

Grand Canal Land Public Company Limited

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www.grandcanalland.com



G LAND

Grand Canal Land Public Company Limited



Annual Report 2012



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Message from the Chairman of the Board of Directors

To all Shareholders

In 2012, the Company, as well as the Management Committee, dedicated our efforts in developing exceptional projects which are located in areas with high potential and which the Management is confident that they will create satisfactory returns to shareholders, at an acceptable rate of risk. These projects include the “Grand Phra Ram 9” project, which is a new large scale CBD in Bangkok, with true potential. This project is ready to compete with other regional CBDs to be the center of the AEC in the future, with the construction area of 1.2 million square meters* on the land over 73 Rai, consisting of a shopping mall, 10 office buildings, retail space in every office building, which are connected to the MRT, 8 residential condominiums, a hotel and a convention center. The “Grand Phra Ram 9” projects currently under development are:

- 1) The large scale office building, the “G-Land Tower” which is to be a landmark in Bangkok and connected to the “Phra Ram 9” MRT station. This project is also located next to Central Plaza Grand Phra Ram 9, has a unique design and was selected to be on the cover of “Architecture@21” magazine in the United States.
- 2) The “Belle Avenue” residential project, which consists of 8 residential buildings, 27 to 43 stories high. The transfer of ownership and the recognition of income for this project commenced in the 3rd quarter of 2012.
- 3) The office building project, “The Ninth Tower”, consisting of 2 building 34 and 32 stories each. The project is currently in the construction phase and construction is expected to be completed and the building ready for use within 2013.
- 4) The office building project, “U-Place”, a 13 storey high building. A lease contract has already been executed with Unilever and the project is currently under construction.

Apart from these projects, the Management Committee plans to continuously develop the remaining areas in the “Grand Phra Ram 9” and “Grand Canal Don Muang” projects e.g. phase 2 of the Phra Ram 9 Square project, which has a space of approximately 250,000 square meters and the portion of the project which will be developed as a hotel, with a space of approximately 30,000 square meters. As for the “Grand Canal Don Muang” project, this fully integrated project consists of residential single detached houses, townhouses, condominium units and retail space, and the future development plans are:

- 1) The Belle Sky project, which the Company plans to develop into a residential condominium. Currently, the design of the project is being revised in order to correspond with Bangkok’s new town planning policies, which will be effective in the middle of 2013.
- 2) Phase 3 of the Grand Canal Don Muang project, which the Company plans to develop into a single detached housing project. Currently, this project is under development.
- 3) Phase 6 of the Grand Canal Don Muang project, which the Company plans to develop into a residential condominium. Currently, this project is under development.
- 4) Phase 7 of the Grand Canal Don Muang project, which the Company plans to develop into a retail space for lease.
- 5) Phase 8 of the Grand Canal Don Muang project, which the Company plans to develop into a townhouse project.
- 6) Phase 9 of the Grand Canal Don Muang project, which the Company plans to develop into a hyper market and retail space for rent.

*Made up of projects of the Company and its subsidiaries, which are projects for sale and lease, which also includes Central Plaza Grand Pharam 9

The Management Committee is confident that the “Grand Phra Ram 9” project will receive an excellent response because this project is a complex comprised of residential condominium for sale, office buildings and retail space for lease, hotel and a shopping complex. It’s located in the center of the city, the comprehensiveness of facilities and transportation, connected to the MRT, nearby Airport Link and toll way access points. Further, the project is surrounded by large scale office buildings, such as the Government Housing Bank, the True Building, MCOT Building and the Stock Exchange of Thailand Building. In addition, the “Grand Canal Don Muang” project is a suitable residential area complete with facilities, educational institutes and also transportation which has the Red Line Mass Transit and Grand Canal Railway Station in front of the project.

In adhering to the above-mentioned plan, the Company and its subsidiaries will receive income from the sale of condominium units, which can be recognized immediately upon transfer of ownership and from the lease of office and retail space, which can be continuously recognized. The Company’s policy allows for stable and consistent income and in each year the Company will receive income in an appropriate proportion, in order to spread out the risks and increase the opportunity to generate income, as well as to increase the value of the land and assets, both within the project and surrounding the project in the long term.

On behalf of the Board of Directors, and the Management Committee, I am confident and determined to increase efficiency and effectiveness in the Company’s operations as well as build a strong foundation for the Company. In particular, in relation to the Company’s real estate development business, the Company aspires to be one of the leading companies in the industry, in order to continue to generate an appropriate return for all shareholders.

Finally, the Board of Directors, the Management Committee as well as all employees would like to thank all shareholders, customers, trade alliances, financial institutions and all associated persons for always believing in and supporting the Company’s operations, resulting in the Company’s success. The new Management Committee would like to assure all of you that that Company is dedicated to operating under the principles of good corporate governance in order for the Company to grow steadily, create products and services to meet the requirements and satisfaction of customers and in order to obtain the optimum benefit to all stakeholders, in return for their continued faith and trust in the Company.



