoom²
Mr. Narongchai Jitmalerat³

Mrs. Orawan Lekrungruengkij ⁴	Appointed by the resolution of the BOD No 4/2555 on 30 March 2012 to replace Mrs. Ing-orn Sangsingkaew
	- Resigned on 5 February 2013
Mr. Kamol Jirapattama ⁵	- Resigned on 15 January 2013
Mrs. Ing-orn Sangsingkaew ⁶	- Resigned on 27 March 2012
Mr. Pravitt Khaonoo ⁷	- Resigned on 28 March 2012
Mr. Chaiwat Asawinthanrangkul ⁸	Appointed by the resolution of the BOD No 4/2555 on 30 March 2012 to replace Mr. Pravitt Khaonoo
Mr. Sripoppe Sarasas ⁹	- Resigned on 14 November 2012
Mr. Tanyapong Limwongyuth ¹⁰	Appointed by the resolution of the BOD No.10/2555 on 15 November 2012 to replace Mr. Sripoppe Sarasas
Mr. Samkhan Bhuvanit ¹¹	Appointed by the resolution of the BOD No.1/2012 on 19 January 2012

In year 2012, The Company had 11 meetings of the Board of Directors and the each of the directors had attended in the meetings as following

Name list	Times											Total In 2012	Total In 2011
	1	2	3	4	5	6	7	8	9	10	11		
Mr. Apichart Chirapandhu	/	/	/	/	/	/	/	/	/	/	/	11/11	6/11
Mr. Pravitt Kaonoo	/	/	/	/	/	-	-	-	-	-	-	5/11	7/11
Mr. Chaiwat Asawintaranukul	-	-	-	-	-	/	/	/	/	/	/	6/11	-
Mr. Sripoppe Sarasas	/	/	X	/	/	/	/	/	/	/	-	9/11	7/11
Mr. Pann Kasemsap	/	/	/	/	/	/	/	/	/	/	/	11/11	2/11
Mrs. Chuanpis Chaiymuanwong	/	/	/	/	/	X	/	X	/	/	/	9/11	2/11
Mrs. Ing-orn Sangsingkaew	/	X	X	/	/	-	-	-	-	-	-	3/11	-
Mrs. Orawan Lekrungruengkij	-	-	-	-	-	/	/	/	/	/	/	6/11	-
Mr. Pob Petchsuwan	-	/	/	/	/	/	/	/	/	/	/	10/11	-
Mr. Wanchai Subhaphayak	/	/	/	/	/	/	/	/	/	/	/	11/11	11/11
Mr. Manop Keawchaoom	/	/	/	/	/	/	/	/	-	-	-	8/11	10/11
Mr. Kamol Chirapattama	/	X	/	/	/	/	/	/	/	/	/	10/11	11/11

The directors having the authorized signatures

Mr. Wanchai Subhaphayak or Mr. Narongchai Jitmaleerat or Mr. Pob Petchsuwan or

Mrs. Orawan Lekrungruengkij, and the Company's seal

* The information derived from the affidavit of the Company issued by Department of Business Development, Ministry of Commerce as of 19 November 2012

Scope of responsibilities of Company's Director

1. Perform the duties with careful judgment and honesty, in accordance with existing laws and objectives and regulation stipulated by the company and Board of Directors' resolution as well as shareholders' meeting resolution with practices that general business operators will follow under the same circumstances.
 - o Make decision with honesty and rational reasons for the company's utmost benefits
 - o Make decision on credible information
 - o Make decision without personal gains, directly or indirectly
 - o Make decision to achieve honest and appropriate goals
 - o Refrain from actions that create deliberate conflict of interest with the company
2. Consider and approve business policies, goals, plans, strategies and annual budget.
3. Consider and approve appointments of qualified individuals without contradicting to the Public Company Act 1992 and the Stock Exchange of Thailand regulations, announcements or orders pertaining to replacing the vacancy of directors other than regular end of term.
4. Consider appointing members of the Executive Committee by selecting from the Board of Directors with determination of scope and responsibility of the Executive Committee.

5. Consider appointing independent directors by referring to the qualifications stipulated by the law required by the Securities and Exchange Commission and the Stock Exchange of Thailand, and making proposal for approval from the shareholders.
6. Consider appointing members of Audit Committee by referring to the qualifications stipulated by the Securities and Exchange Commission and the Stock Exchange of Thailand.
7. Consider determining and making amendments of the names of directors binding in the company.
8. Appoint other persons to operate the Company under its supervision or empower other persons to the duties within a certain period of time when seen appropriate and shall have power to make amendments to such authorization.
9. Consider and approve transactions pertaining to buying and selling of assets unless such transaction requires approval from shareholders. The approval will be made in accordance with the rules and regulation of the Stock Exchange of Thailand.
10. Consider and approve related-party transactions unless such transaction requires approval from shareholders. The approval will be made in accordance with the rules and regulation of the Stock Exchange of Thailand.
11. Consider and approve the payment of dividend to shareholders when the Company has adequate profit and report such dividend payment scheme to the shareholders during following shareholders' meeting. Board of Directors will select 1 director to be the Chairman and if necessary, a number of directors can perform the duty of vice chairman. Board of Directors must hold meeting at least once every 3 months or 4 times a year.

2.3 Independent Director:

1. Mr. Apichart Chirapandhu	Independent Director
2. Mr. Pravit Khaonoo *	Independent Director / Chairman of Audit Committee
3. Mr. Chaiwat Asawintarakul **	Independent Director / Chairman of Audit Committee
4. Mr. Pann Kasemsap	Independent Director
5. Mr. Sripope Sarasas ***	Independent Director
6. Mr. Tanyapong Limwongyuth ****	Independent Director

Remark

* Mr. Pravit Khaonoo resigned on 28 March 2012

** Mr. Chaiwat Asawinthanrangkul was appointed by the resolution of the BOD's meeting No. 4/2012 on 30 March 2012 to replace Mr. Pravit Khaonoo

*** Mr. Sripope Sarasas resigned on 14 November 2012

**** Mr. Tanyapong Limwongyuth was appointed by the resolution of the BOD's meeting No. 9/2012 on 15 November 2012 to replace Mr. Sripope Sarasas

Criteria for appointment of independent directors

The criteria which have been approved by the 2/2010 shareholders' meeting dated March 18, 2010 indicate that the terms independent director shall be equivalent to the minimum requirement by the Securities and Exchange Commission or the Stock Exchange of Thailand with the following qualifications:

1. Hold not more than 1% of the total shares with voting rights in the Company, subsidiary, affiliate or juristic entity that may be a conflict of interest. This also includes the shareholding by person related to independent director.
2. Never or used to be but not currently director with management involvement, employee, advisor with salary or someone with controlling power over a company, parent company, subsidiary, affiliated company or related juristic entity that may be of conflict of interest unless relinquishing such status for at least 2 years prior to the appointment date.
3. Not being someone who is blood related or legal related such as being father, mother, spouse, sibling and child or spouse of children of member of the management, majority shareholder, someone with authority or person about to be appointed as members of the management or someone with controlling authority in the Company or subsidiary.
4. Never or used to have business relationship with company, parent company, subsidiary, affiliate or juristic entity that may be of conflict of interest in the way that might obstruct the independent judgment. He or she must not be a majority shareholder, director who is

not independent director or member of the management of a company, parent company, subsidiary, affiliate or juristic entity that may be of conflict of interest to the Company unless relinquishing the status for at least 2 years prior to the appointment date.

Business relationship according to this section includes normal business transaction pertaining to rental or leasing of property, services and assets, or receiving financial assistance or loan, credit guarantee or presenting asset as collateral or other actions of the same sort, which results in debt obligation of at least 3% of the net tangible assets or 20 million baht. Such calculation will follow method of classifying the related-party transaction as indicated by the Stock Exchange of Thailand, which involves information disclosure and practices required on listed company with regard to related-part transactions. The inclusion of the debt obligation covers that occurred 1 year before the start of the relationship.

5. Never or used to be financial auditor of a company, parent company, subsidiary, affiliate or juristic entity that may be of conflict of interest, and must not be a majority shareholder, non-independent director, member of the management or partner of an audit house that provides services to a company, parent company, subsidiary, affiliate or juristic entity that may be of conflict of interest to the Company unless relinquishing the status for at least 2 years prior to the appointment date.
6. Never or used to be professional service provider or financial or legal advisor or asset appraiser receiving a fee of more than 2 million baht a year from a company, parent company, subsidiary, affiliate, or juristic entity that may be of conflict of interest. In case services are provide through a juristic entity, this requirement includes being a majority shareholder, non-independent director, member of the management or business partner unless relinquishing the status for at least 2 years prior to the appointment date.
7. Not a director that is appointed to represent the company's director, majority shareholder or shareholder related to majority shareholder of the company.
8. Offer independent opinions on the Company's operation.
9. Independent director with qualifications from 1 to 8 may be appointed by the company's Board of Directors to make decisions pertaining to the operation of a company, parent company, subsidiary, affiliate or juristic entity that may be of conflict of interest by using collective decision making process.

For the year 2012, The independent directors having no relationship of business or professional service, were appointed in exceed from the criteria of the Announcement from the Capital Market Supervisory Board regarding the new share issuance and offering.

2.4 The Audit Committee :

- | | |
|-----------------------------------|---------------------------------|
| 1. Mr. Pravit Khaonoo * | Chairman of the Audit Committee |
| 2. Mr. Chaiwat Asawintarakul ** | Chairman of the Audit Committee |
| 3. Mr. Pann Kasemsap | Audit Director |
| 4. Mr. Sripope Sarasas *** | Audit Director |
| 5. Mr. Tanyapong Limwongyuth **** | Audit Director |

Remark

- | | |
|---------------------------------|--|
| * Mr. Pravit Khaonoo | resigned on 28 March 2012 |
| ** Mr. Chaiwat Asawintharangkul | was appointed by the resolution of the Board of Directors No 4/2012 on 30 March 2012 to replace of Mr. Pravit Khaonoo |
| *** Mr. Sripop Sarasas | resigned on 14 November 2012 |
| **** Mr. Tanyapong Limwongyuth | was appointed by the resolution of the Board of Directors No 9/2012 on 15 November 2012 to replace Mr. Sripope Sarasas |

Scope of responsibilities of the Audit Committee

- (1) Reviewing the Company's official financial statements to ensure accuracy and adequacy.
- (2) Reviewing the Company's Internal Control and Internal Audit system for appropriateness and efficiency with consideration to allow independence for Internal Audit body, while having authority in appointing and transferring or dismissing Internal Audit personnel or other departments relating to internal audit procedures.

(3) Reviewing the Company's operation to ensure compliance to existing laws stipulated by the Stock Exchange of Thailand and those involving the business operation of the Company.

(4) Considering, selecting and proposing independent person as financial auditor, while determining the remuneration for such person and attending a meeting with the auditor without the pressure from the management at least once a year.

(5) Considering related-party transactions or transactions seen as conflict of interest by complying with the laws and regulations required by the Stock Exchange of Thailand to ensure utmost rational and benefit on the part of the Company.

(6) Preparing reports by Audit Committee for disclosure in the Company's annual report, which must be endorsed by chairman of the audit committee and contain at least the following information:

(A) Opinions on the accuracy, completeness and credibility of the Company's financial reports.

(B) Opinions on the adequacy of the Company's Internal Audit system.

(C) Opinions on the compliance with the laws and regulation stipulated by the Stock Exchange of Thailand or those governing the Company's business operation.

(D) Opinions on the suitability of the auditor.

(E) Opinions on transactions that may be consider conflict of interest.

(F) Opinions on the meeting of Audit Committee and attendance of each member.

(G) Opinions or notion Audit Committee receives by following the Charter.

(H) Other matters under jurisdiction that Audit Committee believes should inform the shareholders or general investors, with authorization from Board of Directors.

(7) Other matters that the Company's Board of Directors assigns to Audit Committee to perform under section 1 with direct responsibility on the part of Board of Directors in terms of information disclosure to the public in case there are changes to the duties, names and scope of responsibility to Audit Committee, which is required by the Stock Exchange of Thailand. The Company will submit the report to the Stock Exchange of Thailand within 3 days after changes occurred, following the electronic media reporting method.

(8) In case of finding items or transactions that may affect the Company's financial status or performance, Audit Committee must report to Board of Directors to improve or rectify within the time Audit Committee sees as appropriate.

(A) Transactions creating conflict of interest

(B) Dishonesty or irregularity or deficiency in the Internal Audit system

(C) Legal violation regarding the laws and regulations required by the Stock Exchange of Thailand or those related to the Company's business operation

If Board of Directors or the management does not proceed with rectification under section 1 within the appropriate time, a member of the Audit Committee may report the matter to Securities and Exchange Commission or the Stock Exchange of Thailand.

For the year 2012, the Company has totally 5 meetings of the Audit Committee. And for this year, the Company has totally 4 meetings of the Audit Committee. Each of the directors has attended the meetings as following:

No.	Name	Year 2013	Year 2012
1	Mr. Pravith Khaonoo	1/5	4/4
2	Mr. Chaiwat Asawintharangkul *	3/5	4/4
3	Mr. Pann Kasemsap	5/5	4/4
4	Mr. Sripoop Sarasas	4/5	4/4
5	Mr. Tanyapong Limwongyuth	1/5	-

Remark

* The directors who have knowledge and experiences in accounting

2.5 The Executive Subcommittee

1. Mr. Pope Petchsuwan	Managing Director, Executive Director, Company's Director
2. Mr. Narongchai Jitmaleerat	Executive Director, Company's Director
3. Mr. Wanchai Subhaphayak	Chief Executive Officer, Company's Director
4. Mrs. Orawan Lekrungruengkij	Executive Director, Company's Director

5. Mr. Kamol Jirapattama	Executive Director, Company's Director, Deputy Managing Director -Business Supporting Department
6. Mr. Arkhom Sirorattanarangsri	Deputy Managing Director – Business Operation Department
7. Mr. Samkhan Bhuvanit	Assistant Managing Director- Business Supporting Department
8. Mr. Pongsukkasem Hirantecha*	Assistant Managing Director – Business Development and Marketing Department
9. Ms. Parichart Chitpirom	Director- Accounting Department

Remark

* Mr. Pongsukkasem Hirantecha resigned on 2 December 2012

Scope and responsibilities of Executive Subcommittee

1. Perform the duties with careful judgment and honesty, in accordance with existing laws and objectives and regulation stipulated by the Company and Board of Directors' resolution as well as shareholders' meeting resolution with practices that general business operators will follow under the same circumstances.
 - Make decision with honesty and rational reasons for the Company's utmost benefits
 - Make decision on credible information
 - Make decision without personal gains, directly or indirectly
 - Make decision to achieve honest and appropriate goals
 - Refrain from actions that create deliberate conflict of interest with the Company
2. Prepare business policies, goals, plans, strategies and annual budget for approval from Board of Directors.
3. Determine business plan, budget and management authority to seek approval from Board of Directors.
4. Control and monitor the Company's operation in line with the approved business policies, goals, plan and budget by the Board of Directors for utmost efficiency.
5. Authority to consider and approve of
 - 5.1 Disbursement of investment and/or any of normal business transactions with the limit line of Baht 50 million or equivalent per project.
 - 5.2 Borrowing or receiving loan from financial institutions with objectives to conduct business transactions. The Company normally has a limit of 50 million baht or equivalent
6. Determine effective organizational and management structures, which also include selecting, training, hiring and firing of personnel, who are members of the management or high level executives. Executive Committee empowers the managing director to represent the Company in the employment contract.
7. Control and approve matters related to the operation of the Company. Appoint person or persons to represent Executive Committee when necessary and appropriate. Executive Committee has the authority to revoke or change such power given to other persons.
8. Perform other duties as assigned by Board of Directors.

