

Section 3 Financial Statements & Performance

13. Financial Highlights

Summary of Financial Highlights for Year 2014

(Unit: Million Baht)	2012	2013	2014
Total Assets	3,971.80	8,576.60	19,236.70
Total Liabilities	3,078.50	6,428.80	17,580.84
Equity Attributable to Owners of the Parent	893.20	2,750.10	2,380.91
Non-controlling interests	-	(602.30)	(725.04)
Total Shareholders' Equity	893.20	2,147.70	1,655.87
Ratios:			
Current Ratio (times)	0.50	1.70	0.99
Quick Ratio (times)	0.01	1.20	0.15
Gross Profit Margin (%)	30.10	34.50	46.82
Debt to Equity Ratio (D/E*) (times)	3.40	2.30	7.38
Financial Institutions Debt and Short-term Loans from Other Company to Equity* Ratio (times)	0.44	0.82	4.63
Book Value (Baht)	0.61	1.34	1.16

* Total equity attributable to equity owners of parent

(Unit: Million Baht)

Projects	Cumulative Sales			Cumulative Recognized Revenue			Backlogs		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Ficus Lane Saladaeng Residences	814.5	857.4	891.4	789.9	832.8	866.9	24.6	24.6	33.6
The Ritz-Carlton Residences, Bangkok @ MahaNakhon	2,242.7	2,315.2	2,309.8	1,955.6	2,200.7	2,200.8	287.1	114.5	109.0
	3,127.0	5,551.8	7,126.7	-	-	-	3,127.0	5,551.8	7,126.7
Total	6,184.2	8,724.4	10,328.0	2,745.5	3,033.5	3,067.6	3,438.7	5,690.9	7,269.3

14. Management Discussion and Analysis (MD&A)

The following is the overall business operation and significant changes during the year:

In 2014, the Company had an opportunity to enter into food and beverages retailing business. The Company acquired the shares of Dean & DeLuca, Inc. ("D&D"), the world's famous gourmet food and beverages brand. Moreover, there were other significant changes occurred with the Company, such as buying the land plot in MahaNakhon project and changed the ownership structure in MahaNakhon project from leasehold to freehold, corporate bond issuance, and entered into option agreement to purchase the ordinary shares and the transfer of financial obligations (loan and accrued interest) in four subsidiaries of the Company from IBC Thailand Ltd. and IDJ Holdings Co., Ltd. Therefore causing the total assets, total liabilities, and total equity attributable to owners of the parent to increase significantly.

Besides, the current project considered as the new landmark of Bangkok such as "MahaNakhon Project" is still under development. The construction progress now shows that the core structure reaches 74th floor (as of 27 February, 2015) and it is expected to be completed and able to partially transfer in the 4Q2015 onward. Another development is MahaSamutr project which started construction since 4Q2013, and the Company plans to sell the membership of MahaSamutr Country Club in 1Q2015. Moreover, the Company already presold the latest project "Nimit Langsuan" super-luxury high-rise residential freehold development in February 2015.

The operating results for the Year 2014 ending 31 December 2014 are following below.

The Company recorded revenue from gourmet food and beverages business under brand "Dean & DeLuca" of Baht 486.6 million by proportion of revenue after acquisition since 4 December 2014, sales revenue from sales of a condominium unit from Ficus Lane project of Baht 34.0 million, rental and service income from MahaNakhon Cube of Baht 39.3 million and other revenue of Baht 65.8 million, making total revenue of Baht 607.6 million or 76.1% growth YoY. The Company also recorded net losses of Baht 501.5 million during the year, which implied negative net margin of 82%. Such Baht 501.5 million losses can be classified into Baht 378.8 million losses attributed to owners of the parent and Baht 122.7 million from non-controlling interests. The losses are mainly due to lower of the revenue from sale residential condominium units by Baht 253.4 million, total selling and administrative expenses increased by Baht 334.7 million or totaling of Baht 718.9 million, finance cost increased by Baht 110.3 million or totaling of Baht 207.8 million. In Year 2014, the Company used more debt financing to invest in both the property project and Dean & DeLuca acquisition, the source of fund came from corporate bond, billed of exchange, and bank loan. For Dean & DeLuca acquisition, the Company will strengthen by generating another sustainable revenue stream that is less cyclical than property development and less prone to external economic shocks.