(Mr. Yotin Boondichareon)
Chairman of the Board of Directors



The Grand Phra Ram 9

Summary of Important Financial Information

Consolidated Financial Statements (Based on "Reserved Takeover" Basis)

(Unit: Million baht)

	2012	2011	2010
Financial Position			
Total Assets	14,188	10,079	7,857
Total Liabilities	7,371	3,770	2,648
Shareholders' Equity	6,817	6,309	5,209
Operating Results			
Total Revenues	1,099	196	427
Profit (Loss) for Company Shareholders	59	(29)	(74)
Earnings (Loss) per Share (Baht)	0.0117	(0.0059)	(0.0175)
Liquidity Ratio			
Liquidity Ratio (times)	1.31	1.98	7.91
Quick Ratio (times)	0.04	0.05	0.36
Receivable Turnover (times)	6.52	3.99	4.53
Average Collection Period (Day)	55.22	90.17	79.49
Payable Turnover (times)	4.12	6.78	5.84
Payment Period (Day)	87.45	53.09	61.68
Profitability Ratio			
Gross Profit (%)	32.24	10.26	31.46
Net Profit (%)	5.50	(13.58)	(20.21)
Return on Equity : ROE (%)	0.92	(0.462)	(1.92)
Operating Ratio			
Return on Asset : ROA (%)	0.498	(0.297)	(1.14)
Return on Fixed Asset (%)	1.74	0.43	(1.62)
Total Asset Turnover Ratio (times)	0.09	0.02	0.06
Financial Policy Ratio			
Debt to Equity Ratio(times)	1.08	0.60	0.52

The Separate Financial Statements

(Unit: Million baht)

	2012	2011	2010
Financial Position			
Total Assets	8,981	7,190	5,349
Total Liabilities	2054	822	283
Shareholders' Equity	6,927	6,368	5,066
Operating Results			
Total Revenues	305	227	243
Profit (Loss)	112	15	77
Earnings (Loss) per Share (Baht)	0.0022	0.0031	0.0182

Grand Canal Land Public Company Limited

Company Registration Number	0107538000118
Location	33/4 Rama 9 Road, Huaykwang, Bangkok 10310
Business Type	Property Development
Home Page	www.grandcanalland.com
Authorized Share Capital	5,327,862,930 ordinary shares, 1.00 Baht par value Total 5,327,862,930 Baht
Issued and Paid-up Capital	5,163,882,276 ordinary shares, 1.00 Baht par value Total 5,163,882,276 Baht
Tel	66 (0) 2 246 2323
Fax	66 (0) 2 246 1082

Other References

Share Registrar	Thailand Securities Depository Company Limited (TSD) 62 The Stock Exchange of Thailand Building Rachadapisek Road, Klongtoey, Bangkok 10100 Tel : 66 (0) 2 229 2800, 66 (0) 2 654 5599 Fax : 66 (0) 2 359 1259
Auditor	Ernst & Young Office Limited 193/136-137 Lake Rajada Building, Klongtoey, Bangkok 10110 Tel : 66 (0) 2 264 0777 Fax : -
Investor Relation	Mr. Jatesiri Boondicharern Mr. Surakit Thantananont Tel : 66 (0) 2 246 2323 Fax : 66 (0) 2 246 1082



The Ninth Tower Grand Phra Ram 9

Board of Directors

1. Mr. Yotin Boondicharern

Position : Chairman and Chief Executive Officer
Age : 71

Experience in the last 5 years

23 Dec 2009 - Present	Chairman and Chief Executive Officer	Grand Canal Land Plc.
2 Jul 2012 - Present	Chairman	Sterling Equity Co., Ltd.
2007 - Present	Executive Director	Skyway Realty Co., Ltd.
2002 - Present	Chairman	Grand Fortune Co., Ltd.
2002 - Present	Executive Director	Pattanaburi Co., Ltd.
1996 - Present	Director	Central Pattana Nine Square Co., Ltd.
1996 - Present	Executive Director	Phra Ram 9 Square Hotel Co., Ltd.
1995 - Present	Chairman and Chairman of the Executive Directors	Phra ram 9 Square Co., Ltd.
1994 - Present	Director	Belle Development Co., Ltd.
2008 - Present	Chairman	Belle Development Co., Ltd.
2009 - Present	Chairman and Chairman of the Executive Directors	Belle Development Co., Ltd.
1994 - Present	Chairman	Chareonkit Enterprise Co., Ltd.

Experience in the last 5 years

14 Jan 2010 - Present	Vice Chairman	Grand Canal Land Plc.
23 Dec 2009 - Present	Director	Grand Canal Land Plc.
	Nomination and Remuneration Committee Member	Grand Canal Land Plc.
2007 - Present	Chairman	The Krungthep Thanakom Co., Ltd. (Bangkok Metropolitan's Enterprise)
2007 - Present	Member of The Board of Directors	SASIN International Business Graduate School of Chulalongkorn University
2007 - Present	Advisor to the President	Huachiew Chalermprakiet University
1992 - Present	Member of the University Council	Huachiew Chalermprakiet University
1986 - Present	Member of the Board of Property Management and Chairman	Red Cross Society of Thailand
2004 - Present	Chairman	C & C International Venture Co., Ltd. (The company of Chulalongkorn University)
2004 - Present	Member of the Council	Saint Louis College
2001 - Present	Director	Belle Development Co., Ltd.
2001 - Present	Director	Chareonkit Enterprise Co., Ltd.
1992 - Present	Director	Phra ram 9 Square Co., Ltd.
1987 - Present	Director	The Dhamnitti Plc.