For the year 2012, there were the 27 meetings of the Executive Committee.

2.6 The Company's Secretary

- Mr. Samkhan Bhuvanit

According to the Securities and Exchange Act (No.4) B.E. 2551 Article 89/15, the directors must assign Company's secretary to assume responsibilities of providing the meetings of the Board of Directors and the shareholders and other activities, in order to help the Board of Directors to process properly by laws and regulations, and also supporting for good corporate governance.

Board of Directors No.1 / 2012 on 19 January 2012 had a resolution to appoint Mr. Samkhan Bhuvanit, and has defined its secretary's duties and responsibilities as the following:

1. Qualification

- 1.1 Process knowledge of laws and regulation of Securities Exchange of Thailand, Securities and Exchange Act, Public Company Limited Act.
- 1.2 Process knowledge of good corporate governance principles and practices.
- 1.3 Process knowledge of the Company's business and good communication skills.

2. Role and responsibilities of Company's secretary

- 2.1 Provide preliminary suggestions to the Company's director on laws and regulations and follow up to ensure that they are implemented accurately and steadily, including reporting to the Board of Directors on a significant changes of the laws and regulations.
- 2.2 Inform the resolutions and the policies of the Board of Directors and the shareholders to the Executives and follow up the implementation of those resolutions and policies.
- 2.3 Hold the shareholders' meeting and Board of Directors' meeting in accordance with laws and regulations of the Company and any requirements.
- 2.4 Record shareholders' and the Board's meeting reports, including the useful recommendation to the Company or conclude the issues from the non-Executives to propose to the shareholders, and follow up the implementation of the shareholder's and the Board's meetings.
- 2.5 Ensure that there is a disclosure of related data and an information report to the supervising agencies in accordance with laws, regulations, and policies of information disclosure.
- 2.6 Communicate and get in touch with the shareholders so that they are informed of their rights and information of the Company.
- 2.7 Keep the significant documents such the shareholders registration, meeting's invitation letters, minutes of the meetings and annual report of the Company, including the letters and reports of shareholders' meetings.
- 2.8 Provide the company's secretary unit as a center of corporate records such as juristic affidavit, memorandum of association, articles of association, shareholder registration and business licenses.
- 2.9 Oversee the activities of the Board of Directors

3. The recruitment of Directors and the Executives

The recruitment of the Company's directors and the Executives shall get the approval from the shareholders' meeting, except that any position is vacant with other reasons than the retirement. The committee shall elect the person to be the director in the next meeting. The elected director will be in that position during the remaining period of replacement, except that the period is left less than two months.

For Audit Directors and Independent Directors, the Board of Directors will consider from list of qualified persons who well-known in the business and have a certified knowledge that shall be proposed by managing director in order to appoint or propose to be appoint in shareholders' meeting further.

The Election of the Board of Directors from the Meeting of Shareholders

1. The election of directors by the shareholder meeting using a majority vote in accordance with the following rules and methods
 - (1) Each shareholder shall have one share for one vote.
 - (2) In the case of the number of persons who has been dominated as a director has not more than the number of directors to be elected in that time. The shareholders shall elect directors who will nominate in the positions. Each shareholder may exercise all the votes he or she has under (1) to elect one or several persons as directors but he may not allot his votes to any such person at any number.
 - (3) In case of the number of person who has not been nominated as a director has not more than the number of directors to be elected in that time. The shareholders shall elect directors who will dominate in the positions. Each shareholder may exercise all the vote he or she has under (1) to elect one or several persons as directors but he may not allot his votes to any such person at any number. The person who has highest votes in their respective order of the votes shall be elected as directors at the number equal to the number of directors of the company. In the event of equal votes among the persons

elected in order of respective high number of votes, which number exceeds the number of director of the Company, election shall be made by easting vote of the Chairman.

2. At every annual general meeting, the whole board of directors shall of 1 in 3 (one-third) of the directors, or, if their number is not a multiple of three, then the number nearest to 1 in 3 (one-third) must retire from office. Unless otherwise specified by the articles of association, the directors retiring from office in the first an second years after the registration of the company shall be selected by drawing lots. In subsequent years, the director who has held office longest shall retire. Director who vacates office under this agenda may be reelected.

4. Remuneration of Company's Director and the Executive

The Company has determined the remuneration policy clearly and transparent, equally to the industry in the same level and suitable with the duties and responsibilities and should be high enough to attract and keep the qualified directors with the approval from the meeting of shareholders. Meanwhile, the compensation of the Executives shall conform with the policy and the principle that determined by the committee, in line with the performance of the Company and performance of each executive, details were as follow

- **Meeting Fee** By the Annual General Shareholders' Meeting 2012 on 23 April, 2012, the shareholders has a resolution to determine the remuneration to the directors for the year 2012 within total line of 1,243,000 Baht (the remuneration for the year 2011 was approved at 1,400,000 Baht)

The details were as following

Board of Directors;

Chairman	15,000 per meeting
Directors	8,000 per meeting

Audit Committee;

Chairman	12,000 per meeting
Directors	10,000 per meeting

Executive Board of Directors and Independent Committee

- Nil -

The Company paid meeting fee during year 2012 in total amount of 642,000 Baht, increased by 262,000 Baht, or 68.94% compared to the amount for the year 2011 which was 380,000 Baht, but not exceed the approved line from the shareholders.

The details of payments are as following

Name	Position	Annual Remuneration For the year 2012 (THB)
Mr. Apichart Chirapandhu	Chairman of the Board of Director and Independent Committee	90,000
Mr. Pob Petchsuwan	Company's Director, Executive Director, Managing Director	48,000
Mr. Manop Keawchaoom	Company's Director, Executive Director	32,000
Mr. Narongchai Jitmalerat	Company's Director, Executive Director	8,000
Mr. Wanchai Subhaphayak	Company's Director, Executive Director	48,000
Mrs. Orawan Lekrungruengkij	Company's Director, Executive Director	32,000
Mr. Kamol Chirapattama	Company's Director, Executive Director	48,000
Mrs. Chuanpis Chaiymuanwong	Company's Director	48,000
Mrs. Ing-orn Sangsingkaew	Company's Director	16,000
Mr. Pravith Khaonoo ⁷	Chairman of the Audit Committee and Independent Committee	16,000

Name	Position	Annual Remuneration For the year 2012 (THB)
Mr. Pann Kasemsap	Audit Director and Independent Committee	88,000
Mr. Sripope Sarasas	Audit Director and Independent Committee	70,000
Mr. Tanyapong Limwongyuth	Audit Director and Independent Committee	18,000
Total remuneration		642,000

- Other remuneration
- Nil -
- Total remuneration of directors and executives are:
In form of salary and other incomes as following:

Remuneration of the directors	9,299,668.84	Baht
Remuneration of the executives	<u>1,755,853.32</u>	Baht
Total	<u>11,055,520.16</u>	Baht
- The company paid total remuneration of directors and executives for the year 2012 in total of amount of 11,055,520.16 Baht, decreased by 5,887,854.84 Baht or 34.75 % compared to the year 2011 that has total remuneration of 16,943,375.00 baht because the changing of management structure.

5 .Internal Information Control

Detailed in "Policy of corporate control "Article 2. Equal treatment to all shareholders"

6. The internal Control

Comment of the Board of Directors related to the sufficient of the internal control

Board of Directors had an opinion that the internal control, the business risk of the Company and the corporate control in over all is in satisfactory level and able to give a reasonable confident with the transparent of the financial statement of the Company and the subsidiaries for the year 2012 as the Audit Committee has audit together with the management and the auditor has stated entirely financial status and correct performance, believable, reasonable according to the general certified accounting standard. The accounting policy had been implemented appropriately, frequently, sufficiently as stipulated by the comment of the auditor in the financial statement of the Company.

In the meeting of the Board of Directors No.2/2003 on 22 February 2003 with the audit committee which had 3 independent directors, it evaluated the internal control by the interview with the Executives. It could be summarized that the Company has sufficient system of internal control without the different opinion from the management.

The Company's auditor, DIA International Audit Co.,Ltd, by Mrs. Wiliarat Rojnakar, the certified public auditor No. 3104 who audited the financial statement for year 2012 did not have any comment in the audit report that the Company has any substantial defect related to internal control.

7. Dividend Policy of the Company and its subsidiaries

The company's Board of Directors has a policy to pay the annual dividend to shareholders at not less than 40% of net profit after all provisions. However, dividend payment may change, depending on the investment plan and other necessities for the future according to the opinions of the Board of Directors.

For dividend policy in subsidiary company, dividend shall be paid from net profit of such subsidiary company by considering many factors such as financial position, operating results, liquidity status, business expansion and any related factors in the management of that company.

Related-party transactions

The company may conduct related-party transactions when considered appropriate. The transactions have to be compliant to the laws of securities and Stock Exchange of Thailand, rules, announcements, orders or regulations of the Stock Exchange of Thailand, including the accounting standard regarding information disclosure requirements set by The Institute of Certified Accountants and Auditors of Thailand.

In case that the transaction is required in normal business and will continue in the future, the company will determine scope of the transaction according to section 89/2 of the Public Act.: Regular commercial transactions, by referring to appropriate fair price and condition that reasonable and defensible, so that the management can process further transaction according to the scope.

However, the company will request for opinions from the audit committee on related-party transactions. In case that the audit committee has inadequate expertise of that related-party transaction, the company will assign the expert who has knowledge and special skill to give an opinion of the transaction to support the decision making of the Board of Directors or the shareholders of the company case by case. This is to ensure that such transaction will not be result in transferring of benefits between any certain companies or shareholders but the transaction is made by taking into consideration of utmost benefits of all shareholders.

Related Transactions or Conflict of Interest Transactions in year 2012

Types of Related Transactions	Individual/ Juristic Person who has relevant benefit/ relationship	Transactions	Value of Related Transactions (Thousand Baht)			The necessities and the reasons of the related transactions
			31 Dec 2011	Increase (Decrease)	31 Dec 2012	
1. Loan	Mr. Wanchai Subhaphayak is a director and a shareholder of the company and its affiliates Mr. Wingchair Subhaphayak is a director and a shareholder of the company and its affiliates	As a creditor of the Company As loan guarantor for the company and its subsidiaries.	3,559.37	(3,559.37)	0.00	The company had loan from Mr. Wanchai Subhaphayak for the purpose of working capital with the condition to repay principle at call and there is no interest charged in this transaction. During the year, the company repaid t of this loan. Mr. Wanchai Subhaphayak is the loan guarantor of the company, Topline Living Co., Ltd., Nantapob Co.,Ltd., in guarantee amount of 503.54 Mbaht with 3 financial institutions without any charges in guarantee condition. The Audit Committee had already considered that the transaction is reasonable and processed for maximizing the company's benefit.
	Mr. Peepat Rungkupan is a shareholder and a director of the company and its subsidiaries	As a loan guarantor for a subsidiary company	201.30 Mbaht	0.00 Mbaht	201.30 Mbaht	Mr. Peepat Rungkupan is a loan guarantor for Topline Living Co.,Ltd. and Nantapob Co.,Ltd.in the guarantee amount of 201.30 Mbaht with 2 financial institutions without any charges for guarantee condition. During the year, he sold all the Company's shares and resigned from the director position of the Company and subsidiaries.
2. Loan Guarantee	Mr. Manop Keawcha-oom is a shareholder and a director of the company and subsidiaries.	As loan guarantor for the company and its subsidiaries.	503.54 Mbaht	0.00 Mbaht	503.54 Mbaht	Mr. Manop Keawcha-oom is the loan guarantor of the company, Topline Living Co., Ltd., Nantapob Co.,Ltd. with 3 financial institutions in total guarantee amount of 503.54 million baht without any charges for guarantee condition. During the year, he sold all the Company's shares and resigned from the director position of the Company.
3. Compensation	Falcon9 Company Limited has 17.31% shareholding in the company as of December 31, 2011. It has mutual directors and shareholders	Compensation to bring securities holding to be loan guarantee for the company with a financial institution in guarantee amount of 45. 00 Million Baht	1,350.00	0.00	1,350.00	Falcon 9 Company Limited has pledged the stock holding as a guarantee for the company with Krungthep Thanatorm Plc. for loan amount of 45.0 million Baht, by using the stock of 60 million shares as collaterals for the company and the company will pay annual interest rate of 3 percent to Falcon 9 Company Limited as compensation. In case that the guarantee right is compulsory to the financial institution, the company has to pay fee charge at average rate of 1.50 – 2.00 percent per annum, in addition with the collateral. For the year 2011, many of company's projects had overdue from the plans, so it has inability to pay for the debt of the financial institution. So the conditions to pledge the company's stocks as collateral is remain until the loan will be pay off. The Audit Committee had already considered that the transaction is reasonable and processed for maximizing the company's benefit.

The operation result for year-end as of December 31, 2012

The company and its affiliates had revenue from sales and services of Baht 106.16 million with their cost of Baht 103.42 million or gained of Baht 2.74 million. Its affiliates had other revenue of Baht 23.62 million.

Total revenue came from

- Selling assets which was a plain land in Soi Chang Wattana 29 totally Baht 42.0 million (The project Gallery was cancelled)
- Selling of units in Living-Nara Rangsit amounted to Baht 36.52 million.
- Selling of shop houses in Poonsin Privacy Plus amounted to Baht 15.33 million.
- Selling of units in the Clover Thonglor amounted to Baht 5.48 million.
- Selling of units in the Clover Phuket amounted to Baht 6.32 million.
- Other services of Baht 0.51 million.

Other income

- Gained from debt negotiation of Baht 15.29 million
- Gained from selling of assets of Baht 1.79 million
- Gained from debt restructuring of Baht 0.88 million
- Others of Baht 5.58 million

The company and its affiliates had total expenses for year-end as of 31 December 2012 amounted to Baht 143.13 million which comprised main items as follows;

- Selling expenses of Baht 10.92 million
- Administrative expenses of Baht 86.23 million
- Loss on devaluation of assets of Baht 46.00 million
- Financial cost of Baht 19.96 million

The Company and its affiliates had net loss for year-end as of 31 December 2012 of Baht 136.73 million or equivalent to net loss of Baht 0.09 per share.

The Company had total assets for year-end as of 31 December 2012 of Baht 751 million, increased from that of year of Baht 742.0 million or increased by 1.22 % which came from,

- Cash and cash-equivalent item increased by Baht 180.52 million (24.33%) from capital registered paid-up, and selling assets of an affiliates amounted to Baht 75 million.
- Inventories decreased by Baht 28.67 million (3.86%) resulted from selling assets which already booked in profit and loss statements.
- Assets which transferred to be collateral as on buy-back option decreased by Baht 46.00 million (6.20 %) resulted from devaluation booked in balance sheets.
- Assets for investment decreased by Baht 67.76 million (9.13%) resulted from a piece of land of Tangerine Property co., Ltd.
- Land, Building and Equipments decreased by Baht 6.17 million (0.83%) resulted from assets depreciation and selling some items which already booked in Profit and Loss Statements of each company.
- Cash deposits which guaranteed to company's facility decreased by Baht 2.11 million (0.28%) resulted from partial receiving of Infra-structure guarantee.
- Advanced corporate tax decreased by 19.24 million resulted from Tax refunding in which the amount was deducted in the previous year.

