

## Section 3 Financial Statements & Performance

### 13. Financial Highlights

#### Summary of Financial Highlights for Year 2015

(Unit: Million Baht)	2013	2014 (Restated)	2015
Assets	8,576.60	19,416.93	25,932.10
Liabilities	6,428.80	17,907.53	23,804.50
Equity attributable to owner of the parent	2,750.10	2,380.91	2,127.60
Equity attributable to former shareholders of subsidiary	-	(146.47)	-
Non-controlling interests	(602.30)	(725.04)	-
Total Shareholders' equity	2,147.70	1,509.40	2,127.60
<b>Ratios:</b>			
Current Ratio (times)	1.70	0.95	0.55
Quick Ratio (times)	1.20	0.06	0.05
Gross Profit Margin (%)	34.50	40.89	49.54
Debt to Equity Ratio (D/E*) (times)	2.30	7.52	11.19
Financial Institutions Debt and Short-term Loans from Other Company to Equity* Ratio (times)	0.82	4.67	8.05
Book Value (Baht)	1.34	1.16	0.65

\* Total equity attributable to equity owners of parent

(Unit: Million Baht)

Projects	Cumulative Sales			Cumulative Recognized Revenue			Backlog		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
Ficus Lane	857.4	891.4	891.4	832.8	866.9	866.9	24.6	24.6	24.6
Saladaeng Residences	2,315.2	2,309.8	2,309.8	2,200.7	2,200.8	2,309.8	114.5	109.0	-
The Ritz-Carlton Residences Bangkok @ MahaNakhon	5,551.8	7,126.7	8,681.1	-	-	-	5,551.8	7,126.7	8,681.1
Nimit Langsuan	-	-	5,991.4	-	-	-	-	-	5,991.4
<b>Total</b>	<b>8,724.4</b>	<b>10,327.9</b>	<b>17,873.7</b>	<b>3,033.5</b>	<b>3,067.7</b>	<b>3,176.7</b>	<b>5,690.9</b>	<b>7,260.3</b>	<b>14,697.1</b>

## 14. Management Discussion and Analysis (MD&A)

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

In 2015, the overview of the Company's business operation is about continuously developing the investment plan. For high-end real estate business, the Company has launched "Nimit Langsuan" Project on February 2015 with higher average prices and more sales than anticipated. Moreover, the Company purchased of the ordinary shares and the transfer of financial obligations (loan and accrued interest) in the remaining parts of "MahaNakhon" project from IBC Thailand Ltd. and IDJ Holding Co., Ltd. As a result, the Company's proportion of MahaNakhon's ownership has become 100 percent both directly and indirectly since April, 2015. For lifestyle retail business "DEAN & DELUCA" brand, after the Company has fully acquired all of "DEAN & DELUCA" which is the leading gourmet food and beverages of the world from United States of America as well as acquiring the supply chain network on December 2014 that had 42 branches worldwide as of year 2014.

For the year 2015, the Company has also acquired DEAN & DELUCA (Thailand) Company Limited and expanded its branches resulting in total of 47 branches worldwide at the end of year 2015 which the Company owns a total of 17 branches, 12 branches in United States of America and another 5 branches in Thailand. In addition, the Company has allocated new ordinary shares to Private Placement through General Mandate type and increased its registered capital from 2,054,265,670 Baht (common share 2,054,265,670 shares @ Baht 1 par value) to 3,261,678,197 Baht (common share 3,261,678,197 shares @ Baht 1 par value) resulting in total assets, liabilities and shareholder's equity of the Company to significantly change.

### Industry and Economic Conditions that Affect the Business Operations

Presently, the Company has 2 main revenues from high-end real estate development and retail business (luxury lifestyle retail) under "DEAN & DELUCA" brand. In addition, the Company has 5 residential projects; consisting of 2 completed projects and 3 developing projects. The summary of all projects could be summarized as in the table below.