Operation for the Year ended 31 December 2013, the Company recorded sales revenue from sales of condominium units and furniture from Saladaeng Residences project and Ficus Lane project of Baht 287.4 million and other revenue of Baht 57.7 million, making total revenue of Baht 345.1 million. The Company also recorded net losses of Baht 841.0 million during the year, which implied negative net margin of 243.7%. Such Baht 841 million losses can be classified into Baht 795.4 million losses attributed to owners of the parent and Baht 45.6 million from non-controlling interests. The losses are mainly contributed to extraordinary item "loss on derecognition of discount on business combinations under common control" according to the accounting standard, 3rd edition. After acquiring shares and shareholder's loans of the subsidiaries to increase shares in subsidiary from 50% to approximately 68%, the Company recognized the losses from recognition of discount on business combinations under common control from subsidiary worth Baht 584.1 million. However, such negative was recorded in the shareholders' equity since 2011 but was just recorded in the income statement during 2013, so such extraordinary item was not from normal business operation and does not affect shareholders' equity.

Details and progress of the Company's residential projects as of 31 December 2014 are as follows:

Project	Operated by	Project value	Total units	Sales recognized			Construction progress	Start of transfer
				Rooms	Btm	%		
Ficus Lane	Company	900.4	70	69	866.9	99.0	100	2006
Saladaeng Residences	YLP	2,309.8	132	127	2,200.8	95.3	100	2011
The Ritz-Carlton Residences Bangkok	Pace 2	14,500.0	207	-	-	-	41.35	2015
MahaSamutr –Country Club	Company	2,300.0	-	-	-	-	-	2016
MahaSamutr - Villa	Company	3,200.0	80	-	-	-	-	2016 (Partially finished in 2015)

Summary of Financial Highlights

Balance Sheet	The Consolidated Financial Statements			
	Dec 31, 2013		Dec 31, 2014	
	MB.	%	MB.	%
Current assets				
Cash and cash equivalents	1,039.3	12.1	519.0	2.7
Short term investments	-	-	518.9	2.7
Restricted savings deposit				
Trade account receivables - net	13.3	0.2	24.0	0.1
Inventories	144.3	1.7	297.1	1.5
Real estate projects for sales under development	278.5	3.2	5,565.5	28.9
Other receivables from subsidiaries and related companies	3.3	0.0	52.3	0.3
Refundable value added tax	38.7	0.5	87.3	0.5
Advance payments for construction	-	-	386.5	2.0
Other current assets	19.8	0.2	65.6	0.3
Total current assets	1,537.3	17.9	7,583.2	39.4
Non-current asset				
Investment in available for sale equity security - at fair value	-	-	-	-
Deposit for assets acquisition	-	-	318.9	1.7
Restricted of saving deposit	-	-	7.6	0.0
Interest receivable from related companies	-	-	-	-
Advance for purchase of land & relate exp.	-	-	211.0	1.1
Long - term loan to shareholder and related companies	-	-	-	-
Advances payment for land	-	-	-	-
Real estate project for sales under development	-	-	-	-
Deferred loan agreement fee	-	-	-	-
Leasehold rights on land - net	2,083.8	24.3	-	-
Advances for leasehold rights on land	-	-	-	-
Advance payments for construction	231.9	2.7	123.8	0.6
Construction in progress	3,093.4	36.1	1,959.8	10.2
Land	579.6	6.8	1,493.2	7.8
Residential condominium unit and equipment for rent	-	-	-	-
Building improvement, sales gallery and equipment - net	144.0	1.7	343.5	1.8
Property for lease - net	141.8	1.7	1,016.9	5.3
Intangible assets-net	-	-	2,425.7	12.6
Goodwill - net	501.8	5.9	3,397.9	17.7
Deferred income tax assets	259.6	3.0	345.1	1.8
Other non-current assets	3.3	0.0	10.2	0.1
Total non-current asset	7,039.3	82.1	11,653.5	60.6
Total Assets	8,576.6	100.0	19,236.7	100.0