The company and its affiliates had liabilities for year-end as of December 31, 2012 of Baht 377.63 million, decreased from that of the previous year of Baht 184.15 million (32.78%) which came from

- Negotiation to debtors and traders decreased by Baht 38.04 million (5.13%)
- Cash advance from customers and long-term loan decreased of Baht 15.97 million resulted from selling of some inventories.
- Account payable decreased by Baht 12.42 million (1.67%) resulted from ordinary payment.
- Loan from related person decreased by Baht 3.56 million (0.48%) resulted from ordinary repayment.

- Other loan decreased by Baht 45.69 million (6.16%) resulted from debt negotiation which already booked in Profit and Loss Statements.
- Other creditor from cancellation of units decreased by Baht 17.80 million (2.40 %) resulted from hair cut and negotiation.
- Withholding tax decreased by Baht 51.68 million. (6.96 %) resulted from ordinary payment and the clearance of existed item from last year.

The company and its affiliates had debt to equity ratio as of December, 2012 of 1.01:1 which decreased from 3.11:1 in the last year.

**LIVING LAND CAPITAL PUBLIC COMPANY LIMITED
AND SUBSIDIARIES
AUDITOR'S REPORT AND FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2012**

AUDITOR'S REPORT

To The Shareholders of
LIVING LAND CAPITAL PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated and separate financial statements of LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of LIVING LAND CAPITAL PUBLIC COMPANY LIMITED, which comprise consolidated and separate statements of financial position as at December 31, 2012, consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the year then ended, including notes of summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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 standards on auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of LIVING LAND CAPITAL PUBLIC COMPANY LIMITED as at December 31, 2012, and their financial performance and cash flows for the year then ended in accordance with the Thai financial reporting standards.

D I A International Audit Co., Ltd.

-Signed-
(Mrs. Vilairat Rojnuckarin)
C.P.A. (Thailand)
Registration No. 3104

February 22, 2013

LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2012

Assets	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2012	2011	2012	2011
Current assets					
Cash and cash equivalents	4	205,679,514.61	25,161,256.56	185,793,219.94	1,390,156.94
Trade and other receivables	5	2,884,137.35	4,172,471.80	52,252,575.43	52,397,087.85
Inventories	6	321,120,379.95	349,786,929.87	55,269,019.29	94,628,373.09
Deposit for land cost	7	0.00	0.00	0.00	0.00
Other current assets		341,053.52	374,622.02	341,053.52	348,059.02
Total current assets		<u>530,025,085.43</u>	<u>379,495,280.25</u>	<u>293,655,868.18</u>	<u>148,763,676.90</u>
Non-current assets					
Investment in subsidiaries	8	0.00	0.00	0.00	129,999,400.00
Assets transfer to be collateral under repurchased agreement	9	125,050,000.00	171,050,000.00	0.00	0.00
Investment properties	10	6,720,199.46	74,482,175.01	0.00	0.00
Property, plant and equipment	11	2,400,723.49	8,575,372.18	2,364,164.87	1,209,552.35
Land held for development	12	74,840,000.00	74,840,000.00	0.00	0.00
Loans to related persons and parties	13.1.1	0.00	0.00	206,663,817.48	239,033,097.13
Loans to other parties	14	0.00	0.00	0.00	0.00
Pledged bank deposits	15	1,252,248.39	3,362,786.84	523,414.43	527,452.84
Prepaid leasehold right and land rental	16	0.00	0.00	0.00	0.00
Intangible assets	17	2,672,726.01	3,249,758.67	2,098,808.83	2,472,991.03
Other deposits and guarantees		1,866,428.20	1,420,856.00	497,872.20	42,300.00
Prepaid corporate income tax	18	6,286,874.61	25,523,531.42	2,170,491.20	20,300,997.19
Total non-current assets		<u>221,089,200.16</u>	<u>362,504,480.12</u>	<u>214,318,569.01</u>	<u>393,585,790.54</u>
Total assets		<u><u>751,114,285.59</u></u>	<u><u>741,999,760.37</u></u>	<u><u>507,974,437.19</u></u>	<u><u>542,349,467.44</u></u>

Notes to the financial statements form an integral part of these statements.

LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont.)

AS AT DECEMBER 31, 2012

Liabilities and shareholders 'equity	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2012	2011	2012	2011
Current liabilities					
Short - term loans from financial institution	19	45,000,000.00	45,000,000.00	45,000,000.00	45,000,000.00
Trade and other payables	20	42,396,859.61	80,440,962.80	61,572,745.19	95,948,816.45
Advance received from customers		3,474,809.00	10,556,958.01	2,120,749.00	5,346,318.01
Current portion of long-term liabilities	24, 25, 26	142,302,072.45	97,687,184.98	0.00	0.00
Land payables	21	0.00	12,419,581.52	0.00	12,419,581.52
Loans from related persons and parties	13.1.2	214,500.00	3,773,867.44	0.00	3,559,367.44
Loans from other persons	22	5,000,000.00	50,690,752.81	0.00	45,530,752.81
Payable under cancellation of agreement					
to buy and to sell of condominium units	23	16,894,944.92	34,695,970.97	15,915,718.10	31,398,962.00
Accrued withholding tax		238,890.16	51,915,234.59	154,958.98	36,784,783.36
Total current liabilities		255,522,076.14	387,180,513.12	124,764,171.27	275,988,581.59
Non-current liabilities					
Hire purchase payables	24	0.00	0.00	0.00	0.00
Long-term loans	25	112,442,635.48	23,638,067.81	0.00	0.00
Liabilities under debt restructuring agreement	26	0.00	142,302,072.45	0.00	0.00
Employee benefit obligations	28	2,385,756.80	1,194,610.00	1,897,763.19	948,881.59
Other non-current liabilities		7,276,515.83	7,466,446.41	0.00	0.00
Total non-current liabilities		122,104,908.11	174,601,196.67	1,897,763.19	948,881.59
Total liabilities		377,626,984.25	561,781,709.79	126,661,934.46	276,937,463.18

Notes to the financial statements form an integral part of these statements.

LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont.)

AS AT DECEMBER 31, 2012

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
Liabilities and shareholders' equity (Cont.)	Note	2012	2011	2012	2011
Shareholders' equity					
Share capital	29				
Authorized share capital					
3,340,000,000 ordinary shares of Baht 1.00 each		<u>3,340,000,000.00</u>	<u>3,340,000,000.00</u>	<u>3,340,000,000.00</u>	<u>3,340,000,000.00</u>
Issued and fully paid-up share capital					
2,100,000,000 ordinary shares of Baht 1.00 each		2,100,000,000.00		2,100,000,000.00	
780,000,000 ordinary shares of Baht 1.00 each			780,000,000.00		780,000,000.00
Premium (Discount) on share capital		(846,530,000.00)	143,470,000.00	(846,530,000.00)	143,470,000.00
Retained earnings (Deficit)					
Appropriated - legal reserve		11,350,000.00	11,350,000.00	11,350,000.00	11,350,000.00
Unappropriated		(888,426,970.18)	(751,697,201.74)	(883,507,497.27)	(669,407,995.74)
Different from business combination					
under common control		<u>(2,904,863.35)</u>	<u>(2,904,863.35)</u>	<u>0.00</u>	<u>0.00</u>
Total owners of the Company		373,488,166.47	180,217,934.91	381,312,502.73	265,412,004.26
Non-controlling interests		<u>(865.13)</u>	<u>115.67</u>	<u>0.00</u>	<u>0.00</u>
Total shareholders' equity		<u>373,487,301.34</u>	<u>180,218,050.58</u>	<u>381,312,502.73</u>	<u>265,412,004.26</u>
Total liabilities and shareholders' equity		751,114,285.59	741,999,760.37	507,974,437.19	542,349,467.44

Notes to the financial statements form an integral part of these statements.

LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2012

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Note	2012	2011	2012	2011
Revenues from sales		105,651,929.50	423,723,270.08	62,810,661.50	141,730,411.20
Revenues from services		512,600.00	628,390.00	0.00	0.00
Cost of sales		(102,929,333.29)	(355,287,508.30)	(64,864,001.25)	(135,388,012.48)
Cost of services		(487,980.17)	(615,642.64)	0.00	0.00
Gross profit (loss)		2,747,216.04	68,448,509.14	(2,053,339.75)	6,342,398.72
Other income					
Interest income		77,368.90	56,574.42	4,559.06	6,191.94
Gain on reversed provision for devaluation					
of deposits for land	7.2	0.00	30,000,000.00	0.00	0.00
Gain on dissolution of subsidiary		0.00	793,205.68	0.00	0.00
Gain on debt compromise	27	15,292,069.63	0.00	12,717,134.67	0.00
Gain (loss) on sales assets		1,788,897.82	0.00	(23,756.02)	0.00
Gain on transfer of assets to settle debt	6.2	878,486.01	700,200.00	878,486.01	0.00
Others		5,578,268.28	15,704,339.84	4,268,713.97	13,328,749.67
Total other income		23,615,090.64	47,254,319.94	17,845,137.69	13,334,941.61
Profit before expenses		26,362,306.68	115,702,829.08	15,791,797.94	19,677,340.33
Selling expenses		(10,903,835.86)	(34,719,025.01)	(3,167,554.61)	(6,908,857.54)
Administrative expenses		(86,227,952.06)	(79,083,181.48)	(36,966,856.69)	(42,025,836.69)
Other expenses					
Loss on impairment of investment	8.1	0.00	0.00	(129,999,400.00)	0.00
Loss on impairment of assets	9.4	(46,000,000.00)	0.00	0.00	0.00
Doubtful accounts on inter-company loans and					
interest receivable		0.00	0.00	(50,755,694.59)	(21,693,555.57)
Fines from delay of condominium assignment		0.00	(1,751,015.95)	0.00	(1,585,040.95)
Total other expenses		(46,000,000.00)	(1,751,015.95)	(180,755,094.59)	(23,278,596.52)
Total expenses		(143,131,787.92)	(115,553,222.44)	(220,889,505.89)	(72,213,290.75)
Profit (Loss) before finance costs		(116,769,481.24)	149,606.64	(205,097,707.95)	(52,535,950.42)
Finance costs		(19,961,268.00)	(48,124,460.35)	(9,001,793.58)	(21,439,686.66)
Profit (Loss) for the year		(136,730,749.24)	(47,974,853.71)	(214,099,501.53)	(73,975,637.08)
Other comprehensive income		0.00	0.00	0.00	0.00
Total comprehensive income (expense) for the year		(136,730,749.24)	(47,974,853.71)	(214,099,501.53)	(73,975,637.08)

Notes to the financial statements form an integral part of these statements.

LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (Cont.)

FOR THE YEAR ENDED DECEMBER 31, 2012

		<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<i>Note</i>	2012	2011	2012	2011
Attributable to :					
Owners of the Company		(136,729,768.44)	(47,974,879.88)	(214,099,501.53)	(73,975,637.08)
Non-controlling interests		<u>(980.80)</u>	<u>26.17</u>	<u>0.00</u>	<u>0.00</u>
		<u>(136,730,749.24)</u>	<u>(47,974,853.71)</u>	<u>(214,099,501.53)</u>	<u>(73,975,637.08)</u>
Earnings (loss) per share					
Basic earnings (loss) per share		(0.09)	(0.06)	(0.14)	(0.09)
Weighted average number of shares (share)		1,547,561,644	780,000,000	1,547,561,644	780,000,000

Notes to the financial statements form an integral part of these statements.

LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2012

	Consolidated financial statements (Baht)					
	Issued and paid-up share capital	Premium (Discount) on share capital	Retained earnings (Deficit)		Non-controlling interests	Total
			Appropriated - legal reserve	Unappropriated combination under the common control		
Balance as at January 1, 2011	780,000,000.00	143,470,000.00	11,350,000.00	(703,722,321.86)	89.50	228,192,904.29
Total comprehensive income (expense) for the year	0.00	0.00	0.00	(47,974,879.88)	26.17	(47,974,853.71)
Balance as at December 31, 2011	780,000,000.00	143,470,000.00	11,350,000.00	(751,697,201.74)	115.67	180,218,050.58
Balance as at January 1, 2012	780,000,000.00	143,470,000.00	11,350,000.00	(751,697,201.74)	115.67	180,218,050.58
Registered share capital increase	1,320,000,000.00	(990,000,000.00)	0.00	0.00	0.00	330,000,000.00
Total comprehensive income (expense) for the year	0.00	0.00	0.00	(136,729,768.44)	(980.80)	(136,730,749.24)
Balance as at December 31, 2012	2,100,000,000.00	(846,530,000.00)	11,350,000.00	(888,426,970.18)	(865.13)	373,487,301.34

Note

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Notes to the financial statements form an integral part of these statements.

LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2012

	Separate financial statements (Baht)				
	Issued and paid-up share capital	Premium on share capital	Retained earnings (Deficit)		Total
			Appropriated - legal reserve	Unappropriated	
Balance as at January 1, 2011	780,000,000.00	143,470,000.00	11,350,000.00	(595,432,358.66)	339,387,641.34
Total comprehensive income (expense) for the year	0.00	0.00	0.00	(73,975,637.08)	(73,975,637.08)
Balance as at December 31, 2011	780,000,000.00	143,470,000.00	11,350,000.00	(669,407,995.74)	265,412,004.26
Balance as at January 1, 2012	780,000,000.00	143,470,000.00	11,350,000.00	(669,407,995.74)	265,412,004.26
Registered share capital increase	1,320,000,000.00	(990,000,000.00)	0.00	0.00	330,000,000.00
Total comprehensive income (expense) for the year	0.00	0.00	0.00	(214,099,501.53)	(214,099,501.53)
Balance as at December 31, 2012	2,100,000,000.00	(846,530,000.00)	11,350,000.00	(883,507,497.27)	381,312,502.73

Notes to the financial statements form an integral part of these statements.

LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2012

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Cash flows from operating activities				
Profit (Loss) before income tax	(136,730,749.24)	(47,974,853.71)	(214,099,501.53)	(73,975,637.08)
Adjustment to reconcile net profit (loss) to net cash receipt (disbursement) from operation				
Depreciation	1,311,713.10	1,401,835.07	429,537.92	307,351.37
Amortized intangible assets	577,032.66	577,032.72	374,182.20	374,182.14
Loss on impairment of investments in subsidiaries	0.00	0.00	129,999,400.00	0.00
Loss on impairment of assets	46,000,000.00	0.00	0.00	0.00
Doubtful accounts on inter-company loans	0.00	0.00	50,755,694.59	21,693,555.57
(Gain) on dissolution of subsidiary	0.00	(793,205.68)	0.00	0.00
(Gain) loss on reversed provision for devaluation of deposits	0.00	(30,000,000.00)	0.00	0.00
(Gain) loss on debt settlement	(15,292,069.63)	0.00	(12,717,134.67)	0.00
(Gain) on sales of assets	(1,788,897.82)	0.00	23,756.02	0.00
(Gain) loss on transfer of assets to settle debt	(878,486.01)	(700,200.00)	(878,486.01)	0.00
Employee benefits expenses	1,194,610.00	1,194,610.00	948,881.60	948,881.59
Interest expenses	18,532,700.33	45,110,428.14	7,578,249.19	19,998,207.21
Other expenses	5,158,080.09	8,521,649.85	2,575,778.20	5,593,928.86
Other income	(4,706,311.78)	(944,452.78)	(4,290,128.64)	(158,966.96)
Changes in parts of operating assets,(increase) decrease				
Trade and other receivables	1,074,673.50	(2,475,321.66)	35,955.78	303,371.17
Inventories	28,316,536.74	110,756,747.66	36,931,127.09	113,467,422.20
Deposits for land	0.00	1,000,000.00	0.00	0.00
Other current assets	0.00	(25,359.22)	7,005.50	1,203.78
Land held for development	0.00	193,672,641.66	0.00	0.00
Other deposits and guarantees	(455,572.20)	(83,490.00)	(455,572.20)	(15,000.00)
Changes in parts of operating liabilities, increase (decrease)				
Trade and other payables	(24,769,500.46)	(70,976,242.48)	(23,981,829.74)	(20,306,036.08)
Advance received	(3,004,939.58)	(39,497,213.50)	(2,440,175.00)	(36,014,913.50)
Land payable	(12,419,581.52)	(68,282,680.53)	(12,419,581.52)	(45,282,680.53)
Payable from cancel of agreement to buy and to sell of condominium units	(15,075,858.71)	(6,729,499.08)	(10,813,401.45)	(10,076,615.71)
Other current liabilities	(35,110,228.95)	14,367,741.79	(20,059,580.88)	3,336,504.35
Cash generated (paid) from operation	(148,066,849.48)	108,120,168.25	(72,495,823.55)	(19,805,241.62)

Notes to the financial statements form an integral part of these statements

LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont.)
FOR THE YEAR ENDED DECEMBER 31, 2012

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Interest paid	(28,028,343.66)	(52,537,630.50)	(13,645,983.46)	(14,492,005.65)
Income tax paid	(1,879,193.29)	(4,407,766.82)	(679,686.35)	(1,490,804.85)
Net cash provided by (used in) operating activities	(177,974,386.43)	51,174,770.93	(86,821,493.36)	(35,788,052.12)
Cash flows from investing activities				
(Increase) Decrease in loans to related companies	0.00	0.00	(18,386,414.94)	24,557,851.64
(Increase) Decrease in pledged bank deposits	1,920,266.75	738,952.68	4,038.41	995,547.16
Payments for purchase of office equipment	(1,713,495.24)	(28,890.00)	(1,694,495.24)	(20,865.00)
Proceeds from investment properties	75,011,650.00	0.00	0.00	0.00
Proceeds from sale of office equipment	1,102,000.93	0.00	86,588.78	0.00
Net payment for dissolution of subsidiary	0.00	(1,088.33)	0.00	0.00
Net cash provided by (used in) investing activities	76,320,422.44	708,974.35	(19,990,282.99)	25,532,533.80
Cash flows from financing activities				
(Increase) Decrease in bank overdrafts and short-term loans	0.00	(2,890,800.00)	0.00	(2,890,800.00)
Increase (Decrease) in short-term loans from related persons	(3,559,367.44)	(3,585,500.00)	(3,559,367.44)	(3,800,000.00)
Increase (Decrease) in loans from other persons	(35,385,793.21)	(46,709,950.79)	(35,225,793.21)	3,130,049.21
Payments for hire-purchase liabilities	(159,900.00)	(407,174.19)	0.00	0.00
Increase (Decrease) in long-term loans	(8,722,717.31)	11,197,452.65	0.00	0.00
Proceeds from share capital increase	330,000,000.00	0.00	330,000,000.00	0.00
Net cash provided by (used in) financial activities	282,172,222.04	(42,395,972.33)	291,214,839.35	(3,560,750.79)
Net increase (decrease) in cash and cash equivalents	180,518,258.05	9,487,772.95	184,403,063.00	(13,816,269.11)
Cash and cash equivalents as at January 1	25,161,256.56	15,673,483.61	1,390,156.94	15,206,426.05
Cash and cash equivalents as at December 31	205,679,514.61	25,161,256.56	185,793,219.94	1,390,156.94

Supplemental disclosure of cash flows information as stated in note 35

Notes to the financial statements form an integral part of these statements

LIVING LAND CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

1. GENERAL INFORMATION

- 1.1 The Company is a listed company in the Stock Exchange of Thailand under the Thai law on July 13, 1993 with registration No. 0107536000684. The Company is located at 555/27, S S P1 Building, Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, North-Klongtun, Wattana, Bangkok.
- 1.2 The Company and subsidiaries engaged in business of property development for sales.

2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

2.1 Financial statements preparation

The financial statements have been prepared in conformity with the financial reporting standards enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of Department of Business Development by Ministry of Commerce dated September 28, 2011 regarding the condensed form should be included in the financial statements B.E. 2554 and the regulations of the Securities and Exchange Commission regarding the preparation and presentation of financial reporting under the Securities and Exchange Act B.E. 2535.

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

2.2 Issued and revised accounting standards/financial reporting standards

- 2.2.1 The new issued and revised financial reporting standards which are expected to be effective for the financial statements beginning on or after January 1, 2013 and have not been adopted in the preparation of these financial statements as follows:

Accounting Standards	Contents	Effective date
TAS 12	Income Taxes	January 1, 2013
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	January 1, 2013
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rate	January 1, 2013
Financial Reporting Standards		
TFRS 8	Operating Segments	January 1, 2013

Standing Interpretations	Contents	Effective date
TSIC 10	Government Assistance-No Specific Relation to Operating Activities	January 1, 2013
TSIC 21	Income Taxes-Recovery of Revalued Non-depreciable Assets	January 1, 2013
TSIC 25	Income Taxes-Changes in the Tax Status of an Enterprises or its Shareholders	January 1, 2013

The Company's management assessed and found that those standards will have no material impacts on the financial statements.

2.2.2 On January 17, 2013, the Federation of Accounting Professions has issued the financial reporting standards which pronounced in the Royal Gazette as follows:

Standing Interpretations	Contents	Effective date
TSIC 29	Service Concession Arrangements Disclosures	January 1, 2014
Financial Reporting Interpretations		
TFRIC 4	Determining whether an Arrangement contains a Lease	January 1, 2014
TFRIC 12	Service Concession Arrangements	January 1, 2014
TFRIC 13	Customers Loyalty Programmes	January 1, 2014
Accounting Guidance	Transfers of Financial Assets	January 1, 2013

At present, the Company is being evaluated the effects of those standards to the financial statements in the year in which they are initially applied.

2.3 The consolidated financial statements consist of the financial statements of Living Land Capital Public Company Limited, parent company, and its subsidiaries' financial statements in which Living Land Capital Public Company Limited has shareholding and significantly control in those subsidiaries as follows:

<u>Company's name</u>	<u>Type of business</u>	<u>Percentage of shareholding</u>		<u>Relationship</u>
		<u>2012</u>	<u>2011</u>	
Top Line Living Co., Ltd.	Property development	99.99	99.99	Subsidiary
Nantapop Co., Ltd.	Property development	99.99	99.99	Subsidiary
Tangerine Properties Co., Ltd.	Residence services	99.99	99.99	Subsidiary
Top Life Venture Co., Ltd.	Hotel and sport center	49.90	49.90	Subsidiary held by Tangerine Properties Co., Ltd.

- 2.4 These financial statements have been consolidated by including the financial statements of subsidiaries in which Living Land Capital Public Company Limited has a power to control such companies under the equity method when the balances and inter-company transactions have been eliminated from the consolidated financial statements.
- 2.5 The consolidated financial statements have been presented the consolidated financial position and results of operations of Living Land Capital Public Company Limited and its subsidiaries companies. The usefulness of transaction of consolidated financial statements for other purposes may be limited due to the difference business of those consolidated companies.
- 2.6 As at December 31, 2012 and 2011, the Company has different from business combination in the amount of Baht 2.90 million caused by the Company taken the financial statements of 4 subsidiaries to prepare the consolidated financial statements since September 30, 2007, the controllable date. Living Land Capital Public Company Limited has purchased ordinary shares of those subsidiaries which are controlled by the same group of management and shareholders of Living Land Capital Public Company Limited. The Company purchased such investment in par value of ordinary shares of each subsidiary. The objective of this purchasing is to restructure the investment of the group of companies. The Company has the objective to restructure the group of company's investment to avoid the contingency problem caused by the benefit contradiction, thus the assets and liabilities of subsidiaries in the consolidated financial statements are presented at the book value of such assets and liabilities as at the controllable date. The different of purchasing price and book value of net assets of 4 subsidiaries are presented under shareholders' equity in the consolidated financial statements as "Different from business combination under common control".

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Income and Expenses Recognition

3.1.1 Revenues from sales of condominium are recognized as income when the significant risk and rewards of ownership have been transferred to the buyer that the Company retains neither continuing managerial involvement nor effective control over the houses and condominium sold. The recognized amount and cost incurred in respect of the transaction can be measured reliably.

3.1.2 Revenues from the sales of land are recognized whenever the land, the significant risks and rewards have been transferred to the buyer.

3.1.3 Rental and services income relating to land, building and equipment are recognized on an accrual basis.

3.1.4 Revenues from service are recognized as income whenever the services are rendered.

3.1.5 Revenues and expenditures are recognized on an accrual basis.

3.1.6 Costs of land and houses, condominiums and properties sold are recognized as cost of sales based on proportion of land and houses, and condominium sold.

3.2 Cash and cash equivalents

Cash and cash equivalents included cash on hand, cash at banks and finance institutions of which are due within three months and restriction on withdrawal (excluding pledged deposits with banks and financial institutions).

3.3 Inventories Valuation

The Company and subsidiaries' inventories-properties foreclosed are valued at the lower of cost or net realizable value. Costs of inventories-properties foreclosed of each project consist of land cost, land acquisition cost, land development, related expenses of project and interest on borrowing relating to land acquisition and construction are capitalized as cost of goods and stopped to capitalize when the construction is completed which will be amortized as cost of sales in accordance with the size of land transferred.

3.4 Investment properties

Investment properties are properties held to earn rental or for capital appreciation or both, is measured at cost less accumulated depreciation and provision for impairment (if any). The depreciation is determined on a straight-line method as follows:

	Number of years
Building	20
Office furniture and fixture	10

3.5 Property, plant and equipment

Land is stated at cost, machinery and equipment are stated at cost less accumulated depreciation and provision for impairment loss of assets (if any).

Cost is included initial estimate of the costs of dismantling, removing the item and restoring the site on which it is located, the obligation for which the Company incurs. The residual value and the useful life of an asset are required to review at least at the financial year-end.

Depreciation is calculated on a straight-line method over the estimated useful lives of the assets as follows:

	Number of years
Building	20
Machinery, equipment and tools	5-20
Furniture and fixtures	5-10
Vehicles	5

3.6 Land held for development

Land held for development means land which the Company and subsidiaries intended to hold for the expected benefits and recorded as non-current assets, are stated at cost which may be adjusted by provision for impairment of assets. Cost is consisted of land cost and other expenses related to the acquisition of land including cost of borrowing incurred during the development of such land. The Company will stop to capitalize cost of borrowing during the development activity of land is ceased or completed.

3.7 Leasehold right and prepaid for land cost

Leasehold right and prepaid for land cost is recognized as expenses on a straight-line basis over period of the lease for 30 years.

3.8 Intangible assets

Intangible assets - computer software system is amortized on a straight-line method over the estimated useful lives for approximately 10 years.

3.9 Impairment of assets

The Company has assessed the impairment of assets on property, plant and equipment and properties foreclosed and other assets whenever events or changes indicate that the recoverable value of the asset is lower than the carrying value. Loss on impairment of asset shall be recognized in the statements of comprehensive income and shall be reversed whenever there is an indication that there is no longer impairment or reduction in impairment.

Recoverable value means net selling price of the asset or its utilization value whichever is higher. The Company will consider the impairment for each asset item or each asset unit generating cash flow, whichever is practical.

3.10 Hire purchase assets

Subsidiaries record assets under hire purchase agreement as assets and liabilities in an amount equal to the fair value of hire purchase assets at the inception of the agreement. Interest expenses are recorded to each period over the term of the agreements based on the outstanding balance of the liabilities of the hire purchase agreement during each period.

3.11 Corporate income tax

The Company and subsidiaries record corporate income taxes as expenses in the occurring period and calculated income tax as prescribed in the Revenue Code by calculating from recognized as income on the percentage of completion basis.

3.12 Earnings per share

3.12.1 Basic earnings per share

Earnings (Loss) per share as presented in the statements of comprehensive income is the basic earnings (loss) per share which is determined by dividing the net profit (loss) for the year by the weighted average number of ordinary shares issued during the year.

3.12.2 Diluted earnings per share

Diluted earnings per share is calculated by dividing profit for the period belonging to the Company's shareholders (excluded other comprehensive income (expense)) by the weighted average number of ordinary shares issued during the year and the diluted potential ordinary shares issued for conversion to ordinary shares by assuming that the conversion to ordinary shares as at the beginning of the year or the potential ordinary shares issuing date.

In 2012, the exercise price of warrants is higher than market price, then, diluted earnings per share was not calculated.

3.13 Accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles required the management to make several estimation and assumption which affect the reported amounts in the financial statements and notes related thereto. Consequent actual results may differ from these estimates.

The Company and subsidiaries make estimates and assumptions concerning the future factors. The results of accounting estimates may be differed from the related actual results. The estimates and assumptions that may have a risk of causing an adjustment to the assets in the next financial year related to allowance for doubtful accounts, provision for impairment of assets and cost of property development project at the statements of financial position date. Other estimates are described in the corresponding disclosures.

3.14 Provisions

The Company recognizes a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Company settles the obligation. The amount recognized should not exceed the amount of the provision.