Details and progress of the Company's residential projects as of 31 December, 2015 are as follows:

Project	Operated By	Project Value (MB)	Total Units	Sales Recognized			% of Construction in Progress	Start of Transfer in Year
				No. of Sold Units	Million Baht	%		
Ficus Lane	Company	900.4	70	69	866.9	99.0	100	2006
Saladaeng Residences	YLP	2,309.8	132	132	2,309.8	100	100	2011
MahaNakhon - The Ritz-Carlton Residences, Bangkok	PACE TWO	14,500.0	209	-	-	-	85	2016
MahaSamutr Villa	Company	4,000.0	80	-	-	-	25	2016
Nimit Langsuan	Company	7,584.0	187	-	-	-	-	2018

For the overview of real estate business in 2015, although real estate is a competitive business, but the demand of the top level customers has continued to thrive, especially Super Luxury real estate that the reservation rate keeps rising while the cancellation of reservation is exceptionally low. In the past, the Company has won the trust from its top level customers which can be seen from recent project launches such as “Nimit Langsuan” Project, a Super Luxury residential project that the Company launched in the beginning of 2015 and set a new record of reservation during the pre-sales period with reservations and fully paid deposits more than 80 percent. The major factors that result in success of rapid sales is that the location of the project that is located in the central area of the city near a large public park (Lumpini Park), freehold ownership and highest world’s standard construction quality as well as our current customer’s confidence in our quality and the Company’s reputation. As a result, the Company has significantly increased reservation and sales revenue to be transferred and recognized from 2 projects which are “MahaNakhon” Project and “Nimit Langsuan” Project, totaling revenue of approximately 14,985 Million Baht which the transfer and revenue recognition will begin in 2016 onward.

In 2015, the Company closed sales and transferred remaining 5 condominium residential units, totaling of 109.0 Million Baht from “Saladaeng Residential” Project as targeted. The construction progress of “MahaNakhon” Project and “MahaSamutr” Project are slightly deviated from the original plan due to the fact that construction of such enormous projects are quite detailed and complicated in aspect of quality control and inspection in accordance with international standard defined resulting each party to take more time than anticipated. Therefore, the Company necessarily has to postpone the revenue recognition plan of “MahaNakhon” Project and “MahaSamutr” Project. The Company plans to gradually transfer and recognize revenue from sales of residential units from “MahaNakhon” Project and “MahaSamutr” Project from 2016 onward.

For the Company to steadily grow and efficiently generate income, the Company decided to invest in gourmet food and beverages premium brand such as “DEAN & DELUCA” to support high-end real estate business since real estate business can recognize the revenue after the project is finished and the transfer to the buyer is completed resulting in non-continuous revenue recognition. However, the gourmet food and beverages business will provide the Company with continuous income while the Company’s strategic focus is to expand the branches worldwide as well as strategic plan to keep developing unique high-end real estate projects.

Since DEAN & DELUCA is a trade mark that has been famous for a long period of time, the Company intends to develop to add more value to the trade mark which is currently in the process of preparation in various aspects such as new design, law to expand branches through Licensee, etc. In recent years, the Company has expanded branches worldwide in the form of investment and sales of “DEAN & DELUCA” brand through Licensee which, in year 2015, has total of 47 branches worldwide increased from year 2014 that had 42 branches. It is anticipated that the Company will significantly expand its branches from 2016 onward.

Other income that has increased steadily from 2014 was from copyrights and trade mark of DEAN & DELUCA for 1 month after acquisition of the business and significantly increased in 2015. The Company expects significant

increase in future income from this business from branch expansion and more sales of copyrights to use brand through Licensee.

## 1. Business Operation and Ability to Make Profit Analysis

### Operating Results Analysis

For operating results at the end of 2015 ended 31 December, the Company had total revenue of 3,512.3 Million Baht, increased 363.0 Million Baht from last year due to gourmet food and beverages business. However, the food and beverages business "DEAN & DELUCA" caused to significantly increase the Company's selling and administrative expenses as well. The total selling expenses were 1,608.0 Million Baht, or increased 341.9 percent, and the total administrative expenses were 1,553.3 Million Baht, or increased 323.4 percent. The finance costs also rose to 583.8 Million Baht, or increased 178.4 percent. This was mainly due to the increasing loans that consisted of debentures, bill of exchange, and loans from financial institution for DEAN & DELUCA acquisition in December, 2014, and the loans for purchasing land of Nimit Langsuan project. As a result, the Company had a net loss of 1,868.6 Million Baht, a net loss of 53.2 percent of the total revenue; or decreased 208.0 percent as comparing to the net loss in 2014. Such loss was attributed to owners of the parent 1,785.0 Million Baht, non-controlling interests of 45.9 Million Baht, and equity holders of the former shareholders of subsidiary of 37.6 Million Baht.

In addition, the result of the loss was due to the current real estate projects for sales that are under development such as "MahaNakhon", "MahaSamutr", and "Nimit Langsuan" projects that cannot be recognized the revenue from sales within this year. There is only Saladaeng Residences project that had been transferred and recognized from selling of remaining 5 residential units. Moreover, the Company acquiring DEAN & DELUCA (Thailand) at the beginning of 2015 results in expenses recognition from sales and management of the Company as well as the increased financial costs make the Company unable to compare the Company's performance with other companies' performance in the same industry.