Balance Sheet	The Consolidated Financial Statements			
	Dec 31, 2013		Dec 31, 2014	
	MB.	%	MB.	%
Current liabilities				
Bank overdraft and short-term loans from financial institutions	244.9	2.9	1,362.9	7.1
Short-term loans from other company	323.5	3.8	1,165.3	6.1
Trade account payables	201.7	2.4	714.2	3.7
Trade account payables-Freehold land	-	-	110.4	0.6
Other payables to related companies	0.6	0.0	1.5	0.0
Other account payables	2.6	0.0	3.5	0.0
Current portion of long - term loan from financial institution	-	-	1,845.5	9.6
Current portion of liability under finance lease contracts	1.8	0.0	3.6	0.0
Advances received from customers	58.8	0.7	2,055.1	10.7
Loans from shareholders and accrued interest	-	-	-	-
Income tax payable	3.3	0.0	0.2	0.0
Retention payables to contractors	20.7	0.2	21.9	0.1
Current portion of deferred revenue	-	-	74.1	0.4
Accrued expenses	12.0	0.1	172.7	0.9
Accrued construction costs	29.4	0.3	20.1	0.1
Other current liabilities	12.8	0.1	116.0	0.6
Total current liabilities	912.1	10.6	7,667.1	39.9
Non-current liabilities				
Deposits received from customers	1,471.3	17.2	8.1	0.0
Retention payable to contractor	19.2	0.2	39.2	0.2
Provision for loss on litigation case	9.6	0.1	-	-
Long-term loans and accrued interest from shareholders	2,320.8	27.1	2,413.0	12.5
Long-term loans from financial institutions - net	1,685.5	19.7	3,686.0	19.2
Liabilities under finance lease contracts - net of current portion	7.6	0.1	8.7	0.0
Debentures - net	-	-	2,971.8	15.4
Deferred revenue - net	-	-	114.6	0.6
Deferred Tax Liability	-	-	665.9	3.5
Provision for employee retirement benefit	2.6	0.0	5.5	0.0
Other non-current liabilities			0.8	0.0
Total non-current liabilities	5,516.7	64.3	9,913.7	51.5
Total liabilities	6,428.8	75.0	17,580.8	91.4

Balance Sheet	The Consolidated Financial Statements			
	Dec 31,2013		Dec 31,2014	
	MB.	%	MB.	%
Shareholders'equity				
Share capital	2,054.3	24.0	2,054.3	10.7
Premium (discount) on share capital	1,431.1	16.7	1,431.1	7.4
Surplus on swap of investment in subsidiary under common control	(61.4)	(0.7)	(61.4)	(0.3)
Exchange differences on translating foreign operations	-	-	9.6	0.1
Change in available for sale equity security	-	-	-	-
Legal reserve	15.6	0.2	15.6	0.1
Retained Earnings(Deficit)	(689.5)	(8.0)	(1,068.3)	(5.6)
Total equity attributable to equity holders of parent	2,750.1	32.1	2,380.9	12.4
Non-controlling interests	(602.3)	(7.0)	(725.0)	(3.8)
Total shareholders'equity	2,147.7	25.0	1,655.9	8.6
Total liabilities & shareholders'equity	8,576.6	100.0	19,236.7	100.0