4. CASH AND CASH EQUIVALENTS

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Cash	130,767.00	221,007.50	53,715.00	14,100.00
Current accounts	25,497,542.34	21,590,662.77	20,735,506.16	1,213,511.10
Savings deposit	166,639,205.27	3,349,586.29	165,003,998.78	162,545.84
Cheque for deposition	13,412,000.00	0.00	0.00	0.00
Total	<u>205,679,514.61</u>	<u>25,161,256.56</u>	<u>185,793,219.94</u>	<u>1,390,156.94</u>

5. TRADE AND OTHER RECEIVABLES

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Note	2012	2011	2012	2011
Other receivables					
Advance payment		1,696,776.00	509,559.08	256,110.00	370,066.58
Accrued income	13.1.3	0.00	0.00	19,500,000.00	19,500,000.00
Interest receivable	13.1.4	0.00	23,749.99	17,991,596.47	17,991,596.47
Accrued dividend received	13.1.5,30	0.00	0.00	13,882,436.40	13,882,436.40
Prepaid expenses		481,029.41	2,844,249.10	291,340.89	496,488.40
Others		706,331.94	794,913.63	331,091.67	156,500.00
Total		<u>2,884,137.55</u>	<u>4,172,471.80</u>	<u>52,252,575.43</u>	<u>52,397,087.85</u>

6. INVENTORIES

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Land and development cost	728,360,748.01	732,263,981.54	563,677,550.61	593,257,828.61
Construction expenses	985,338,472.20	962,717,115.19	754,716,806.52	747,666,806.52
Other expenses in project	164,086,012.45	158,229,362.38	107,989,292.43	107,564,163.27
Interest expenses	219,580,933.50	217,392,871.06	191,003,569.14	191,003,569.14
Total	2,097,366,166.16	2,070,603,330.17	1,617,387,218.70	1,639,492,367.54
Cost of sales - accumulated	<u>(1,776,245,786.21)</u>	<u>(1,720,816,400.30)</u>	<u>(1,562,118,199.41)</u>	<u>(1,544,863,994.45)</u>
Balance	<u>321,120,379.95</u>	<u>349,786,929.87</u>	<u>55,269,019.99</u>	<u>94,628,373.09</u>

- 6.1 As at December 31, 2012 and 2011, the Company and a subsidiary used land with its construction of each project which had net carrying value in the amount of Baht 237.91 million and Baht 264.25 million respectively (as at December 31, 2011, separate: Baht 12.02 million) to mortgage as collateral with bank against long-term loans as stated in note 25 and loans from other persons as stated in note 22.1
- 6.2 As at December 31, 2012, the Company has transferred condominium to settle debt to a payable which has carrying value amount of Baht 2.20 million in the debt value amount of Baht 3.08 million, resulted gain on debt settlement amount of Baht 0.88 million which was recorded in statements of comprehensive income in full amount.
- 6.3 As at December 31, 2012 and 2011, a subsidiary capitalized interest expenses as cost of project in the amount of Baht 2.19 million and Baht 2.31 million respectively.
- 6.4 As at December 31, 2012, the Company has changed the business plan by selling the incompleted development project for preserve the financial liquidity. Such project had the cost of Baht 50.04 million and sold in the price of Baht 42.00 million.
- 6.5 In the fourth quarter of 2011, a subsidiary has the completed of 1 development project and the Company has 1 completed project, totally 2 project. The construction of such project was delayed, as a result, some customers have exercised right to cancel agreement to buy and to sell and demand for down-payment including fines. As at December 31, 2012 and 2011, the remaining amount to be paid to customers equal to Baht 16.89 million and Baht 34.69 million respectively (separate : Baht 15.92 million and Baht 31.40 million respectively) by presenting as payable under cancellation of agreement to buy and to sell condominium units under other current liabilities as stated in note 23 and fines from delay of condominium units assignment for the years ended December 31, 2011 amount of Baht 1.75 million (separate : Baht 1.59 million)
- 6.6 As at December 31, 2011, inventories in form of condominium units for 5 units at carrying value amount of Baht 10.58 million are under the seize by the Official Receiver for settle debt in accordance with the judgment of the Court. Subsequent in 2012 such condominium units were revoked as stated in not 37.3.

7. DEPOSIT FOR LAND COST

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Deposit for land cost	68,987,530.00	68,987,530.00	64,987,530.00	64,987,530.00
Less Allowance for devaluation	(68,987,530.00)	(68,987,530.00)	(64,987,530.00)	(64,987,530.00)
Balance – net	0.00	0.00	0.00	0.00

- 7.1 As at December 31, 2012, the Company and subsidiary have paid deposit for land under several agreements to buy and to sell in which the ownership transferring is matured. Although the Company requested for extension of ownership transferring period, the Company could not transfer the ownership on due. The Company then estimated the allowance for devaluation in whole amounts. The Company had disclosed the obligation to be paid for land under agreement to buy and to sell as stated in note 36.2.

7.2 Two subsidiaries have reversed the provision for impairment of deposits for land amount of Baht 30.00 million since as at December 31, 2011, a subsidiary has transferred the right on deposits amount of Baht 29.00 million to the Company and the Company has made payment for such land under the agreement and received the ownership of land already. And another subsidiary has received the return of deposits in the amount of Baht 1.00 million.

8. INVESTMENT IN SUBSIDIARIES

Company	Percentage of shareholding	Separate financial statements (Baht)	
		2012	2011
		Cost method	Cost method
Top Line Living Co., Ltd.	99.99	159,999,400.00	159,999,400.00
Nantapop Co., Ltd.	99.99	72,099,400.00	72,099,400.00
Tangerine Property Co., Ltd.	99.99	49,999,400.00	49,999,400.00
(Indirect shareholding in subsidiary of Top Line Venture Co., Ltd. at 49.99%)			
Total		<u>282,098,200.00</u>	<u>282,098,200.00</u>
Less Provision for impairment of investment			
Top Line Living Co., Ltd.		(159,999,400.00)	(30,000,000.00)
Nantapop Co., Ltd.		(72,099,400.00)	(72,099,400.00)
Tangerine Property Co., Ltd.		<u>(49,999,400.00)</u>	<u>(49,999,400.00)</u>
Total		<u>(282,098,200.00)</u>	<u>(152,098,800.00)</u>
Net balance		<u>0.00</u>	<u>129,999,400.00</u>

As at December 31, 2012 and 2011, group of subsidiaries are unable to operate the project in accordance with the working plan since they are under the consideration to change the business plan. However the provision for impairment of investment was already recorded in the financial statements by estimating from expected benefits of net assets value of subsidiaries, remains at the end of fiscal period. The most assets value is closed to the appraisal value of the independent appraiser. In 2012, the provision for impairment of investment in a subsidiary was additionally provided in the amount of Baht 130 million since such subsidiary has capital deficiency operating.

9. ASSETS TRANSFER TO BE COLLATERAL UNDER RESALE AGREEMENT

	Consolidated financial statements (Baht)	
	2012	2011
Land and development project - net	174,292,538.26	174,292,538.26
Less Allowance for devaluation	<u>(49,242,538.26)</u>	<u>(3,242,538.269)</u>
Net	<u>125,050,000.00</u>	<u>171,050,000.00</u>

- 9.1 On December 21, 2011, a subsidiary has negotiated additional from covenants in the existing debt restructuring agreement to transfer assets (land) to settle debts under debt restructuring agreement in the amount of Baht 90.01 million. But the creditor allowed the subsidiary to repurchase such assets within 2 years at the amount of settlement including interest rate of MLR-0.5% per annum and during 2 years such subsidiary has to oversee such assets to be good condition as stated in note 26.1.2. Thus, such assets were reclassified from land and project held for development to assets transfer to be collateral under repurchase agreement.
- 9.2 Subsequent on May 16, 2012, a subsidiary has made attachment with the debt restructuring agreement and assent of the guarantor No.2 in order to increase the condition of transferring construction ownership structured on land which was previously transferred to settle debt as stated in note 9.1 at the settlement amount of Baht 1.16 million. The ownership was already transferred in July 2012.
- 9.3 In February 2012, the Company has led the independent appraiser to reappraise such land and project development by using market value amount of Baht 171.00 million.
- 9.4 As at December 31, 2012, in accordance with the Board of directors' meeting No. 11/2012 held on December 17, 2012, the Company has planed to redeem the collaterals and expected to sell at the price net of interest expenses of redemption and selling expenses amount of Baht 124.90 million which is lower than net cost amount of Baht 46.00 million, therefore, impairment of assets for the amount of Baht 46.00 was recorded in the financial statements in full amount.

10. INVESTMENT PROPERTIES

Consolidated financial statements (Baht)					
	December 31, 2011	Increase	Decrease	Transfer in	December 31, 2012
Cost :-					
Land and development cost	68,082,953.16	0.00	(68,082,953.16)	3,930,664.00	3,930,664.00
Building	7,159,000.00	0.00	(7,159,000.00)	3,722,100.00	3,722,100.00
Office equipment and furniture	78,613.00	0.00	(78,613.00)	0.00	0.00
Total cost	75,320,566.16	0.00	(75,320,566.16)	7,652,764.00	7,652,764.00
Accumulated depreciation :-					
Building	(806,123.02)	(267,726.98)	1,073,850.00	(932,564.54)	(932,564.54)
Office equipment and furniture	(32,268.13)	(11,571.99)	43,840.12	0.00	0.00
Total accumulated depreciation	(838,391.15)	(279,298.97)	1,117,690.12	(932,564.54)	(932,564.54)
Net	74,482,175.01				6,720,199.46
Depreciation for the	373,491.81				279,298.97

As at December 31, 2012, a subsidiary has recorded land, club houses to be improved to office building as investment properties as stated in notes 11 to financial statements.

11. PROPERTY, PLANT AND EQUIPMENT

As at December 31, 2012 and 2011 comprise

Consolidated financial statements (Baht)							
	Land	Leased land improvement	Building	Office equipment and furniture	Vehicles	Work in progress and installatio n	Total
Cost :							
As at December 31, 2010	3,930,664.00	928,000.00	3,722,100.00	6,099,333.28	5,675,178.00	819,737.03	21,175,012.31
Purchase	0.00	0.00	0.0	28,890.00	0.00	0.00	28,890.00
Others	690,000.00	0.00	0.00	0.00	0.00	0.00	690,000.00
As at December 31, 2011	4,620,664.00	928,000.00	3,722,100.00	6,128,223.28	5,675,178.00	819,737.03	21,893,902.31
Purchase	0.00	0.00	0.00	1,713,495.24	0.00	0.00	1,713,495.24
Disposal / transfer out	(3,930,664.00)	0.00	(3,722,100.00)	(2,514,698.32)	(1,923,118.00)	0.00	(12,090,580.32)
As at December 31, 2012	690,000.00	928,000.00	0.00	5,327,020.20	3,752,060.00	819,737.03	11,516,817.23
Accumulated depreciation							
As at December 31, 2010	0.00	0.00	560,354.54	5,182,468.82	4,799,626.48	0.00	10,542,449.84
Depreciation for the year	0.00	0.00	186,105.01	399,402.11	442,836.14	0.00	1,028,343.26
As at December 31, 2011	0.00	0.00	746,495.55	5,581,870.93	5,242,462.62	0.00	11,570,793.10
Depreciation for the year	0.00	0.00	186,104.99	446,263.58	400,045.56	0.00	1,032,414.13
Depreciation of disposal / transfer out	0.00	0.00	(932,564.54)	(2,394,265.50)	(1,908,020.48)	0.00	(5,234,850.52)
As at December 31, 2012	0.00	0.00	0.00	3,633,869.01	3,734,487.70	0.00	7,368,356.71
Provision for impairment of assets							
As at December 31, 2012	0.00	928,000.00	0.00	0.00	0.00	819,737.03	1,747,737.03
As at December 31, 2011	0.00	928,000.00	0.00	0.00	0.00	819,737.03	1,747,737.03
Net book value							
As at December 31, 2012	690,000.00	0.00	0.00	1,693,151.19	17,572.30	0.00	2,400,723.49
As at December 31, 2011	4,620,664.00	0.00	2,975,640.45	546,352.35	432,715.38	0.00	8,575,372.18
Depreciation for the year ended December 31, 2012							1,032,414.13
Depreciation for the year ended December 31, 2011							1,028,343.26

As at December 31, 2012, a subsidiary has reclassified land, club house to be improved at cost amount of Baht 7.65 million as investment properties as stated in note 10 to financial statements.

	Separate financial statements (Baht)		
	Land	Office equipment and furniture	Total
<u>Cost</u>			
As at Deember 31, 2010	690,000.00	1,826,365.54	2,516,365.54
Purchase	0.00	20,865.00	20,865.00
As at Deember 31, 2011	690,000.00	1,847,230.54	2,537,230.54
Purchase	0.00	1,694,495.25	1,694,495.24
Disposal / transfer out	0.00	(654,951.23)	(654,951.23)
As at Deember 31, 2012	690,000.00	2,866,774.55	3,576,774.55
<u>Accumulated depreciation</u>			
As at Deember 31, 2010	0.00	1,020,326.82	1,020,326.82
Depreciation for the year	0.00	307,351.37	307,351.37
As at Deember 31, 2011	0.00	1,327,678.19	1,327,678.19
Depreciation for the year	0.00	429,537.92	429,537.92
Depreciation of disposal / transfer out	0.00	(544,606.43)	(544,606.43)
As at Deember 31, 2012	0.00	1,212,609.68	1,212,609.68
<u>Net book value</u>			
As at Deember 31, 2012	690,000.00	1,674,164.87	2,364,164.87
As at Deember 31, 2011	690,000.00	519,552.35	1,209,552.35
Depreciation for the year ended December 31, 2012			429,537.92
Depreciation for the year ended December 31, 2011			307,351.37

12. LAND AND PROJECT HELD FOR DEVELOPMENT

	Consolidated financial statements	
	2012	2011
Land and project held for development	78,197,980.98	78,197,980.98
Less Provision for impairment	(3,357,980.98)	(3,357,980.98)
Net	74,840,000.00	74,840,000.00

13. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

The Company has significant transactions with related parties. These companies are related through common shareholders and/or directorship. A part of assets, liabilities, revenues and expenses arose from transaction with persons, subsidiaries and related companies. These financial statements reflected the results of such transaction by using the pricing policy as following:

No.	Persons and parties	Relationship		Transactions	Pricing policy
		2012	2011		
1	Top Line Living Co., Ltd.	A	A	- Loan to - Accrued project management service income/expenses	Non-interest bearing According to inter-company covenants At present, there is no service rendered
2	Nantapop Co., Ltd.	A	A	- Loans to	Non-interest bearing
	Tangerine Properties Co., Ltd.	A	A	- Loans to	
3	Falcon 9 Co., Ltd.	C, D	C, D	- Benefit from share pledging guaranteed loan of the Company	At the rate of 3% per annum of loan facility
4	Mr. Wanchai Subhaphayak	E	E	- Loans to the Company and subsidiary	Non-interest bearing
5	Mr. Manop Kheawchaoom***	F	E	- Guarantee loan facility of the	No remuneration
	Mr. Peepat Runguphan*	F	E	company and subsidiary	
	Mr. Nobphadol Thongpasert**	F	F		
	Mr. Wanchai Subhaphayak	E	E		

Note : Relationship

A – The Company's subsidiary

D – Common directors and shareholders

E – The Company and subsidiary's shareholder and director

F – Subsidiaries' shareholder

C – Major shareholder

* Resign form the Company's directors on January 13, 2012

** Resign form the Company's directors on August 8, 2011

*** Resign form the Company's directors on November 19, 2012

13.1 Transactions and amounts with related persons and parties in statements of financial position as at December 31, 2012 and 2011, are as follows:

13.1.1 Loans to related persons and parties

Separate financial statements (Baht)				
	December 31, 2011	Increase	Decrease/transfer out	December 31, 2012
Top Line Living Co., Ltd.	90,510,234.95	89,440,645.53	(13,146,000.00)	166,804,880.48
Nantapop Co., Ltd.	108,498,623.70	5,956,826.74	0.00	114,455,450.44
Tangerine Property Co., Ltd.	75,791,405.91	1,134,942.67	(65,000,000.00)	11,926,348.58
Total	274,800,264.56	96,532,414.94	(78,146,000.00)	293,186,679.50
(Less) Allowance for doubtful accounts	(35,767,167.43)	(50,755,694.59)	0.00	(86,522,862.02)
Net	239,033,097.13			206,663,817.48

As at December 31, 2012 and 2011, group of subsidiaries could not operate the project as plan since they lacked of financial liquidity and are under the seeking co-investor and the changing business plan. The Company has estimated allowance for doubtful accounts of loans and accrued interest receivable of loans in the financial statements by estimating from net assets value of subsidiaries at the end of period, the asset value closed to the appraisal value of independent appraiser. As at December 31, 2012, the allowance for doubtful accounts of subsidiary, Tangerine Property Co., Ltd. and Nantapop Co., Ltd. was additionally provided in the amount of Baht 4.76 million and Baht 46 million respectively.