Statement of Comprehensive Income	31 Dec 2015		31 Dec 2014		Increase / (Decrease)	
	Million Baht	% of total revenue	Million Baht	% of total revenue	Million Baht	%
Revenue from sales residential condo units and furniture	109.0	3.1	34.0	4.5	75.0	220.6
Costs of sale residential condo units and furniture	(85.2)	(2.4)	(23.6)	(3.1)	(61.6)	261.0
<b>Gross profit from residential condo units and furniture</b>	<b>23.8</b>	<b>0.7</b>	<b>10.4</b>	<b>1.4</b>	<b>13.4</b>	<b>128.8</b>
Revenue from sales of food and beverages	3,225.3	91.8	645.1	85.0	2,580.2	400.0
Costs of sales of food and beverages	(1,597.3)	(45.5)	(377.8)	(49.8)	(1,219.5)	322.8
<b>Gross profit from food and beverages</b>	<b>1,628.0</b>	<b>46.4</b>	<b>267.3</b>	<b>35.2</b>	<b>1,360.7</b>	<b>509.1</b>
Rental and service income	42.0	1.2	14.5	1.9	27.5	190.1
Interest income	136.0	3.9	65.1	8.6	70.9	108.9
<b>Gain on sale of land held for sale</b>	<b>3,512.3</b>	<b>100.0</b>	<b>758.7</b>	<b>100.0</b>	<b>2,753.6</b>	<b>363.0</b>
Selling, General & Administrative Expenses	(3,303.4)	(94.1)	(839.8)	(110.7)	(2,463.6)	293.4
Profit (Loss) before Finance Costs and Income Tax	(1,473.6)	(42.0)	(482.5)	(63.6)	(991.1)	205.4
Finance Costs	(583.8)	(16.6)	(209.7)	(27.6)	(374.2)	178.4

Statement of Comprehensive Income	31 Dec 2015		31 Dec 2014		Increase / (Decrease)	
	Million Baht	% of total revenue	Million Baht	% of total revenue	Million Baht	%
Profit (Loss) before Income Tax	(2,057.5)	(58.6)	(692.2)	(91.2)	(1,365.2)	197.2
Income Tax Income	188.9	5.4	85.5	11.3	103.4	120.9
<b>Profit (Loss) for the Year</b>	<b>(1,868.6)</b>	<b>(53.2)</b>	<b>(606.7)</b>	<b>(80.0)</b>	<b>(1,261.9)</b>	<b>208.0</b>
Owners of the parent	(1,785.0)	(50.8)	(381.1)	(50.2)	(1,403.9)	368.4
Equity holders of the former shareholders of subsidiary	(37.6)	(1.1)	(102.9)	(13.6)	65.3	(63.5)
Non-controlling interests	(45.9)	(1.3)	(122.7)	(16.2)	76.8	(62.6)

However, the Company expects growth in revenue from continuously recognizing revenue from real estate business from 2016 onward from transferring ownership of residential units of “MahaNakhon” Project, “MahaSamutr” Project and “Nimit Langsuan” Project, respectively. The Company also prepares operation plan to develop new real estate projects for 2016 and prepare to expand branches by investing both in United States of America, Thailand and other countries worldwide including making agreement with new partners (Licensee). The Company expects that gourmet food and beverage business will be another main business that can continuously generate income for the Company.

### Revenue

In 2015, the Company generated revenue from residential unit sales of 109.0 Million Baht, or increased 220.6 % as compared with the year 2014. The increase was mainly due to the ability to close sales from the “Saladaeng Residences” Project that had 5 residential units remaining to sell and able to transfer all remaining units within 2015.

Moreover, the Company generated revenue from Food and Beverages “DEAN & DELUCA” of 3,225.3 Million Baht, or increased 400.0 percent as compared with the year 2014. This was due to the Company could recognize only 1 month sales revenue in 2014 since the Company acquired DEAN & DELUCA INC. (U.S.) Meanwhile, the Company could recorded sales revenue of DEAN & DELUCA (U.S.) for the entire year in 2015. As well as, the rental and services income that increased from 14.5 Million Baht in 2014 to 42.0 Million Baht in 2015; or increased 190.1 percent. This rental income was from the retails opening in MahaNakhon CUBE. Furthermore, the other income increased from 65.1 Million Baht in 2014 to 136.0 Million Baht in 2015; or increased 108.9 percent. Consequently, the Company was able to generate the total revenue of 3,512.3 Million Baht in 2015.