2. Assoc. Prof. Prapanpong Vejjajiva

Position : Vice Chairman and Nomination and Remuneration Committee Member
Age : 77

Education : B.A. in Political Science (Second Class Honor) Chulalongkorn University
Master of Social Science (MSSC) Stockholm University Sweden
Certificate In Business Administration, Stanford University, USA
National Defence College Class 28

Training Course : Director Accreditation Program (DAP)
The Role of Chairman Program (RCP)
Audit Committee Program (ACP)
The Role of Compensation Committee (RCC)

3. Mr. Yongyuth Withayawongsaruchi

Position : Independent Director and
Chairman of the Audit Committee

Age : 72

Education : Bachelor of Accounting (Honor), Thammasat University
Bachelor of Commerce (Honor), Thammasat University
Mini M.B.A. (Class 1), Thammasat University
Certificate of Senior Executive Program (SEP7), SASIN Chulalongkorn University

Training Courses : Director Certification Program (DCP)
Audit Committee Program (ACP)
Board Performance Evaluation
Setting the CEO Performance Plan and Evaluation

Experience in the last 5 years

Apr 2003 - Present	Independent Director and Chairman of the Audit Committee	Grand Canal Land Plc.
8 Dec 2009 - 13 Jan 2010	Vice Chairman	Grand Canal Land Plc.
Apr. 2005 - 7 Apr 2010	Independent Director and Audit Committee Member	Bank of Ayudhya Plc.
Apr. 2003 - Jan 2009	Independent Director and Audit Committee Member	Eastern Star Real Estate Plc.

4. Mr. Nipon Wisityuthasart

Position : Independent Director and Audit Committee Member
Chairman of Nomination and Remuneration Committee

Age : 73

Education : Bachelor of Law, Thammasart University
Master of Public Administration Program (NIDA)

Training Courses : Director Accreditation Program (DAP)
Certificate for High Level Executive Capital Market Academy (CMA12)

Experience in the last 5 years

14 Jan 2010 - Present	Independent Director and Audit Committee Member Chairman of Nomination and Remuneration Committee Member	Grand Canal Land Plc.
17 Nov 2011 - Present	Independent Director	Country Group Assets Plc.
1999 - Present	Independent Director and Chairman of the Audit Committee	Wanachai Group Plc.
Present	Party-List Representative	Democrat Party
2000 - 2006	Senator, Ang Thong Province and The First Vice Chairman of the Senate	The Senate

5. Mr. Banphot Hongthong

Position : Independent Director and Audit Committee Member
Nomination and Remuneration Committee Member

Age : 65

Education : B.A. (Economics), Northeastern University, U.S.A.
M.A. (Economics Development), Northeastern University, U.S.A.

Experience in the last 5 years

23 Mar 2010 - Present	Member of Nominating and Remuneration Committee	Grand Canal Land Pcl.
14 Jan 2010 - Present	Independent Director and Member of Audit Committee	Grand Canal Land Pcl.
Aug 2011 - Present	Chairman of the Board of Director	Dhipaya Life Insurance Pcl.
Jan 2013 - Dec 2013	Advisor	Unicord Pcl.
June 2009 - Present	Director	Evergreen Plus Co., Ltd.
May 2005 - Present	Advisor to the Board of Directors and the Chief Executive Officer	Standard Chartered Bank (Thai) Pcl.
Apr 2012 - Present	President	Royal Automobile Association of Thailand under Royal Patronage
Jan 2013 - Present	Advisor to the Impelling Agriculture and Occupation Committee of Phu Fa Project Under the Royal Initiative of H.R.H. Princess Maha Chakri Sirindhorn	Ministry of Agriculture and Cooperatives
Apr 2012 - Present	Director	Foundation for Institute of Business Economics Research and Development
Feb 2012 - Present	Advisor to Nominating and Corporate Governance Committee of the Royal Water Project	Office of the Royal Development Project
Apr 2011 - Present	Director of Fund Raiser for Queen Sirikit's 80th Anniversary Building	Queen Sirikit National Institute of Child Health
Apr 2011 - Present	Advisor to the Board of the Directors and the Working Group of Development Project under the Royal Initiative, Mae Hong Son Province	Ministry of Agriculture and Cooperatives
Dec 2010 - Present	Advisor to the Board of Directors and Working Committee of the Royal Fruit Development Project, Chanthaburi Province	Ministry of Agriculture and Cooperatives