Statement of Comprehensive Income	The Consolidated Financial Statements			
	Dec 31, 2013		Dec 31, 2014	
	MB.	%	MB.	%
Revenue from sale residential condominium units and furnitures	287.4	83.3	34.0	5.6
Costs of sales residential condominium units and furnitures	(188.1)	(54.5)	(23.6)	(3.9)
Revenue from sale of goods	-	-	468.6	77.1
Cost of goods sold	-	-	(243.7)	(40.1)
Gross Profit	99.3	28.8	235.3	38.7
Rental income and service income	3.9	1.1	39.3	6.5
Gain on sale of land held for sale	-	-	30.6	5.0
Interest income	32.3	9.3	3.8	0.6
Management fee income	15.0	4.3	-	-
Other income	6.6	1.9	27.0	4.4
Cost of lease & service	-	-	(64.8)	(10.7)
Selling expenses	(186.6)	(54.1)	(304.6)	(50.1)
Administrative expenses	(119.0)	(34.5)	(305.2)	(50.2)
Management benefit expenses	(28.2)	(8.2)	(44.3)	(7.3)
Gain (loss) on foreign exchange - net	(0.9)	(0.3)	4.4	0.7
EBIT	(177.7)	(51.5)	(378.5)	(62.3)
Finance costs	(97.6)	(28.3)	(207.8)	(34.2)
EBT	(275.3)	(79.8)	(586.4)	(96.5)
Income Tax Income (Expense)	18.3	5.3	84.9	14.0
NI before extra items	(257.0)	(74.5)	(501.5)	(82.5)
Other comprehensive income (loss) :				
Unrealized gain on revaluation of investments	-	-	-	-
Loss on derecognition of discount on business combinations under common control - net	(584.1)	(169.2)	-	-
Profit (loss) for the period	(841.0)	(243.7)	(501.5)	(82.5)
Total comprehensive income (loss) for the period attributable to:				
Owners of the parent	(795.4)	(230.5)	(378.8)	(62.3)
Non-controlling interests	(45.7)	(13.2)	(122.7)	(20.2)
Profit (loss) for the period	(841.0)	(243.7)	(501.5)	(82.5)
Basic Earnings (Loss) per Share Attributable to Owners of the Pare	(0.387)		(0.184)	
Weighted Average Number of Shares (In Million Shares)	2,054.3		2,054.3	

Statement of Cashflows	2013	2014
	MB.	MB.
Net Cash Provided by (Used in) Operating Activities	(369.1)	(808.5)
Net Cash Used in Investing Activities	(719.5)	(8,138.5)
Net Cash Provided by (Used in) Financing Activities	1,993.2	8,429.4
Net Increase (Decrease) in Cash and Cash Equivalents	904.6	(520.3)
Cash and Cash Equivalents at Beginning of Year	134.6	1,039.3
Cash and Cash Equivalents at End of Year	1,039.3	519.0

Revenue

Core revenue

Since the Company acquired all shares of Dean & DeLuca, Inc., the world's famous gourmet food and beverages brand, and all chains operated under Dean and DeLuca brand in December 2014, this caused the Company to be able to generate revenue from two cores businesses: real estate development and gourmet food and beverages.

For real estate development business, the Company will be able to recognize revenue only when the construction is completed and the ownership of such condominium projects has been transferred to the buyers; meanwhile the gourmet food and beverages retailing business generating sustainable revenue stream to the Company.

As of December 31st, 2014, there were 129 residences of the Ritz-Carlton Residences Bangkok, a part of MahaNakhon project, under sales contracts with the total area of 26,187.86 sq.m., or 54.36% of the total sales area; of which are expected to start ownership transfer and recognize revenue in 4Q2015 onward. In addition, the Company sold one residential unit with the total area of 471.73 sq.m.

In Year 2014, the Company recorded sales revenue of Baht 34.0 million or decreased 88.2% as compared with the Year 2013 of which sales revenue of Baht 287.4 million. The decline was mainly due to the Company is presently developing two big projects: MahaNakhon project and MahaSamutr project. The sales backlog of MahaNakhon project now is Bath 7,126.74 million; however the Company cannot recognize until transferring the residential units to clients. The Company plans to sell luxury villa and membership of MahaSamutr Country Club in the first half of the Year 2015, and expects to finish and transfer to the clients in the 4Q2015 and in Year 2016, respectively.

The Company generated other revenues from rental income and service income with the total of Baht 39.3 million, or increased Baht 35.4 million from last year of which was Baht 35.4 million. Mostly revenues were from rental space of MahaNakhon Cube, a part of MahaNakhon project, which started opening since the late of the Year 2013 onward.

In Year 2014, the Company recorded the revenue from gourmet food and beverages under brand Dean & DeLuca of Baht 468.6 million* and onward. The Company believes that Dean & DeLuca business will contribute the recurring cash flow in addition to the current project-based cash flow of the real estate business and improve the liquidity of the Company in long-term.

* Revenue recognition started from 4 December 2014, since the Company acquired Dean & DeLuca business.

Other income

In Year 2013, the Company recorded other income such as interest income, management fee income, gain (loss) on foreign exchange – net, and other incomes with the total of Baht 53.8 million.