As of the year ended 2015, the Company had the total reservation and sales of 14,985.1 Million Baht from 2 projects: “MahaNakhon” and “Nimit Langsuan”, or increased 106.1 percent. As a result of the launch of “Nimit Langsuan” project in 2015 as compared to the year 2014 that the Company only had the total reservation and sales from MahaNakhon’s residences which total amount of 7,269.7 Million Baht. However, the Company expects to start transferring and recognizing revenue from sales of MahaNakhon’s residences and MahaSamutr’s luxury villas in 2016 onward.

### Costs of Sales

In 2015, the costs of sales residential condominium units “Saladaeng Residences” were 85.2 Million Baht, or 2.4 percent of its revenue. While the costs of sales food and beverages “DEAN & DELUCA” were 1,597.3 Million Baht, or 45.5 percent of its revenue. The main reason was due to the increasing of revenue from sales together with the revenue recognition of DEAN & DELUCA (U.S.) for the entire year and the revenue from DEAN & DELUCA (Thailand) partially in 2015.

### Gross Profit Margin

The gross profit margin of real estate business and gross profit margin of food and beverages could be summarize as following below:

Gross Profit Margin (Unit: %)	2014	2015
Real Estate Business	30.6	21.8
Food & Beverages Business	41.4	50.5

In 2015, the Company had the gross profit from real estate business of 23.8 Million Baht, or gross profit margin of 21.8 percent decreasing from the year 2014. This was due to the transfer of ownership and recognition of revenue from selling of remaining 5 residential units of “Saladaeng Residence” Project with the special discount for a group of buyer in order to close the project.

For the gourmet food and beverages business, the gross profit was 1,628.0 Million Baht, or gross profit margin of 50.5 percent increasing 9.1 percent as compared to the year 2014. The main reason was that the Company acquired DEAN & DELUCA Inc. (U.S.) in December, 2014, and was able to recognize the revenue only 1 month. Whereas, in 2015, the Company could recognize revenue throughout the year together with income from DEAN & DELUCA (Thailand) in 2015.

### Selling and Administrative Expenses

Operating Expenses	31 Dec 2015		31 Dec 2014		Increase / (Decrease)	
	Million Baht	% of total revenue	Million Baht	% of total revenue	Million Baht	%
<b>Gourmet Food and Beverages Business</b>						
Selling expenses	1,197.6	34.1	176.0	23.2	1,021.6	580.5
Administrative expenses	954.3	27.2	125.0	16.5	829.3	663.4
<b>Real Estate Business</b>						
Cost of rental and services	93.4	2.7	64.8	8.5	28.6	44.2
Selling expenses	410.4	11.7	274.4	36.2	136.0	49.6
Administrative expenses	647.8	18.4	344.8	45.5	303.0	87.9
<b>Total of operating expenses</b>	<b>3,303.4</b>	<b>94.1</b>	<b>985.0</b>	<b>129.8</b>	<b>2,318.5</b>	<b>235.4</b>

Selling and administrative expenses in 2015 were 3,303.4 Million Baht, or increased 235.4 percent comparing to selling and administrative expenses in 2014. Those expenses consisted of selling and administrative expenses from gourmet food and beverages “DEAN & DELUCA” of 2,151.8 Million Baht, or 61.3 percent of the total revenue and other expenses from real estate business which were 1,151.6 Million Baht, or 32.8 percent of the total revenue. These expenses consisted of the selling expenses which were 410.4 Million Baht, administrative expenses of 647.8 Million Baht, cost of rental and services of 93.4 Million Baht. Besides, the increasing expenses of food and beverages business were due to the revenue recognition for the entire year, and the increasing expenses from the sales of Nimit Langsuan project launched in the first quarter in 2015. As well as, the marketing expenses to promote the Company’s projects, and the rising administrative expenses that the Company has increased the number of employees to support business expansion.

#### Finance Costs

The Company recorded financial costs of 583.8 Million Baht in 2015, increased 178.4 percent from last year. This was a result from financial cost for real estate development together with the cost of construction and loans for land acquisition of “Nimit Langsuan” and “MahaSamutr” projects. Moreover, there were loans from financial institutions for investment in acquiring DEAN & DELUCA (U.S.) for the amount of USD 80 Million, loans from issuing of debentures during the year for the total amount of 1.6 Billion Baht including outstanding debentures of 4.6 Billion Baht, and short-term loans from issuing bill of exchange at the end of 2015 for 2.8 Billion Baht.