Dec 2010 - Present	Advisor to the Permanent Secretary of Ministry of Agriculture and Cooperatives	Ministry of Agriculture and Cooperatives
Dec 2010 - Present	Advisor to Cooperative Center of the Development Project Under the Royal Initiative	Office of the Royal Development Project
Aug 2010 - Present	Chairman of the Board	Foundation for Sericulture
Sep 2008 - Present	Honorary Advisor to Agriculture and Cooperatives Committee	The Senate
Apr 2008 - Present	Advisor to Working Group of Royal Project's Administration Center, Amphur Sanpathong, Chiang Mai Province	Ministry of Agriculture and Cooperatives
Jan 2008 - Present	Advisor to the Committee of Chaipattana Agriculture Development Sirindhorn Project	Chaipattana Foundation
Nov 2007 - Present	Advisor on Operation of Land Development Department	Land Development Department, Ministry of Agriculture and Cooperatives
Nov 2010 - May 2011	Director of the Project to Renovate the Birth Place of Buddha, Lumpini, Nepal	Thai Pueng Thai Foundation
Sep 2009 - Sep 2011	Expert Member of Civil Servant Sub-Committee	Ministry of Agriculture and Cooperatives
Sep 2009 - June 2010	Advisor to the Minister of the Ministry of Labour	Ministry of Labour
May 2009 - Dec 2011	Member of Sub-Committee for Recruiting and Development of Listed Company	The Stock Exchange of Thailand
Oct 2008 - April 2011	Independent Director and Member of the Corporate Governance Committee	Thai Oil Pcl.
Oct 2008 - Dec 2009	Director	Thai Oil Ethanol Co., Ltd.
Oct 2007 - Feb 2009	Advisor to the Minister of Ministry of Agriculture and Cooperatives	Ministry of Agriculture and Cooperatives
July 2007 - June 2011	Expert Member to University Council	Rajamangala University of Technology Isan
2007	Member of the National Legislative Assembly	Parliament
2003 - 2007	Permanent Secretary	Ministry of Agriculture and Cooperatives

6. Mr. Jarern Jirawisan

Position :	Director
Age :	71
Education :	Bachelor Degree in Engineering, Chulalongkorn University Master of Management, SASIN Graduate Institution of Business Administration
Training Courses :	Director Accreditation Program (DAP)

Experience in the last 5 years

23 Dec. 2009 - Present	Director	Grand Canal Land Plc.
14 Jul 2010 - Present	Director	Exclusive Senior Care International Co., Ltd.
2009 - Present	Director	T - One Capital Co., Ltd.
2008 - Present	Director	Belle Development Co., Ltd.
2008 - Present	Director	Phra Ram 9 Square Hotel Co., Ltd.
2007 - Present	Director	BBTV New Media Co., Ltd.
2006 - Present	Director	Phra Ram 9 Square Co., Ltd.
2006 - Present	Director	Central Pattana Nine Square Co., Ltd.
2006 - Present	Director	Yook Chuan Co., Ltd.
2006 - Present	Director	The Bangkok Lighters Co., Ltd.
2006 - Present	Director	The Thai Tapioca Flour Produce Co., Ltd.
2004 - Present	Director	Dherakupt International Law Office Co., Ltd.
2003 - Present	Director	Cyber Venture Co., Ltd.
2002 - Present	Director	Great Fortune Equity Co., Ltd.
2002 - Present	Director	Grand Fortune Co., Ltd.
2002 - Present	Director	BBTV Satelvision Co., Ltd.
2002 - Present	Director	Tonson Ploenchit Co., Ltd.
2001 - Present	Director	BBTV Productions Co., Ltd.
2000 - Present	Director	BBTV Marketing Co., Ltd.
1999 - Present	Director	Bangkok Broadcasting & Television Co., Ltd.
1999 - Present	Director	Sunrise Equity Co., Ltd.
1998 - Present	Director	C.K.R. Co., Ltd.
1997 - Present	Director	BBTV Equity Co., Ltd.
1997 - Present	Director	Tun Rungrueng Co., Ltd.
1997 - Present	Director	GL Assets Co., Ltd.
1997 - Present	Director	Mahakij Holding Co., Ltd.
1996 - Present	Director	Super Assets Co., Ltd.
1996 - Present	Director	Sterling Equity Co., Ltd.
1996 - Present	Director	Stronghold Assets Co., Ltd.
1995 - Present	Director	BBTV Asset Management Co., Ltd.
1994 - Present	Director	Siam Puri Engineering Co., Ltd.
1992 - Present	Director	Siam Purimongkol Co., Ltd.
1990 - Present	Director	Khao Kheow Country Club Co.,Ltd.
1984 - Present	Director	Great Luck Equity Co., Ltd.
1982 - Present	Director	CKS Holding Co., Ltd.

7. Mr. Mongkol Pao-in

Position : Director
Age : 83

Education : Bachelor of Law, Thammasat University
Barrister-at-Law, Thai Bar Association

Experience in the last 5 years

23 Dec 2010 - Present	Director	Grand Canal Land Plc.
2001 - Present	Vice Chairman	Thaivivat Plc.
2004 - 20 Oct 2009	Chairman	Prinsiri Plc.
1994 - Present	Executive Director	Charemkrit Enterprise Co., Ltd.
2001 - Present	Executive Director	Belle Development Co., Ltd.
1995 - 6 May 2010	Executive Director	Phra Ram 9 Square Co., Ltd.

8. Mr. Jatesiri Boondicharern

Position : Director and Managing Director
Age : 41

Education : Bachelor of Landscape Architect California State Polytechnic University
Master of Real Estate Finance and International Business, University of Southern California

Experience in the last 5 years

23 Dec 2009 - Present	Director and Managing Director	Grand Canal Land Plc.
2 July 2012 - Present	Chief Executive Officer and Managing Director	Sterling Equity Co., Ltd.
14 Jan 2010 - 22 Mar 2010	Nomination and Remuneration Committee Member	Grand Canal Land Plc.
2009 - Present	Executive Director	Phra Ram 9 Square Hotel Co., Ltd.
2009 - Present	Managing Director	Belle Development Co., Ltd.
2008 - Present	Executive Director	Belle Development Co., Ltd.
2008 - Present	Director	Belle Development Co., Ltd.
2009 - Present	Managing Director	Charemkrit Enterprise Co., Ltd.
2011 - Present	Executive Director	Charemkrit Enterprise Co., Ltd.
2009 - Present	Managing Director	Phra Ram 9 Square Co., Ltd.
2007 - Present	Executive Director	Phra Ram 9 Square Co., Ltd.
2005 - Present	Director	Phra Ram 9 Square Co., Ltd.