In Year 2014, the Company recorded all other incomes with the total of Baht 65.8 million or increased 22.3% as compared with the Year 2013. As a result of the decreasing interest income and management fee income to Baht 43.5 million; however, the Company received revenue from selling land of Baht 30.6 million.

Costs, Expenses and Profits

Costs of Sales

In Year 2014, the Company recorded costs of sales residential condominium units and furniture of Ficus Lane project of Baht 23.6 million or 3.9% of the total revenue which decreased from last year of which was Baht 164.5 million. The reason is that the decreasing cost of sales was aligning with the decreasing revenue from sales residential condominium units. Meanwhile, the cost of sales residential condominium units and furniture of Saladaeng Residences project was Baht 188.1 million. For gourmet food and beverages business under brand Dean & DeLuca, the Company recorded the costs of sales of Baht 243.7 million or 40.1% of the total revenue.

Selling and Administrative Expenses

In Year 2014, the Company recorded selling and administrative expenses (SG&A) of Baht 718.9 million or increased 114.8% as compared with the Year 2013 of which was Baht 334.7 million. This is because of the increasing selling and administrative expenses from gourmet food and beverages of Dean & DeLuca which was Baht 155.8 million and from the real estate development business of Baht 563.0 million. These expenses

consisted of selling expenses of Baht 304.6 million, administrative expenses of Baht 305.2 million, management benefit expenses of Baht 44.3 million and cost of MahaNakhon Cube's rental and service of Baht 64.8 million.

In the meantime, the Company recorded the main expenses in the Year 2013 of which consisted of selling expenses of Baht 186.6 million, administrative expenses of Baht 119.0 million, management benefit expenses of Baht 28.2 million, and other expenses of Baht 0.9 million.

Finance Costs

The Company recorded finance costs for the Year 2014 of Baht 207.8 million, or increased 110.3% as compared with the Year 2013 of which was Baht 97.6 million. This is due to the results of corporate bond issuance during in Year 2014 of Baht 3 billion and bank overdraft and short-term loans ending the Year 2014 of Baht 1.2 billion.

In Year 2013, the Company recorded finance costs of Baht 97.6 million of which were contributed by MahaNakhon project of 49.5%, the Company's finance costs of 43.3%, and Saladaeng Residences project of 7.2%.

Gross Profits and Profit (Loss)

In Year 2014, the Company reported gross profits of Baht 247.8 million or a gross profit margin of 48% from revenue recognition of Ficus Lane project sales of Baht 10.4 million and gross profits of Baht 224.9 million from gourmet food and beverages of Dean & DeLuca. The Company recorded losses before finance costs and income tax for the Year 2014 of Baht 378.5 million and losses for the year of Baht 501.5 million; decreased Baht 339.5 million or 40.4% as compared with last year. The net loss for the Year 2014 attributable to owners of the parent was Baht 378.8 million or net loss margin of 62.3%.

In Year 2013, the Company reported gross profits of Baht 99.3 million, or gross profit margin of 34.5% from revenue recognition of Saladaeng Residences project sales and Ficus Lane project sales. The Company reported losses before finance costs and income tax for the Year 2013 of Baht 177.7 million. The net loss for the Year 2013 attributable to owners of the parent was Baht 795.4 million or net loss margin of 243.7%.

Statement of Financial Position

Assets

As a result that the Company acquired shares and shareholder's loan of subsidiaries, causing the Company's total assets, liabilities and shareholders' equity increased significantly. From the statement of financial position as at 31 December 2014, the Company's total assets were at Baht 19,236.7 million; increased Baht 10,660.1 million or an increase of 124.3% as compared with the Year 2013 of which were Baht 8,576.6 million. Total liabilities were at Baht 17,580.8 million; increased Baht 11,152.0 million or imply an increase of 173.5% as compared with the

Year 2013 of which were Baht 6,428.8 million. Total shareholders' equity in the Year 2014 decreased to Baht 2,380.9; decreased Baht 369.1 million or a decrease of 13.4% as compared with the Year 2013 of which was Baht 2,570.1 million.