13.1.2 Loans from related persons and parties

Consolidated financial statements (Baht)				
	December 31, 2011	Increase	Decrease	December 31, 2012
Mr. Wanchai Subhaphayak	3,773,867.44	0.00	(3,559,367.44)	214,500.00
Total	3,773,867.44	0.00	(3,559,367.44)	214,500.00

Separate financial statements (Baht)				
	December 31, 2011	Increase	Decrease	December 31, 2012
Mr. Wanchai Subhaphayak	3,559,367.44	0.00	(3,559,367.44)	0.00
Total	3,559,367.44	0.00	(3,559,367.44)	0.00

13.1.3 Accrued project management income

Separate financial statements (Baht)		
	2012	2011
Top Line Living Co., Ltd.	19,500,000.00	19,500,000.00

13.1.4 Accrued interest income - loans to related parties

	Separate financial statements (Baht)	
	2012	2011
Top Line Living Co., Ltd.	17,991,596.47	17,991,596.47
Nantapop Co., Ltd.	12,600,773.59	12,600,773.59
Tangerine Properties Co., Ltd.	3,341,770.63	3,341,770.63
Total	33,934,140.69	33,934,140.69
(Less) Allowance for doubtful accounts	(15,942,544.22)	(15,942,544.22)
Net	17,991,596.47	17,991,596.47

13.1.5 Accrued dividend income

	Separate financial statements (Baht)	
	2012	2011
Top Line Living Co., Ltd.	13,882,436.40	13,882,436.40

13.1.6 Accrued project management expense

	Separate financial statements (Baht)	
	2012	2011
Top Line Living Co., Ltd.	44,500,000.00	44,500,000.00

13.2 Transactions and amounts with related persons and parties in statements of comprehensive income for the years ended December 31, 2012 and 2011 are as follows :

13.2.1 Remuneration from pledged securities for loan guarantee

	Consolidated and Separate financial statements (Baht)	
	2012	2011
Falcon 9 Co., Ltd.	1,350,000.00	1,350,000.00

14. LOANS TO OTHER PARTIES

	Consolidated financial statements (Baht)	
	2012	2011
Loans to other parties	24,398,331.53	24,398,331.53
Less Allowance for doubtful accounts	(24,398,331.53)	(24,398,331.53)
Net	0.00	0.00

As at December 31, 2012 and 2011 loans to other parties used to be loans to a subsidiary which lent before 2007. Subsequent, at the end of 2009, investment in such subsidiary was sold. Investment in subsidiary was reclassified to loans to other company and provided allowance for doubtful accounts of such loans in full amount. The Company has proceeded by entering a civil claim in Court in the year 2011. At present, the court has sentenced such subsidiary to win the case and is being filed the petition for jointly average assets with other payables.

15. PLEDGED BANK DEPOSITS

As at December 31, 2012 and 2011 the Company and subsidiaries have savings deposit in the amount of Baht 1.25 million and Baht 3.36 million respectively (separate: amount of Baht 0.52 million) partial savings deposit in the amount of Baht 0.73 million and Baht 0.61 million respectively derived from collection the common utilities from customers of subsidiary. Such subsidiary is liable to transfer such collection when the village committee of each project has been already established. Such amount is recorded as other payables in the financial statements. The remaining amount of Baht 0.52 million and Baht 2.75 million is used as guaranteed against letter of guarantee the public utilities maintenance of a project.

16. PREPAID LEASEHOLD RIGHT AND LAND RENTAL

	Consolidated financial statements (Baht)	
	2012	2011
Prepaid leasehold right and land rental	7,002,000.00	7,002,000.00
<u>Less</u> Accumulated amortization	(2,471,001.47)	(2,471,001.47)
<u>Less</u> Provision for impairment of prepaid leasehold right and land rental	(4,530,998.53)	(4,530,998.53)
Balance – net	0.00	0.00

A subsidiary stopped the construction of sport centre project by recording the provision for impairment of prepaid leasehold right and land rental in the financial statements in full amount. However, the Company has disclosed obligations to be paid under leasehold right agreement as stated in note 36.3.

17. INTANGIBLE ASSETS

	Consolidated financial statements (Baht)			
	December 31, 2011	Increase	Decrease	December 31, 2012
Software	5,770,328.10	0.00	0.00	5,770,328.10
Accumulated amortization	(2,520,569.43)	(577,032.66)	0.00	(3,097,602.09)
Balance – net	3,249,758.67			2,672,726.01
Amortized software for the year	577,032.72			577,032.66

	Separate financial statements (Baht)			
	December 31, 2011	Increase	Decrease	December 31, 2012
Software	3,741,822.10	0.00	0.00	3,741,822.10
Accumulated amortization	(1,268,831.07)	(374,182.20)	0.00	(1,643,013.27)
Balance – net	2,472,991.03			2,098,808.83
Amortized software for the year	374,182.14			374,182.20

18. PREPAID WITHHOLDING INCOME TAX

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Prepaid withholding income tax	6,286,874.61	27,365,831.32	2,170,491.20	20,300,997.10
Less Provision for impairment of assets	0.00	(1,842,299.90)	0.00	0.00
Net	<u>6,286,874.61</u>	<u>25,523,531.42</u>	<u>2,170,491.20</u>	<u>20,300,997.10</u>

19. BANK OVERDRAFTS AND LOANS FROM FINANCIAL INSTITUTION

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Short-term loans from financial institution	45,000,000.00	45,000,000.00	45,000,000.00	45,000,000.00
Total	<u>45,000,000.00</u>	<u>45,000,000.00</u>	<u>45,000,000.00</u>	<u>45,000,000.00</u>

As at December 31, 2012 and 2011, the Company issued promissory notes in the amount of Baht 45 million to a financial institution at the interest rate of MLR+0.25% per annum, guaranteed by pledging securities of a related company and by the Company's director which are due at call.

20. TRADE AND OTHER PAYABLES

		Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	Note	2012	2011	2012	2011
20.1 Trade accounts payable					
Construction payable		10,288,217.92	26,908,607.14	5,841,416.96	16,897,632.23
Total trade accounts payable		<u>10,288,217.92</u>	<u>26,908,607.14</u>	<u>5,841,416.96</u>	<u>16,897,632.23</u>
20.2 Other payables					
Contractor retentions		5,739,818.13	6,803,661.73	176,250.00	216,210.43
Accrued expenses		23,280,658.56	35,452,768.12	10,568,020.45	26,723,021.07
Accrued project management expenses	13.1.6	0.00	0.00	44,500,000.00	44,500,000.00
Accrued interest expenses-					
other persons and parties		2,255,388.10	10,598,143.91	58,893.48	7,161,802.67
Others		<u>832,776.90</u>	<u>677,781.90</u>	<u>428,164.30</u>	<u>450,150.05</u>
Total other payables		<u>32,108,641.69</u>	<u>53,532,355.66</u>	<u>55,731,328.23</u>	<u>79,051,184.22</u>
Total trade and other payables		<u>42,396,859.61</u>	<u>80,440,962.80</u>	<u>61,572,745.19</u>	<u>95,948,816.45</u>

21. LAND PAYABLE

	Consolidated and Separate financial statements (Baht)	
	2012	2011
Land payable	0.00	12,419,581.52
Total	0.00	12,419,581.52

As at December 31, 2011, the Company has a land payable which is a land payable arose from condominium project construction with the condition that the payment interest is charged at 12-15% per annum, the payment is completed in 2012.

22. LOANS FROM OTHER PERSONS

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Principal	5,000,000.00	50,690,752.81	0.00	45,530,752.81
Total	5,000,000.00	50,690,752.81	0.00	45,530,752.81

22.1 As at December 31, 2012 and 2011, the Company and a subsidiary have loans from other persons in the amount of Baht 5 million and Baht 50.69 million respectively (as at December 31, 2011 separate: Baht 12.97 million) documented by promissory notes at the interest rate of 12 – 18% per annum which is due within 1 year, guaranteed by inventories as stated in note 6.1.

22.2 As at December 31, 2012, the Company made payment compromise with an individual payable, resulted gain on debt compromise in the amount of Baht 9.10 million.

23. PAYABLE UNDER CANCELLATION OF AGREEMENT TO BUY AND SELL OF CONDOMINIUM UNITS

23.1 As at December 31, 2012 and 2011, the Company and a subsidiary have payable amount Baht 16.89 million and Baht 34.70 million respectively (separate: Baht 15.92 million and Baht 31.40 million respectively) arose from customers cancel agreement to buy and sell of condominium units which the Company has to return amount received in advance and fines from breach of agreement to buy and to sell and also recorded interest at the rate of 7.5% to 15% per annum.

23.2 As at December 31, 2012, the Company and subsidiary made repayment compromise with those customers payable and completely repaid for 26 customers (separate: 19 customers), resulted gain on debt compromise amount of Baht 4.88 million (separate: Baht 3.54 million).

24. HIRE PURCHASE PAYABLE

	Consolidated financial statements (Baht)	
	2012	2011
Hire purchase payable	0.00	159,900.00
Current portion of hire purchase payable	0.00	(159,900.0)
Total	0.00	0.00

25. LONG-TERM LOANS

	Consolidated financial statements (Baht)	
	2012	2011
Long-term loans		
- Commercial banks	43,052,950.50	47,488,067.81
- Financial institutions	69,389,684.98	73,677,284.98
Total	112,442,635.48	121,165,352.79
Less Current portion of long-term loans	0.00	(97,527,284.98)
Long-term loans-net	112,442,635.48	23,638,067.81

As at December 31, 2012 and 2011, a subsidiary has obtained loans from two commercial bank and financial institution for total credit line of Baht 179.30 million at the interest rate of MLR+2.5% - 3.75% per annum by paying interest every month and the principal is repayable based on the redemption of property foreclosed ratio at the rate 70 to 80% of selling price. Subsidiary has to make loans repayment to be completed in 2013-2015 in accordance with the existing agreement and supplement covenants in the first quarter of 2012 which requested to extend the repayment maturity from 2013 to be 2015. Such loans are guaranteed by mortgaging land with its construction of each loaned project as stated in note 6.1 and personal guarantee by the Company's directors and a related company.

26. LIABILITIES UNDER DEBT RESTRUCTURING AGREEMENT

26.1 On September 29, 2010, a subsidiary entered into debt restructuring agreement with a commercial bank by transferring current portion of long-term loans amount of Baht 109.25 million and accrued interest of Baht 32.18 million, total debt balance as at the restructuring date amount of Baht 141.43 million presented as liabilities under debt restructuring agreement and made installment under the condition in such debt restructuring agreement. Until April 2011, the Company was unable to comply with the agreement as previously agreed, thus, the continuously negotiation for extension payment period until December 15, 2011. The Company has negotiated and agreed the payment condition to be new condition by making attachment with existing debt restructuring agreement as follows:

26.1.1 Base on the existing condition (on June 29, 2010)

26.1.1.1 The outstanding principal amount of Baht 109.25 million is repayable on monthly basis since the signing date in debt restructuring agreement, by making amount of Baht 0.10 million for the 1st-12th month and Baht 1.81 million for the 13th-72nd month. This principal is charged the interest at the rate of MLR per annum and the interest for the 1st-12th month is suspended and is payable in the 13th-71st month in the amount of Baht 0.01 million each and the remaining is payable in the 72nd month (June 2016).

26.1.1.2 The first part of accrued interest expenses amount of Baht 15.90 million under the existing agreement (MLR+1%) is payable on monthly basis through 71 months amount of Baht 0.01 million each from the signing date in debt restructuring agreement and the remaining will be made in the 72nd month (June 2016).

26.1.1.3 The second part of accrued interest expenses amount of Baht 16.28 million is the suspended interest which exceeded from the normal interest rate (defaulted rate). The bank will grant the Company's debt obligation when the repayment is completed in the 72nd month (June 2016) from the signing date of debt restructuring agreement.

26.1.2 Base on the supplement condition (on December 15, 2011) required to make payment for the remaining principals and accrued interest as at December 15, 2011 amount of Baht 142.30 million as follows:

26.1.2.1 Transfer assets as guarantee debt settlement within December 23, 2011, the assets had the value amount of Baht 90.01 million. The Company has transferred such assets on December 21, 2011 as stated in note 9 to financial statements and subsequent on May 16, 2012, a subsidiary made memorandum attached to debt restructuring agreement and assent of guarantor No.2 on December 21, 2011 by increasing condition for transferring of ownership of construction structured on land used in debt settlement in the settlement price equal to Baht 1.16 million.

26.1.2.2 Allow the right to repurchase within 2 years from the date of bank received the transferring of debt at the transferring price plus carrying cost (MLR-0.50% per annum) with the condition to payment the remaining principal amount of Baht 18.24 million and incurred new interest at the rate of MLR-0.05% per annum in the assets repurchasing date.

26.1.2.3 Allow the first right of refusal within 1 year for the repurchasing date that receivable must reply within 60 days from the date of notice from bank in the transferring price plus carrying cost (MLR-0.50% per annum) or in the offering price to purchase of the individuals whichever is higher.

26.1.2.4 The remaining amount of Baht 18.24 million charged interest at the rate of MLR-0.50% per annum is repayable with the remaining principal within 24 months from the debt settlement. The existing accrued interest from the accrual date until the transferring assets to settle debt when the condition could be complied that loans facility will be cancelled and written off.