2008 - Present	Executive Director	The Future Asset Co., Ltd.
2008 - Present	Executive Director	Belle Park Residence Co., Ltd.
2008 - Present	Executive Director	Breguet Thai Co., Ltd.
2008 - Present	Executive Director	Skyway Realty Co., Ltd.
2006 - Present	Executive Director	Central Pattana Nine Square Co., Ltd.
2004 - Present	Executive Director	G C & T Co., Ltd.
2002 - Present	Executive Director	Grand Fortune Co., Ltd.
2002 - Present	Executive Director	Pattanaaburi Co., Ltd.
2003 - 17 Dec 2009	Executive Director	Grand Canal Co., Ltd.

9. Ms. Romani Boondicharern

Position : Director,
Deputy Managing Director of Accounting and Finance Group and
Deputy Managing Director of Purchasing and General Administration Group
Age : 26

Education : Bachelor of Engineering (Civil Engineering), Thammasat University
Master of Science Degree (Finance), Chulalongkorn University

Training Courses : Director Certification Program (DCP)
Director Accreditation Program (DAP)

Experience in the last 5 years

14 Jan 2010 - Present	Director, Deputy Managing Director of Accounting and Finance Group and Deputy Managing Director of Purchasing and General Administration Group	Grand Canal Land Plc.
4 July 2012 - Present	Director	Sterling Equity Co., Ltd.
2009 - Present	Director, Deputy Managing (Acting)	Charemkrit Enterprise Co., Ltd.
6 May 2010 - Present	Director	Belle Development Co., Ltd.
6 May 2010 - Present	Director	Phra Ram 9 Square Co., Ltd.
6 May 2010 - Present	Director	Phra Ram 9 Square Hotel Co., Ltd.
2008 - Present	Executive Director	Skyway Realty Co., Ltd.
2008 - Present	Executive Director	The Future Asset Co., Ltd.
2008 - Present	Executive Director	Breguet Thai Co., Ltd.
2008 - Present	Executive Director	Belle Park Residence Co., Ltd.
Oct 2008 - 17 Dec 2008	Executive Director	Grand Canal Co., Ltd.

Management Team

1. Mr. Yotin Boondicharern	Chairman and Chief Executive Officer (Please see the profile from the Board of Directors)	Experience in the last 5 years 16 Mar 2011 - Present	Assistant Managing Director Finance and Accounting Group	Grand Canal Land Plc.
2. Mr. Jatesiri Boondicharern	Director and Managing Director (Please see the profile from the Board of Directors)	16 June 2005 - 15 March 2011 1 Sep. 2004 - 15 June 2005 2 Jul 1994 - 31 Aug 2004	Director and Deputy Managing Director Deputy Vice President, Corporate Banking 3 Deputy Vice President, Project Financing Department 4	B.P. Wire Rod Co., Ltd. Thai Military Bank Plc. Industrial Finance Corporation of Thailand
3. Ms. Romani Boondicharern	Directors, Deputy Managing Director of Accounting and Finance Group and Deputy Managing Director of Purchasing and General Administration Group (Please see the profile from the Board of Directors)			

4. Mr. Vira Tanakornpakdi

Position : Deputy Managing (Acting) and Assistant Managing Director,
Project Management Group

Age : 68

Education : Bachelor of Architecture (Honor) Chulalongkorn University

Experience in the last 5 years

1 Jan 2010 - Present	Deputy Managing (Acting) and Assistant Managing Director, Project Management Group	Grand Canal Land Plc.
14 Jan 2010 - 31 Dec 2010	Assistant Managing Director, Project Management Group	Grand Canal Land Plc.
1 Nov 2009 - 17 Dec 2009	Assistant Managing Director, Project Management Group	Grand Canal Co., Ltd.
14 Oct 2009 - 31 Oct 2009	Assistant Managing Director, Project Management Group	Chareonkit Enterprise Co., Ltd.
1995 - 13 Oct 2009	Architecture Advisor	Chareonkit Enterprise Co., Ltd.