As ending of the Year 2014, the total assets of Baht 19,236.7 million comprising of real estate projects for sales under development: MahaNakhon project, luxury villa of MahaSamutr project, and Nimit Langsuan project that were Baht 5,565.5 million. The increase assets were attributed to inventories of Baht 297.1 million, assets under development of MahaNakhon project and MahaSamutr Country Club of Baht 1,959.8 million, land of MahaNakhon project and MahaSamutr project of which were valued of Baht 1,493.2 million, property for lease (MahaNakhon Cube) of Baht 1,016.9 million. Besides, there was goodwill of Dean & DeLuca acquisition of Baht 2,425.7 million; for instance, trade mark, brand, and the rights to do business under brand Dean & DeLuca worldwide, etc. Aforementioned assets contributed 84.0% of the Company's total assets.

As ending of the Year 2013, the Company reported a total assets of Baht 8,576.6 million, comprised of leasehold right of MahaNakhon project valued Baht 2,083.8 million, work in progress of MahaNakhon project of Baht 3,093.4 million, work in progress of MahaSamutr project of Baht 278.5 million, remaining inventories in Saladaeng Residences and the Ficus Lane projects of Baht 144.3 million, and rental assets worth Baht 141.8 million. Aforementioned assets contributed 66.9% of the Company's total assets.

Inventories

As ending of the Year 2014, the Company had ending inventories valued Baht 297.1 million, comprised of completed residential building units that are ready for sales and transfer of which 2 units of Ficus Lane project and 5 units of Saladaeng Residences, totally worth of Baht 106.6 million and 144.3 million, respectively, and inventories of gourmet food and beverages business under brand Dean & DeLuca of Baht 190.6 million.

As ending of the Year 2013, the Company had ending inventories valued Baht 144.3 million, comprised of completed residential building units that are ready for sales and transfer, of which 3 units of Ficus Lane with total space of 951.69 sq.m. and valued of Baht 59.1 million; and 5 units of Saladaeng Residences with total area of 689.11 sq.m. and valued of Baht 82.5 million.

Sources of Fund

Liabilities

As ending of Year 2014 and Year 2013, the Company had total liabilities of Baht 17,580.8 million and Baht 6,428.8 million, respectively. Liabilities mainly comprised of long-term loans from financial institutions of Baht 3,686.0 million, debentures of Baht 2,971.8 million, shareholder's loan and interest payable of Baht 2,413.0 million, short-term loans financial institutions of Baht 1,326.9 million, short-term loans of Baht 1,165.3 million, advances and deposits received from customers of Baht 2,063.2 million. These will be used for Dean & DeLuca acquisition (a consideration of USD 140 million or Baht 4.5 billion) and for entering into option agreement to purchase the ordinary shares and the transfer of financial obligations (loan and accrued interest) in four subsidiaries of the Company from IBC Thailand Ltd. and IDJ Holdings Co., Ltd. with the total of Baht 319.1 million and for investing in real estate projects for sales under development. The increasing advance and deposit received from customers of Baht 533.1 million were by the increasing numbers contracts signed and increasing numbers of customers who changed the ownership structure in MahaNakhon project from leasehold to freehold.

In Year 2013, the Company had shareholder's loan and interest payable of Baht 2,320.8 million, long-term loans from financial institutions of Baht 1,685.5 million, advances and deposits received from customers of Baht 1,530.1 million, short-term loans from financial institutions of Baht 244.9 million, and short-term loans of Baht 323.5 million.

Shareholders' Equity

As ending of the Year 2014, the shareholders' equity was at Baht 2,380.9 million, decreased 13.4% from the Year 2013 of which was Baht 2,750.1 million. This is because the Company had net loss of Baht 378.8 million; hence the net loss accruing to Baht 1,068.3 million, and non-controlling interests of Baht 725.0 million; therefore, the equity were Baht 1,655.9 million.

As ending of the Year 2013, the shareholders' equity was at Baht 2,750.1 million due to the IPO of the Company's 600 million shares with par of Baht 1 each, causing paid up capital to increase by Baht 600 million and share premium to increase by Baht 1,431.1 million. Thus, the net loss accruing to Baht 689.5 million or increased to Baht 875.3 million from the losses from negative book write down due to business consolidation of Baht 584.1 million, and non-controlling interests of Baht 602.3 million; therefore, the equity were Baht 2,147.7 million.