26.1.3 Details of remaining debt under debt restructuring agreement are as follows:

	Consolidated financial statements (Baht)
Liabilities as at June 29, 2010	
Current portion of long-term loans	109,249,285.87
Accrued interest expenses	32,180,230.25
Total liabilities	141,429,516.12
Add Future interest to be paid	
Compare with the existing debt incurred during June 29, 2010 until the date of inability to comply with the existing condition	1,972,556.33
Less Payment under the existing condition until the date of inability to comply with the existing condition	(1,100,000.00)
Total liabilities	142,302,072.45

	Consolidated financial statements (Baht)	
	2012	2011
Divided liabilities must be complied with the condition are as follows:		
1) Debt was not recorded to reduce debt from transfer assets to settle debt since has a right to repurchase within 2 years	91,164,700.00	90,008,700.00
2) The remaining debt repaid within 2 years	17,084,585.87	18,240,585.87
3) Interest incurred from 2 parts of principal within 2 years (MLR-0.50%)	14,813,840.52	14,813,840.52
4) Waived debt from comply with agreement	19,238,946.06	19,238,946.06
Balance-net	142,302,072.45	142,302,072.45

26.1.4 Liabilities under debt restructuring agreement consist of

	Consolidated financial statements (Baht)	
	2011	2010
Liabilities under debt restructuring agreement	142,302,072.45	142,302,072.45
(Less) Current portion of liabilities under debt restructuring agreement	(142,302,072.45)	0.00
Balance-net	0.00	142,302,072.45

27. GAIN ON DEBT COMPROMISE

	Not e	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2012	2011	2012	2011
Gain on debt compromise- loans from other persons withholding inc					
from other persons	22.2	9,104,959.60	0.00	9,104,959.60	0.00
Gain on debt compromise- navable					
from cancel agreement to buy and to sell of condominium	23.2	4,883,186.26	0.00	3,536,045.95	0.00
Gain on compromise of trade and other payables		<u>1,303,923.77</u>	<u>0.00</u>	<u>76,129.12</u>	<u>0.00</u>
Net		<u>15,292,069.63</u>	<u>0.00</u>	<u>12,717,134.67</u>	<u>0.00</u>

28. EMPLOYEE BENEFIT PROVISIONS

The Company and subsidiaries adopted TAS 19 "Employee Benefits". From change in accounting policy, the Company and subsidiaries recognized employee benefit provisions incurred before 2011 as expenses on a straight-line basis for over the period of 5 years in accordance with the transitional provisions of this standard as follows:

	Statements of financial position As at December 31, 2012 (Baht)	
	Consolidated financial statements	Separate financial statements
Employee benefit provisions incurred before 2011	3,966,274.00	3,172,032.00
(Less) Amortized employee benefit expenses	<u>(1,392,758.40)</u>	<u>(1,268,812.80)</u>
Unrealized employee benefit provisions	<u>2,573,515.60</u>	<u>1,903,219.20</u>
Employee benefit provisions consist of		
Employee benefit expenses before 2011	1,392,758.40	1,268,812.80
Employee benefit expenses of year 2011	494,767.60	235,856.39
Employee benefit expenses of year 2012	<u>498,230.80</u>	<u>393,094.00</u>
Total	<u>2,385,756.80</u>	<u>1,897,763.19</u>

29. SHARE CAPITAL

According to the minutes of shareholders' extraordinary

meeting No. 1/2011 held on September 21, 2011

1. Resolution to decrease share capital from Baht 1,015.00 million to Baht 780.00 million.

2. Has resolution to issue warrants to purchase ordinary shares of the Company for offering to the existing shareholders who exercised right to subscribe ordinary share issue to the existing shareholders based on Right Offering without offering price (exercise period within 3 years from the issuance date) with the exercise price of Baht 1 per share.

3. Resolution to increase share capital 2,560 million shares at par of Baht 1 each including the existing share capital for 780 million shares, totally 3,340 million shares and the allocation is as follows:

3.1 Allocate the increase share capital not exceeds 780 million shares to the existing shareholders based on Right Offering at 1 old share to 1 new share of Baht 0.25 each, amounted to Baht 195.00 million. The remaining share capital from the first lot will be allocated to the existing shareholders who subscribe for additional share

3.2 Allocate the increase share capital not exceeds 780 million shares reserve for the exercise right of warrants as per No. 2.

3.3 Allocate the increase share capital not exceeds 1,000 million shares to the private placement such as specific investors and financial institution investors in the offering price will not be lower than 90% of the market price, at the price not less than that as offer to the existing shareholders (calculate by average closing price 14 days before offer day).

Proceeding

- Registered the decrease share capital with the Ministry of Commerce on September 30, 2011

-On February 15, 2012, the Company has issued warrants with the exercise period of 3 years ended February 13, 2015

At present, there is no exercise of warrants.

-Registered with the Ministry of Commerce on December 7, 2011.

-Registered the increase share capital and allocation with the Ministry of Commerce on February 7, 2012 and has registered and paid-up from 780 million shares to 1,560 million shares at the additional paid-up amount of Baht 195 million and had discount on share capital amount of Baht 585 million.

-As at December 31, 2012, there is no exercise of warrants

-According to the resolution of Board of directors' meeting No.8/2012, passed to sell share capital to specific investors for 310 million shares in the price of Baht 0.25 each, amounting to Baht 77.50 million and had received the payment in full. The Company has registered the increase share capital from 1,560 shares to 1,870 shares with the Ministry of Commerce on October 19, 2012, resulted to the discount on share capital amount of Baht 232.50 million.

-According to the resolution of Board of directors' meeting No.11/2012, passed to sell share capital to specific investors for the remaining 690 million shares in the price of Baht0.25 each, amounting to Baht 172.50 million which was called for payment already and registered with the Ministry of Commerce as below:

- 1.Call for payment for 230 million shares amount of Baht52.50 million and registered the increase paid-up share capital from 1,870 million shares to 2,100 million shares with the Ministry of Commerce on December 25, 2012, resulted to the discount on share capital amount of Baht 172.50 million.
- 2.Call for payment for 460 million shares amount of Baht120.00 million and registered the increase paid-up share capital from 2,100 million shares to 2,560 million shares with the Ministry of Commerce on January 15, 2013.

30. DIVIDEND

In the first quarter of 2009, according to the minutes of 2009 Annual General Meeting of shareholders held on March 27, 2009, a subsidiary declared to pay dividend to 1,600,000 shares at the rate approximately Baht 8.68 each, total Baht 13,882,448.46. At present, the dividend was not paid to the shareholders yet.

31. LEGAL RESERVE

Under the provision of the Public Company Limited Act B.E. 2535, the Company is required to set aside as legal reserve at least 5% of its annual net profit after deducting with deficit brought forwards (if any) until the reserve reaches 10% of authorized capital. The reserve is not available for dividend distribution.

32. DIRECTORS' REMUNERATION

According to the Annual General Meeting of shareholders No. 1/2012 held on April 23, 2012, passed resolution to determine remuneration for directors of the Company and subsidiaries who diligently work for the Company and subsidiaries for maximum Baht 1.24 million per year, excluding welfare or benefits that the directors receive as staff of the Company and subsidiaries. The Company and subsidiaries recorded this transaction as expenses.

33. MANAGEMENT BENEFIT EXPENSES

Benefits paid to executive directors, chief executive officer and the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels comprise salary, consultant fee, bonus, meeting allowance, retirement pay, fuel expense and telephone charge and post-employment benefits. For the year 2012 and 2011, the Company has management benefit expenses of Baht 13.81 million and Baht 16.75 million respectively.

34. EXPENSES ANALYZED BY NATURE

Significant expenses analyzed by nature are as follows:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Changes in inventories	28,666,549.92	79,449,261.98	39,359,353.80	84,467,422.20
Purchase of land and construction cost	76,817,978.99	88,973,828.94	27,932,874.16	50,928,203.77
Salaries and other employee benefits	24,137,081.00	28,249,379.13	5,170,200.34	5,199,806.41
Management benefit expenses	13,812,186.16	16,745,875.00	13,812,186.16	16,745,875.00
Depreciation and amortization	1,888,745.76	1,978,867.79	803,720.12	681,533.51

35. ADDITIONAL OF CASH FLOWS INFORMATION

35.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and deposits at bank presented in statements of financial positions as follows:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Cash and cash equivalents	205,679,514.61	25,161,256.56	185,793,219.94	1,390,156.94

35.2 Non-monetary transactions

35.2.1 As at December 31, 2012, the Company has transferred inventories at carrying value amount of Baht 2.20 million to settle debt to trade accounts receivable in the amount of Baht 3.08 million, resulted gain on debt settlement amount of Baht 0.88 million.

35.2.2 As at December 31, 2011, a subsidiary has transferred part of land held for development amount of Baht 15.41 million to the parent company and a related company in order to settle debt in the amount of Baht 16.11 million by offsetting inter-company transaction, and resulted gain on transfer assets to settle debt amount of Baht 0.70 million.

35.2.3 Gain on dissolution of subsidiary

On August 3, 2011, a subsidiary (Living Land Asset Management Co., Ltd.) has registered to dissolve its business with the Department of Business Development, resulted gain on dissolution of such subsidiary are detailed as following:

	Consolidated financial statements (Baht) 2011
Cash and cash equivalents	1,088.33
Accrued interest income	20,813.58
Other non-current assets	0.07
Accrued expenses	(75,000.00)
Other current liabilities	(50,107.66)
Net book value of assets before non-controlling interests	(103,205.68)
Non-controlling interests	0.00
Net book value of assets	(103,205.66)
Less Gain on sale of inter-company land	(690,000.00)
Gain on dissolution of subsidiary	(793,205.68)
Proceeds from dissolution of subsidiary	0.00
Less Cash and cash equivalents in subsidiary at the dissolution date	(1,088.33)
Net cash paid for dissolution of subsidiary	(1,088.33)

36. COMMITMENT

- 36.1 As at December 31, 2012 and 2011, a subsidiary has commitment on payment to contractor from entering into hire of the construction contractor agreement of each project to be completed amounting to Baht 0.74 million and Baht 8.35 million respectively.
- 36.2 As at December 31, 2012 and 2011, the Company has commitment on payment land cost under agreement to buy and to sell in the case of the Company intend to purchase such land as stated in note 7.1 amounted to Baht 57.33 million.
- 36.3 As at December 31, 2012 and 2011, a subsidiary has commitment on payment for land cost and leasehold right under lease agreement amounted to Baht 36.43 million, the lease period commenced on July 12, 2007 to July 11, 2037. The payment will be made in advance every 5 years. The next payment will be made on July 12, 2014.

- 36.4 As at December 31, 2012 and 2011 the Company and subsidiaries have commitment on payment rental and service fee for entering into lease and service agreement amount of Baht 5.04 million and Baht 1.24 million respectively (separate: Baht 4.35 million and Baht 0.36 million respectively).
- 36.5 As at December 31, 2012 and 2011 the Company has commitment on payment interest at the rate as mentioned in note 6.5 and 23.1 of down payment received from customers, in the case of such customers cancelled agreement to buy and to sell condominium units caused by the Company could not transfer the ownership on maturity and return down payment to those customers.

36.6 Obligation to complete projects on hand

	Consolidated financial statements (project)		Separate financial statements (project)	
	2012	2011	2012	2011
Number of project on hand, beginning of the period	4	6	2	2
Number of closed project	0	(2)	0	0
Number of new project	0	0	0	0
Number of project on hand, ending of the period	4	4	2	2

	Consolidated financial statements (Million Baht)		Separate financial statements (Million Baht)	
	2012	2011	2012	2011
Valuation of project on hand	2,735.50	2,767.61	1,964.97	1,970.52
Contract sales value	2,210.36	2,162.41	1,936.85	1,923.80
Sales value of project on hand (%)	80.80	78.13	98.57	97.63

37. CONTINGENT LIABILITIES

- 37.1 As at December 31, 2012 and 2011, the Company and two subsidiaries have contingent liabilities from bank's issuance of letter of guarantee for the project development in the amount of Baht 16.88 million and Baht 19.13 million respectively (separate : Baht 0.37 million and Baht 0.52 million respectively).
- 37.2 As at December 31, 2010, a subsidiary purchased land held for development value of Baht 170.13 million and was already transferred the ownership. Such land was mortgaged in favor of loan from a financial institution with credit line as the land with its future construction amount of Baht 600 million as stipulated in mortgage agreement dated November 27, 2007. Later a subsidiary was sued as joined defendant in the alleged of infringement and claim for damages from land purchasing for the debt value of Baht 600 million. On September 25, 2009, the Court

of First Instance has ordered to dismiss a case and the plaintiff did not file the appeal, thus, the case is terminated base on the Court of First Instance's sentence. However, on December 8, 2009, the Company was sued for another unfinished criminal case no. 7199/2552 relating to such land with the application for request the subsidiary to transfer such plots of land to the plaintiff and the Court ordered to garnish such land during the try a case. Subsequent, the subsidiary filed the petition to cancel the ordering for garnish such plots of land of the Court since the Central Bankruptcy Court ordered the plaintiff as a bankrupt before prosecution. Therefore, the plaintiff has not a right to bring a civil case which enforced the subsidiary to transfer the ownership of land to the plaintiff. On November 1, 2011, the Court has ordered to cancel for interim safeguard against such land, as a result, subsidiary is able to transfer, sell, distribute or enter into any juristic act relating to such land. Subsidiary has sold such land on October 13, 2011 as stated in note 12.2. However, the criminal case has not been finalized and still pending the Court's trial.

- 37.3 In 2011, the Company was sued for alleged of the breach of debt repayment agreement for the principal of Baht 9.37 million included interest at the rate of 7.5% per annum which calculated since December 11, 2010 onwards until the repayment is completed. The Company agreed to make installments. However, the Company has not made installments as agreed. Therefore, at the end of 2011, the Company's condominium units are under the seize by the Official Receiver for 5 units (as stated in note 6.6) which is presented as inventories in the financial statements at cost amount of Baht 10.58 million. As at December 31, 2011, the Company has recorded principal liabilities in whole amount and interest obligation amount of Baht 0.70 million was not recorded in the financial statements. The Company expects that it could negotiate for making repayment in whole amount and redeem the seize of 5 units of condominium when the case came to an end in 2012.

38. FINANCIAL INFORMATION BY SEGMENT

- 38.1 The Company's operation involve virtually in only property development for sale, thus there is no presentation the financial information by segment in the separate financial statements.
- 38.2 In 2012, two subsidiaries' operated in property development for sale, two subsidiaries engaged in other business which is not property development but those subsidiaries are being stopped the project, thus, revenues from their service is going down. The Company and subsidiaries have operated in only geographical segment in Thailand. The financial information by segment in the consolidated financial statements for the year ended December 31, 2012 and 2011 is presented as follows:

As at December 31, 2012, details are as follows:

Consolidated financial statements (Baht)

Transactions	Property development business	Rent and services business	Total	Inter-elimination	Consolidated financial statements
Revenue from sales	105,651,929.50	0.00	105,651,929.50	0.00	105,651,929.50
Revenue from services	0.00	512,600.00	512,600.00	0.00	512,600.00
Cost of sales	(102,929,333.29)	0.00	(102,929,333.29)	0.00	(102,929,333.29)
Cost of services	0.00	(487,980.17)	(487,980.17)	0.00	(487,980.17)
Gross profit	2,722,596.21	24,619.83	2,747,216.04	0.00	2,747,216.04
Other income :					
Interest income	77,367.77	656,683.15	734,050.50	(656,681.60)	77,368.90
Gain on debt compromise	14,797,172.69	494,896.94	15,292,069.63	0.00	15,292,069.63
Gain on sales of assets	980,123.86	808,773.96	1,788,897.82	0.00	1,788,897.82
Gain on debt settlement	878,486.01	0.00	878,486.01	0.00	878,486.01
Others	5,099,742.40	478,525.88	5,578,268.28	0.00	5,578,268.28
Total other income	21,832,892.33	2,438,879.91	24,271,772.24	(656,681.60)	23,615,090.64
Selling expenses	(9,602,028.26)	(1,310,807.60)	(10,903,835.86)	0.00	(10,903,835.86)
Administrative expenses	(80,334,688.45)	(3,826,482.81)	(84,161,171.26)	(2,066,780.80)	(86,227,952.06)
Other expenses :					
Loss on impairment of assets	(46,000,000.00)		(46,000,000.00)	0.00	(46,000,000.00)
Loss on impairment of investment	(129,999,400.00)	0.00	(129,999,400.00)	129,999,400.00	0.00
Doubtful accounts on inter-loans	(50,755,694.59)	0.00	(50,755,694.59)	50,755,694.59	0.00
Total expenses	(316,691,811.30)	(5,128,290.41)	(321,820,101.71)	178,688,313.79	(143,131,787.92)
Profit (loss) before finance costs	(292,136,322.76)	(2,664,790.67)	(294,801,113.43)	178,031,632.19	(116,769,481.24)
Finance costs	(19,211,268.00)	(1,406,681.60)	(20,167,949.60)	656,681.60	(19,961,268.00)
Profit (loss) for the year	(311,347,590.76)	(4,071,472.27)	(315,419,063.03)	178,688,313.79	(136,730,749.24)
Other comprehensive income	0.00	0.00	0.00	0.00	0.00
Total comprehensive income	(311,347,590.76)	(4,071,472.27)	(315,419,063.03)	178,688,313.79	(136,730,749.24)
Attributable to :					
Owners of the Company	(311,347,590.76)	(4,071,472.27)	(315,419,063.03)	178,689,294.59	(136,729,768.44)
Non-controlling interests	0.00	0.00	0.00	(980.80)	(980.80)
	(311,347,590.76)	(4,071,472.27)	(315,419,063.03)	178,688,313.79	(136,730,749.24)