5. Mr. Surakit Thantananont

Position : Assistant Managing Director Finance and Accounting Group

Age : 51

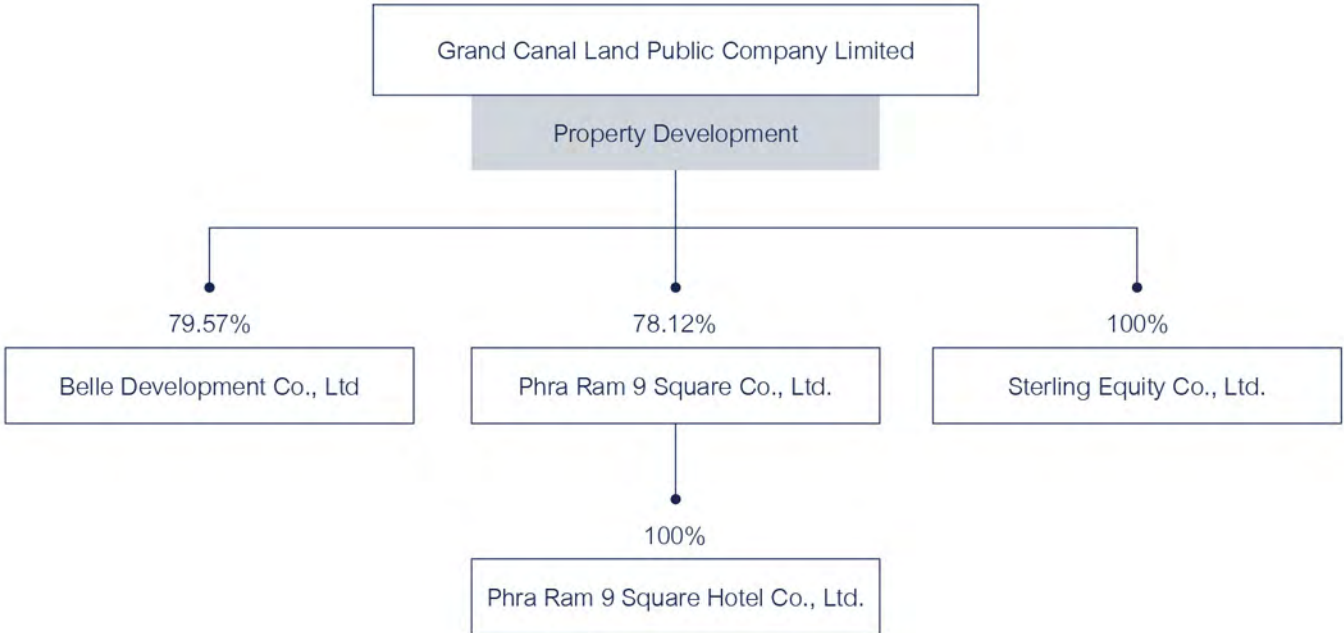
Education : Master Degree in Accounting (Finance), Chulalongkorn University
Bachelor Degree in Accounting (Accounting), Chulalongkorn University



Belle Grand Phra Ram 9

Overview of the Company's business

The Company and its subsidiaries operate in The Real Estate as a main business as per details below:



The Company engages in the property development business, a total of 5 companies, categorized into the following:

Property Development Business

1. Grand Canal Land Public Co., Ltd. provides commercial services for rental office and retail areas @ The Ninth enrolls in the office building project: "The 9th Tower Grand Phra Ram 9", development of condominium: "Belle Sky", hotel and service apartment projects, and the management of sales, marketing, construction and general activities.
2. Belle Development Co., Ltd. develops properties for sale of Condominium projects @ Belle enrolls in the development of residential condominium: "Belle Grand Phra Ram 9" on Ratchada - Rama 9 Road.
3. Phra Ram 9 Square Co., Ltd. enrolls in the development of "G Land Tower Grand Phra Ram 9 Project", office building for rent.
4. Phra Ram 9 Square Hotel Co., Ltd. is a hotel and service development. At present, there are no ongoing operations.
5. Sterling Equity Co., Ltd. develop property project for rental the entire building for "U - Place"

Non - Operated Companies

1. M & D Entertainment Co., Ltd. (The Company transfer all shares that held in M & D Entertainment Co., Ltd. on 28 Dec 2012)
2. Iloura (Thailand) Co., Ltd. (The Company transfer all shares that held in Iloura (Thailand) Co., Ltd. on 28 Dec 2012)

Revenue Structure

The Company's revenue structure, according to the consolidated financial statements for the year 2010-2012 are as follow:

Business	Operated by	%	2012		2011		2010	
			Million Baht	%	Million Baht	%	Million Baht	%
Property	Grand Canal Land Plc.		108.95	9.92%	67.10	67.60%	70.21	22.99%
Development	Belle Development Co., Ltd.	79.57%	983.18	89.50%				
Business	Phra Ram 9 Square Co., Ltd.	78.12%	1/					
	Phra Ram 9 Square Hotel Co., Ltd.	78.12%	2/					
TV Business	Grand Canal Land Plc.						132.84	43.51%
Golf Course	Khao Kheow Country Club Co., Ltd.						87.59	28.69%
Other			6.45	0.58%	32.16	32.40%	14.69	4.81%
	Total		1,098.58	100.00%	99.26	100.00%	305.33	100.00%

Remark 1/ The Company is on progress of construction the building for rent
2/ Non-operated business

Nature of each Business Line

The Company has only one business, which is real estate development, conducted by 5 companies, Grand Canal Land Public Company Limited, Belle Development Co., Ltd. (the Company holds 79.57 percent of total shares), Phra Ram 9 Square Co., Ltd. (the Company holds 78.12 percent of total shares) and Phra Ram 9 Square Hotel Co., Ltd. (the Company indirectly holds 78.12 percent of total shares) and Sterling Equity Co., Ltd. (the Company holds 100 percent of total shares). The details of each company's projects are as follows:

Real Estate Development Business

Grand Canal Land Public Company Limited ("Company")

The Company engages in real estate development and has the following projects:

- The Ninth Tower Grand Phra Ram 9 Office Building Project
- Belle Sky Condominium Project
- Sale and administrative services for Grand Canal Don Muang Projects 1 and 2.