Appropriateness of the Funding Structure

As ending of the Year 2014 and Year 2013, the Company recorded total debt to equity ratio of 10.6x and 3.0x, respectively, and financial institutions debt and short-term Loans from other Company to equity ratio of 6.7x and 1.0x, respectively. The Company's liabilities were comprised of no-repayment risk liabilities such as advances and deposits received from customers of Baht 2,063.2 million. However, most of the loans from financial

institutions will reimburse by the Company's cash flow which expected to receive when the developing projects are completed and able to transfer to the customers. In addition, the total debt to equity ratio will decrease in the Year 2015. Due to the Resolutions of the Extraordinary General Meeting of Shareholders No. 1/2015 on 8 January, 2015, it approved for the allocation of newly issued ordinary shares to specific person under Private Placement Scheme (Private Placement) and approved the allocation of not exceeding 600,000,000 newly issued ordinary shares. Therefore, the Company's capital will increase and debt to equity ratio will decline.

Liquidity

The liquidity ratio of the Year 2014 was 1.0 times lower than last year of which was 1.7 times. As a result of Dean & DeLuca acquisition, the Company's total current assets and total current liabilities were increasing significantly in Year 2014. Moreover, the Company had to take on short-term loans from financial institutions for such investment, and take on short-term loans for the Company's cash flow. Thus total current liabilities that were used for calculation caused the ratio to increase.

The liquidity ratio of the year Y013 was 1.7 times higher than the year 2012 of which was 0.5 times. The main reason was from the increasing cash driven by the IPO of the Company's shares for working capital. Thus total current assets that were used for calculation caused the ratio to increase.

As ending of the Year 2014, the Company had cash inflow from operation of Baht 808.5 million; mainly from the increasing value of Baht 905.3 million from the Company's real estate projects for sales under development and the increasing value of Baht 209.5 million from advance payments for construction. Meanwhile, the advance and deposits received from customers were increased to Baht 533.1 million due to sales of residential units of MahaNakhon project and income tax income expenses of Baht 84.9 million.

2014 Auditor's remuneration

Accounting auditor's fee for auditing interim and annual financial statement for Year 2014, ending 31 December 2014 totaled approximately Baht 3.97 million.

Factors that may influence business operation and financial status in the future

Domestic and overseas economic condition

The real estate sector slowed down significantly in 2014 due to the impact of domestic political started in the late of the Year 2013 till the first half of the Year 2014. This also affected the high-end condominium projects in the business center areas launch less. This is due to rare downtown land for sales and higher land price that is

increasing continually. Currently, price competition of downtown residential project is obviously higher than Baht 1 million per square wah. According to CBRE Research Centre, the report in the Bangkok property market showed that average selling prices of luxury condominium projects launched in the third quarter in CBD start from THB 170,000 – 240,000 per square meters. The sales performance in the third quarter was greater than the first half of the year 2014 (as divided into the 1Q2014 of 1,200 units, 2Q2014 of 1,700 units, and 3Q2014 of 3,500 units of which were expected to sell all out approximately 9,000 – 10,000 units; or lower than the total units sold out of 11,000 units in Year 2013). Although the political factor might impact on the domestic and international economics, some investors are still interested in real estate investment because it is considered as rising assets value. Besides, the numbers of expat working in Thailand are rising, and this results in the needs of luxury residences ongoing.

Profit generation capability of MahaNakhon project and Mahasamutr project

The Company had pre-sales backlog of Baht 7,126.7 million from the super luxury project “The Ritz-Carlton Residences, Bangkok as of ended 31st December, 2014 and expected to start transferring residential units to the customers and recognizing revenues in 4Q2015. The Company aims to sell all residential units in 2016; meanwhile the Company planned to sell luxury villa of MahaSamutr project during 1H2015 including a new luxury condominium project “Nimit Langsuan” in 1Q2015. If the Company can recognize revenues from such projects as planned, the Company may be able to pay dividend as in the dividend policy and payment. However, dividend payment is subject to change depending on the necessity and appropriateness of return to shareholders in the future.