Consolidated financial statements (Baht)

Transactions	Property development business	Rent and services business	Total	Inter-elimination	Consolidated financial statements
Segment – assets					
Inventories – net	321,120,379.95	0.00	321,120,379.95	0.00	321,120,379.95
Assets transfer to be collateral					
under debt restructuring	125,050,000.00	0.00	125,050,000.00	0.00	125,050,000.00
Investment properties	6,720,199.46	0.00	6,720,199.46	0.00	6,720,199.46
Property, plant and equipment – net	2,400,723.49	0.00	2,400,723.49	0.00	2,400,723.49
Land held for development	74,840,000.00	0.00	74,840,000.00	0.00	74,840,000.00
Other assets	594,390,995.78	17,378,962.42	611,769,958.20	(390,786,975.51)	220,982,982.69
Total assets in financial statements	1,124,522,298.68	17,378,962.42	1,141,901,261.10	(390,786,975.51)	751,114,285.59
Depreciation	1,032,414.13	279,298.97	1,311,713.10	0.00	1,311,713.10
As at December 31, 2011, details are as follows:					

Consolidated financial statements (Baht)

Transactions	Property development business	Rent and services business	Total	Inter-elimination	Consolidated financial statements
Revenue from sales	423,723,270.08	0.00	423,723,270.08	0.00	423,723,270.08
Revenue from services	0.00	628,390.00	628,390.00	0.00	628,390.00
Cost of sales	(355,287,508.30)	0.00	(355,287,508.30)	0.00	(355,287,508.30)
Cost of services	0.00	(615,642.64)	(615,642.64)	0.00	(615,642.64)
Gross profit	68,435,761.78	12,747.36	68,448,509.14	0.00	68,448,509.14
Other income :					
Interest income	56,571.66	585,625.99	642,197.65	(585,623.23)	56,574.42
Gain on reversed allowance for devaluation of land deposit	30,000,000.00	0.00	30,000,000.00	0.00	30,000,000.00
Gain on reversed impairment loss of land	700,200.00	0.00	700,200.00	0.00	700,200.00
Gain on cancel of investment in subsidiary	0.00	0.00	0.00	793,205.68	793,205.68
Others	15,315,482.96	388,856.88	15,704,339.84	0.00	15,704,339.84
Total other income	46,072,254.62	974,482.87	47,046,737.49	207,582.45	47,254,319.94
Selling expenses	(34,171,409.96)	(547,615.05)	(34,719,025.01)	0.00	(34,719,025.01)
Administrative expenses	(77,718,229.18)	(1,364,952.30)	(79,083,181.48)	0.00	(79,083,181.48)

Transactions	Consolidated financial statements				
	Property development business	Rent and services business	Total	Inter-elimination	Consolidated financial statements
Other expenses :					
Doubtful accounts on inter-loans	(21,693,555.57)	0.00	(21,693,555.57)	21,693,555.57	0.00
Fines from delay of condominium assignment	(1,751,015.95)	0.00	(1,751,015.95)	0.00	(1,751,015.95)
Total other expenses	(23,444,571.52)	0.00	(23,444,571.52)	21,693,555.57	(1,751,015.95)
Total expenses	(135,334,210.66)	(1,912,567.35)	(137,246,778.01)	21,693,555.57	(115,553,222.44)
Profit (loss) before finance costs	(20,826,194.26)	(925,337.12)	(21,751,531.38)	21,901,138.02	149,606.64
Finance costs	(47,374,460.19)	(1,335,623.39)	(48,710,083.58)	585,623.23	(48,124,460.35)
Profit (Loss) for the year	(68,200,654.45)	(2,260,960.51)	(70,461,614.96)	22,486,761.25	(47,974,853.71)
Other comprehensive income	0.00	0.00	0.00	0.00	0.00
Total comprehensive income (expense) for the year	(68,200,654.45)	(2,260,960.51)	(70,461,614.96)	(22,486,761.25)	47,974,853.71
Attributable to:					
Owners of the Company	(68,200,654.45)	(2,260,960.51)	(70,461,614.96)	22,486,787.42	(47,974,827.54)
Non-controlling interests	0.00	0.00	0.00	(26.17)	(26.17)
Segment assets	(68,200,654.45)	(2,260,960.51)	(70,461,614.96)	22,486,761.25	(47,974,853.71)
Inventories - net	349,786,929.87	0.00	349,786,929.87	0.00	349,786,929.87
Assets transfer to be collateral under debt restructuring	171,050,000.00	0.00	171,050,000.00	0.00	171,050,000.00
Investment properties	0.00	74,482,175.01	74,482,175.01	0.00	74,482,175.01
Property, plant and equipment - net net	8,575,372.18	0.00	8,575,372.18	0.00	8,575,372.18
Land held for development	74,840,000.00	0.00	74,840,000.00	0.00	74,840,000.00
Other assets	473,494,598.79	10,511,125.94	484,005,724.73	(420,740,441.42)	63,265,283.31
Total assets in financial statements	1,077,746,900.84	84,993,300.95	1,162,740,201.79	(420,740,441.42)	741,999,760.67
Depreciation	1,028,343.26	373,491.81	1,401,835.07	0.00	1,401,835.07

39. FINANCIAL INSTRUMENTS DISCLOSURE

The Company and subsidiaries have risk from the fluctuation of interest rate and derived from failure by counterparties to discharge the obligations in agreement. The Company and subsidiaries do not hold or issue derivative for speculative or trading purposes.

39.1 Interest rate risk

The interest risk is the risk that future movements in market interest rate which affected the results of operation and cash flows. The significant financial assets and liabilities can be separated by type of interest and maturity date for the financial assets and liabilities which had fixed interest rate as at December 31, 2012 as follows:

Consolidated financial statements						
	Fixed interest rate		Floating interest rate	Non-interest rate	Total	Interest rate (% per annum)
	Within 1 year and due at call	Over 1 year to 5 years				
(Million Baht)						
Financial assets						
Cash and cash equivalents	0.00	0.00	166.64	39.04	205.68	0.625-0.75
Total	0.00	0.00	166.64	39.04	205.68	
Financial liabilities						
Short-term loans from financial institutions	0.00	0.00	45.00	0.00	45.00	MLR+0.25
Loans from other persons	5.00	0.00	0.00	0.00	5.00	15
Loans from related persons and parties	0.00	0.00	0.00	0.21	0.21	
Long-term loans	0.00	0.00	112.44	0.00	112.44	3 and MLR+1.50, 2.50
Liabilities under debt restructuring agreement	0.00	0.00	108.25	34.05	142.30	MLR
Total	5.00	0.00	265.69	34.26	304.95	
Separate financial statements						
	Fixed interest rate		Floating interest rate	Non-interest rate	Total	Interest rate (% per annum)
	Within 1 year and due at call	Over 1 year to 5 years				
(Million Baht)						
Financial assets						
Cash and cash equivalents	0.00	0.00	165.00	20.79	185.79	0.75
Loans to related persons and parties	0.00	0.00	0.00	252.66	252.66	
Total	0.00	0.00	165.00	273.45	438.45	
Financial liabilities						
Short-term loans from financial institutions	45.00	0.00	0.00	0.00	45.00	MLR+0.25
Total	45.00	0.00	0.00	0.00	45.00	

As at December 31, 2011 can be separated as follows:

Consolidated financial statements						
	Fixed interest rate		Floating interest rate	Non-interest rate	Total	Interest rate (% per annum)
	Within 1 year and due at call	Over 1 year to 5 years				
(Million Baht)						
Financial assets						
Cash and cash equivalents	0.00	0.00	3.35	21.81	25.16	0.625-0.75
Total	0.00	0.00	3.35	21.81	25.16	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	0.00	0.00	45.00	0.00	45.00	MLR+0.25
Land payable	12.42	0.00	0.00	0.00	12.42	6-15
Loans from other persons	50.69	0.00	0.00	0.00	50.69	12-18
Loans from related persons and parties	0.00	0.00	0.00	3.77	3.77	
Long-term loans	0.00	0.00	121.17	0.00	121.17	MLR+ 1.50, 3.25, 9.75
Liabilities under debt restructuring agreement	0.00	0.00	108.25	34.05	142.30	MLR
Total	63.11	0.00	274.42	37.82	375.35	
Separate financial statements						
	Fixed interest rate		Floating interest rate	Non-interest rate	Total	Interest rate (% per annum)
	Within 1 year and due at call	Over 1 year to 5 years				
(Million Baht)						
Financial assets						
Cash and cash equivalents	0.00	0.00	0.16	1.23	1.39	0.75
Loans to related persons and parties	0.00	0.00	0.00	239.03	239.03	
Total	0.00	0.00	0.16	240.42	240.42	
Financial liabilities						
Short-term loans from financial institutions	45.00	0.00	0.00	0.00	45.00	MLR+0.25
Loans from related persons and parties	0.00	0.00	0.00	3.56	3.56	
Total	45.00	0.00	0.00	3.56	48.56	

39.2 Credit risk

39.2.1 The Company and subsidiaries have credit risk from the possibility that customers may not be able to settle obligations to the Company and subsidiaries within the normal terms of trade or derives from the counterparties failed to discharge the obligations and the customers could not pay the debts when they matured. To manage this risk, the Company and subsidiaries' management have established the credit policy of evaluating credit worthiness of its customers where appropriate. There is not concentration of customers from credit providing due to the large number of customers. Besides, the ownership of goods had not been transferred to buyer. Nevertheless, the maximum risk depends on the devaluation of inventories which the ownership were not transferred.

39.2.2 The Company has credit risk from the counterparties failed to discharge the obligations in the agreement from the Company made deposit payment for land and condominium units as at December 31, 2012 and 2011 amount of Baht 50 million under the agreement to buy and to sell of such land and condominium units which was signed with the company who did not hold the ownership in such land and condominium units. Such company and individuals are authorized to sign the agreement to buy and to sell of land and condominium units with the owner of those assets. The maximum amount to be lost is the carrying value of such assets. At present, the Company is currently unable to transfer the ownership on maturity, even if, the Company requested to extend the period for transferring ownership, then, the allowance for doubtful accounts was provided in full as stated in notes 7 to financial statements.

39.3 Liquidity risk

Liquidity risk arises from the difficulty in raising funds to meet commitments as indication. The Company and subsidiaries have a liquidity risk from their short-term liabilities and loans from related persons and parties which is massive maturity at call. In addition, the Company and subsidiaries also have liquidity risk on collection debts repayment from the customers when the transferred of ownership under agreement is matured. The Company and subsidiaries are finding co-investor and working capital to continue its operations. In 2012, the Company has received the payment of increase share capital amount of Baht 330 million.

39.4 Fair value of financial instrument

The book value of financial assets and liabilities in the statements of financial position are closed to their estimated fair value due to the relative short-term maturity of financial assets and liabilities, most of loans with fixed interest rate will be matured at call and long-term loans with the floating interest rate.

40. CAPITAL MANAGEMENT

The objective of capital management of the Company and subsidiaries is to appropriate properly financial structure and to preserve the ability to continue their operation as a going concern.

As December 31, 2012 and 2011, the Company and subsidiaries have debt to equity ratio as follows:

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Debt : equity ratio	1.01 : 1	3.11 : 1	0.33 : 1	1.04 : 1

41. EVENTS AFTER THE REPORTING PERIOD

41.1 According to the minutes of Board of directors' meeting No. 11/ 2012 held on December 17, 2012, passed the resolution to purchase ordinary shares of a company in the proportion at 76% in the amount of Baht 145 million and the minutes of Board of directors' meeting No.2/2013 held on February 22, 2013, passed the resolution to purchase additional ordinary shares at proportion at 24%, to be total proportion equal to 100% of not exceed Baht 45.79 million and the minutes of Board of directors' meeting No. 1/2013 held on January 24, 2013, passed the resolution to provide loans to such company in the amount of Baht 30.00 million.

41.2 According to the minutes of Board of directors' meeting No.2/2013 held on February 22, 2013, passed the resolution to submit the agendas to the annual shareholders' meeting for the year 2013.

41.2.1 To approve the issuance of warrants to purchase ordinary shares of the Company No.2 (LL-W2) for not exceed 4,150.30 million units to the existing shareholders who subscribed for the newly issued ordinary shares offered to existing shareholders of the company without offering price and had exercise price of Baht 0.40 per share.

41.2.2 To approve the increase registered share capital for 18,743.60 million shares at par value of Baht 1 each, from registered share capital of 3,340 million shares, totally 22,083.60 million shares for the objectives following:

Allocation	Number shares (share)	Price	Allocated person	Objective
1. The company's existing shareholders through the rights offering	10,240,000,000	Baht 0.09 per share	Shareholders whose names are in the book closing date on April 25, 2013 at the ratio of 1 existing share to 4 new shares	Working capital for the future investments of the Company
2. Specific investor under a private placement scheme	3,000,000,000	not lower than 90% of the market price calculate by average closing price 14 days before offering day and according to the relevant and not less than that as offered to the existing shareholders	The Executive committee or the authorized directors shall be authorized to allot and offer in entirety or to portion and offer in lots from time to time as deemed appropriate	The consideration for strategic partner who will serve business together

Allocation	Number shares (share)	Price	Allocated person	Objective
3. to reserve the exercise of the warrants to :	Not exceed 4,150,303,031			
3.1 the existing shareholders	Not exceed 426,666,667	Exercise price of Baht 0.40 per share	Shareholders whose names are in the book closing date on April 25, 2013 at the ratio of 1 existing shares to 4 new shares	To benefits the existing shareholders
3.2 the existing shareholders who have subscribed for the newly issued ordinary shares offered to existing shareholders of the company (right offering)	Not exceed 3,723,636,364	At the subscription of RO. Exercise price of Baht 0.40 per share	Shareholders who subscribe RO at the ratio of 11 RO per 4 units of LL-W2	Sweetener for the shareholders who subscribe RO
4. to accommodate of the adjustment of terms and conditions of LL-W1	1,353,300,000	At the approval of issuance of RO.	Shareholders who owns LL-W1	For the adjustment of terms and conditions of LL-W1
Total	Not exceed 18,743,603,031			

42. FINANCIAL STATEMENTS APPROVAL

These financial statements were approved and authorized for issue by the Company's Board of directors on February 22, 2013.

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