#### The Ability to makes a profit

Since 2015 is the year that the Company is in the process of investment and preparation of developing new projects as well as preparation in expansion of branches of “DEAN & DELUCA” worldwide, the Company has increased expenses that are inconsistent with income since there are 3 huge real estate projects currently under development which are yet to have revenue recognition. Moreover, the Company has invested to acquire DEAN & DELUCA (Thailand) as well as financial costs, operational costs resulting the Company to have annual loss for owners of the parent of 1,785.0 Million Baht, a net loss of 50.8 percent; or increased 368.4 percent from last year.

In 2015, the Company had revenue of sales of super luxury residences at “The Ritz-Carlton Residences, Bangkok” Project for the total amount of 8,681.1 Million Baht which is expected to gradually transfer to buyers in the second quarter of 2016 onward. Also, there was revenue from reservation and agreement of the residential units of “Nimit Langsuan” Project for the total amount of 5,991.4 Million Baht which is expected to gradually recognize the revenue from 2018 onward. Besides, the Company is prepared to launch the luxury villa of “MahaSamutr” project in first quarter of 2016, and expected to gradually transfer to buyers from the end of 2016 onward. If the Company could transfer the residential units and recognize the revenue according to the plan, the Company will be able to pay out dividend in accordance to the policy set which is dependent to the investment plan, necessity and appropriateness in the future.

## Summary of Statement of Financial Position

(Unit: Million Baht)

Statement of Financial Position	2015	2014	Increase / (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Total Assets	25,932.1	19,416.9	6,515.2	33.6
Total Liabilities	23,804.5	17,907.5	5,897.0	32.9
Equity Attributable to Owners of the Parent	2,127.6	2,380.9	(253.3)	(10.6)
Non-controlling interests	-	(725.0)	725.0	(100.0)
Equity – net	2,127.6	1,509.4	618.2	41.0
Total Liabilities and Equity	25,932.1	19,416.9	6,515.2	33.6

### Assets

At the end of 2015, the Company and its subsidiaries had total assets of 25,932.1 Million Baht, increased 33.6 percent from the year ended 2014. The main assets consist of cash and cash equivalents of 720.0 Million Baht, real estate projects for sales under development and construction in progress of MahaNakhon project of 9,791.7 Million Baht, MahaSamutr project and the land cost of Narathiwas project of 1,621.3 Million Baht, Nimit Langsuan project of 1,972.1 Million Baht, land of MahaNakhon and MahaSamutr projects of 1,222.2 Million Baht, 281.2 Million Baht, respectively. Also, there are property for lease (MahaNakhon CUBE) of 1,017.2 Million Baht, goodwill of DEAN & DELUCA acquisition of 3,717.3 Million Baht, and intangible assets of 2,573.6 Million Baht from DEAN & DELUCA's business; for instance, trademark, trade name, copyrights of the DEAN & DELUCA brand, etc. The main assets are 88.4 percent of the total assets.

### Liabilities

At the end of 2015, the Company and its subsidiaries had total liabilities of 23,804.5 Million Baht, increased 32.9 percent. The main liabilities consist of bank overdrafts and short-term loans from financial institutions of 503.7 Million Baht, short-term loans of 2,727.0 Million Baht, current portion of long-term loans from financial institutions of 8,171.7 Million Baht, current portion of debentures of 2,992.6 Million Baht that are four groups of the bonds issued in 2014, and maturing in 2016. Moreover, there are advances and deposits received from customers of 3,753.6 Million Baht; mostly from MahaNakhon and Nimit Langsuan projects' customers. As well as, the long-term loans from shareholders and accrued interest of 463.2 Million Baht, long-term loans from financial institutions of 1,143.9 Million Baht, and debentures of 1,580.0 Million Baht of which are four groups of the debentures issued in 2015, and maturing in 2017 and 2018. All the debts will be repayable after the Company has Cash flow from transferring all the projects; thus, it will reduce the risk of the ability to repay.

### Shareholders' Equity

At the end of 2015, the Company and its subsidiaries had shareholder's equity at 2,127.6 Million Baht, decreased 10.6 percent. Due to the Company increased its registered capital for an amount of 3,261.7 Million Baht during 2015,



and its net loss in 2015 which was the total comprehensive loss transfer to deficit of 1,785.0 Million Baht making the Company had deficits of 2,853.2 Million Baht.