In addition to the above projects, the Company also has investments in 3 companies: 79.57 percent ownership of Belle Development Co., Ltd., 78.12 percent ownership of Phra Ram 9 Square Co., Ltd. and 100 percent ownership of Sterling Equity Co., Ltd. respectively.

The Ninth Tower Grand Phra Ram 9 Office Building Project



- Photo of The Ninth Tower Grand Phra Ram 9 Office Building Project when completed -

This project is a grade B+ to A- office building with a total investment of approximately Baht 3,500 Million, and a total leasable area, for office space and retail space, of approximately 65,000 square meters and 70,000 square meters respectively. The leasable area consists of a podium, which is a 10 storey building with one basement level, and office space comprised of 2 towers: Tower A having a height of 34 stories and Tower B having a height of 32 stories. The project is located in the Rachada - Rama 9 junction area, behind Central Plaza Grand Phra Ram 9.

The key selling point of the project is its location, which is near the Rachada-Rama 9 junction, the express way, the MRT station and the Airport Link as well as the reasonable and mid-range rent offered to target tenants.

At present, the reservations for retail space and office areas are 23 percent and 12 percent of the total leasable area, respectively.

For the construction of Tower A, construction is estimated to be completed and the building is estimated to be available for rent in November 2013. As for Tower B, it is estimated that construction will be completed and the building be available for rent in July 2013.

Belle Sky Condominium Project

Belle Sky Condominium Project is a residential condominium project located on Kampangpetch 6 Road (a Local Road to Vibhavadi Rangsit Road) parallel to the railway, and close to Miracle Grand Convention Hotel. The key selling point of this project is its prime location and the convenient transportation, as the location is adjacent to Vibhavadi Rangsit Road, Don Muang Toll Way and the Government Complex at Chaengwattana.

Currently, this project is being reviewed with respect to the project type. This is because the project type must correspond with Bangkok's new zoning policies.

Grand Canal Don Muang Project 1 and 2



- Photo of Grand Canal Don Muang Project -



- Photo of Grand Canal Don Muang Project -

The Grand Canal Don Muang Project 1 and 2 are single-detached housing projects located in the Don Muang area, near opposite Grand Canal railway station, the second level expressway and the Don Muang Toll Way. Project 1 consists of 194 plots of allocated land and Project 2 consists of 199 plots of allocated land.

The key selling point of these projects is that they are high quality single-detached housing projects with excellent environments and common facilities. Further, the design emphasis of the projects is the romantic atmosphere of Venice, Italy, and the projects offer competitive prices when compared to other similar quality housing projects in Bangkok.

The target customers are middle to high income earners. The single-detached housing in the projects have a land area ranging from 73 - 250 square wah, with a usage area ranging from 197 - 408 square meters, and a selling price ranging from Baht 6.5 - 25 Million.

At present, the Company receives income from the project management fee as it has the rights to manage, market and sell of both projects.

Belle Development Co., Ltd. ("Belle")

Belle was incorporated in 1994. Currently, Belle has a registered and paid up capital of Baht 2,064,261,300, divided into 20,642,613 ordinary shares, having a par value of Baht 100 each. The corporate details are as follows:

Below is a list of shareholders as at 20 April 2012.

Name of Shareholders	Amount of Shares	Percent
Grand Canal Land Pcl.	16,425,383	79.57
Mr. Pak To Liang	2,064,261	10.00
Italian Thailand Co., Ltd.	1,352,257	6.55
Italian Thai Development Pcl.	473,133	2.29
Siam Steel Syndicate Co., Ltd.	317,358	1.54
V&K Consultant Co., Ltd.	6,221	0.03
Lotus Design and Development Co., Ltd.	4,000	0.02
Total	20,642,613	100.00

Currently, Belle has one real estate development project, namely the Belle Grand Phra Ram 9 Project.

Belle Grand Phra Ram 9 Project



- Photo of Belle Grand Phra Ram 9 Project when completed -

Belle Grand Phra Ram 9 Project is a residential condominium for sale with areas for retails space leasing. The 8 residential buildings comprise of a total of 1,991 units with 2 buildings having 27 stories, 2 buildings having 34 stories, 2 buildings having 36 stories, and 2 buildings having 43 stories, all with basement levels and a total permitted construction area of 357,246 square meters. All buildings are built on a 6 storey podiums in which 2 stories are to be developed as commercial rental space and 4 stories as car parking spaces. The project is located in the Rachada - Rama 9 junction area, close to the MCOT junction and 400 meters from the MRT station.

The key selling point of this project is that it is a resort - style condominium with a large recreational area in addition to a hanging garden, located at the heart of Bangkok near the Rachada - Rama 9 junction, close to the express way, the MRT and the Airport link. This project is expected to be one of the condominium projects with the highest potential residential demand in Bangkok, due to the perfect location adjacent to the new CBD, comprising of residential buildings, office buildings, a shopping complex and Central Plaza Grand Phra Ram 9.

The project targets middle to high income earners. The average selling price is approximately Baht 80,000 per square meter. The unit size ranges from 43 to 320 square meters with a selling price ranging from Baht 3.0 to 28.0 Million. Currently, the total sales as at the end of 2012 are 1,087 units.