## 2. The Ability for Assets Management

### Trade Account Receivables

As of 31 December, 2015 and 2014 the Company had trade account receivables totaling of 105.8 Million Baht, and 48.6 Million Baht, respectively. Its average collection period in 2015 was 11.7 days, or decreased from the year 2014 of which was 26.5 days. Due to the nature of DEAN & DELUCA business that most of its sales and trade account receivables were dealing mainly by cash, there was less trade account receivables.

### Inventories

At the end of the year 2015, the Company had ending inventories value of 268.3 Million Baht; consisting of 2 residential units of Ficus Lane project, total value of 21.4 Million Baht, and inventories of gourmet food and beverages business "DEAN & DELUCA" brand value of 243.9 Million Baht. The inventory turnover was 6.6 times in 2015, which was unable to compare with the year 2014 due to the revenue recognition of only 1 month that caused the inventory turnover to decrease significantly.

## 3. Liquidity and Adequacy of Capital

### Sources of Funds

At the end of 2015, the Company had total current asset of 10,270.5 Million Baht, total current liabilities of 18,787.2 Million Baht. The current ratio was 0.5 times, decreased from last year of which was 1.0 times due to the increasing current assets and current liabilities. For instance, the current assets increased to 2,852.1 Million Baht; owing to the growing real estate projects for sales from MahaNakhon and MahaSamutr projects. Additionally, the current liabilities increased to 10,993.3 Million Baht due to current portion of long-term loans from financial institutions increased to 6,247.7 Million Baht for MahaNakhon project, current portion of debentures of 2,992.6 Million Baht, short-term loans from bill of exchange issued increased to 1,561.7 Million Baht, advances and deposits received from customers increased to 665.6 Million Baht. All of these factors caused its current liabilities to rise.

### Appropriateness of the Funding Structure

At the end of the year 2015, the Company recorded total debt to equity ratio of 11.2 times, financial institutions debt and others' debt to equity ratio of 8.0 times which were high. This was due to the inability for revenue recognition from developing real estate projects for sales that only created the operating expenses and finance costs during development. As a result, it caused making the deficit and the deficit increased. In addition, the Company is continually investing for DEAN & DELUCA's expansion and preparing to buy new land lot for developing a new project on Narathiwat-Rajanakarin Road in November 2015 by using the loans from financial institutions. However,

if the Company can recognize the revenue as its plan and transfer the residential units to the customers whereby reduce its debt by repayment to the financial institutions, the debt to equity ratio will decrease significantly in 2016.

#### 4. Obligations on Liabilities and Management of Off-balance Sheet Liabilities.

DEAN & DELUCA Inc. had commitments under non cancellation operating lease agreements covering the retail rental agreements, warehouse and office premises for the period from 12 months to 193 months. The totals of future minimum lease payments under non-cancellable operating leases for each period are as follows:

	In Million Baht	
	<u>2015</u>	<u>2014</u>
Not later than 1 year	285.5	254.1
Later than 1 year and not later than 5 years	1,029.3	659.2
Later than 5 years	1,140.1	742.5
<b>Total</b>	<b>2,454.9</b>	<b>1,655.8</b>

As at December 31, 2015 and 2014, the Pace Development Corporation Group had obligation and commitment to complete project on hand.

	<u>2015</u>	<u>2014</u>
Value of sales already contracted (in Million Baht)	14,514.3	7,235.7
As percentage of total sales of project on hand (%)	<u>65.72</u>	<u>49.53</u>

#### 2015 Auditor's remuneration

Accounting auditor's fee for auditing interim and annual financial statement for the year 2015, ending 31 December 2015 totaled approximately 6.9 Million Baht. (exclude the business units which incorporated in USA.)

#### 5. Factors that may influence business operation in the future

In present day, Land cost become the major risks of operating real estate business because of land prices continuously increase and might be hard to find a nice piece of land which cost reasonable price in the central of city for the Company's investment. However, the Company has already studied the trend of high-end real estate business outlook and prepare to acquire new lands for upcoming project in 2-3 years for continuous recognition of revenue from real estate business.

For major factors that may affect gourmet food and beverages business "DEAN & DELUCA" are, such as, competitive environment and economic growth of the country since food and beverages business is very competitive with rapid expansion of new branches and restaurants. It can be clearly seen that number of high-end food and beverage brand are increasing in potential location such as department store, central area office building as well as community

mall. Moreover, current consumers' behaviors are prone to prefer enjoyment of foreign and fine-dining restaurant to socialize with friends. There are also consumers that become more concerned about health and nutrition of their food and are willing to pay more for better quality of food.