The total reservation of retail space as at 31 December 2012 is 3,363 square meters or 28 percent of the total retail space.

The main construction contractor is Italian-Thai Development Pcl. The construction progress of this project as of December 2012 is as follows:

- The first four residential buildings are completely finished, and the transfer of ownership has been ongoing since September 2012.
- The remaining four residential buildings are expected to be completely finished within December 2013.
- The commercial rental space is expected to be opened for use in July 2013.

Phra Ram 9 Square Co., Ltd. ("Phra Ram 9")

Phra Ram 9 Square Co., Ltd. was incorporated in 1995 by Charernkrit Group with an initial registered capital of Baht 1 Million to engage in the development of real estate. At present, Phra Ram 9 has a total registered and a paid-up capital of Baht 1 Billion, divided into 10 million ordinary shares with a par value of Baht 100 each. The corporate details are as follows:

Name of Shareholders	Amount of Shares	Percent
Grand Canal Land Pcl.	7,812,496	78.12
Italian -Thai Development Pcl.	2,000,000	20.00
City Realty Co., Ltd.	187,500	1.88
Others	4	0.00
Total	10,000,000	100.00

Current Project

G Land Tower Grand Phra Ram 9 Office Building Project



- Photo of G Land Tower Grand Phra Ram 9 when completed -

This project is an A+ grade office building located on a plot of land under the long term lease agreement of 33 years with an option to renew the lease for 10 years, and having a total office rental space and retail space of 73,000 square meters. The building is designed in a "G" shape and comprises of 2 buildings with 25 stories and 35 stories respectively and is located on Rachada - Rama 9 junction area, connected to the MRT at "Phra Ram 9" station and the Central Plaza Grand Phra Ram 9 Shopping Complex.

The total project investment is approximately Baht 3,800 million with a construction period of approximately 4 years. It is expected to be opened in the first quarter of 2015. Currently, the progress of this project is estimated at 14 percent.

Targeted customers are premium office tenants and the rent will be approximately Baht 700 - 750 per square meter.

Finished Project

Central Plaza Grand Phra Ram 9 Shopping Complex

Central Plaza Grand Phra Ram 9 Shopping Complex (Phra Ram 9 holds 3.27 percent of the total shares, and the major shareholder is CPN Group). It was completely constructed and transferred to Central Pattana Nine Square Co., Ltd. at the end of 2011. This project is a good magnet which helps to support and attract tenants for the Grand Phra Ram 9 project, in relation to the office space and other spaces, which will be developed into a center for trading and business with increasing attractiveness.

Sterling Equity Co., Ltd. ("Sterling")

Sterling was incorporated on 22 April 1996 with an initial registered capital of Baht 25 million to engage in real estate development. At present, Sterling has a total registered and a paid-up capital of Baht 280 Million, divided into 2.8 million shares with a par value of Baht 100 each. Details are as follows:

Name of Shareholders	Amount of Shares	Percent
Grand Canal Land Pcl.	2,799,998	100.00
Others	2	0.00
Total	2,800,000	100.00

Current Project

U-Place Rama 9 Project



- Photo of U-Place Project when completed -

Overview of Residential Property Sector

In 2012, the residential property sector expanded from the previous year with a total of 408 projects launched in 2012, totaling 102,080 units, an increase of 2.5 percent and 19 percent from the previous year, respectively. The total value of the projects launched in 2012 was Baht 299,829 Million.

In 2012, the selling price per unit was Baht 2.93 Million per unit, a slight decrease when compared to the average selling price of the previous year of Baht 2.98 Million. This is because of the fact that most projects launched were medium size projects with reasonably cheap prices and with locations near the BTS expansions such as Bangyai - Bangsue and Bearing - Samutprakarn.

Development of the residential sector can be divided into two patterns: low-rise residential (single - detached houses, twin houses, and townhouses) and high-rise residential (condominiums).

Low-Rise Projects (single - detached houses and townhouses)

In 2012, single - detached houses represented 13,300 units, a small decrease from 2011, in which 15,539 units were sold or a decrease of 14 percent. As for townhouses, the total sales stabilized at 23,539 units, a small increase from the previous year where 23,148 units were sold, representing an increase of 2 percent. The reason for the poor sales of low-rise projects is due to the fact that most of the demand has shifted to condominiums located near the BTS.

There was no major change in the accumulative supply of single - detached houses and townhouses in 2012 which indicates a slow down tendency of the low-rise projects. There were new single detached houses and townhouses totaling 12,720 units and 22,503 units respectively, a decrease of 24 and 3 percent, respectively.

Graph 3 Shows the number of units sold and sales of housing for single houses



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total	25,42	36,594	42,492	41,004	44,912	49,236	49,238	46,537	51,942	54,897	52,078
Sold	10,760	23,397	20,427	9,613	7,060	11,705	11,705	11,948	13,869	15,539	13,300
Remaning	14,666	13,197	22,065	31,391	37,852	37,531	37,531	34,589	38,073	39,538	38,778

Source: Agency for the Real Estate Affairs Co., Ltd.

Graph 4 Shown the number of units sold and sales of housing for townhouses



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total	31,633	32,428	27,940	30,286	33,476	38,101	47,718	48,963	67,945	62,855	62,210
Sold	18,123	23,188	17,783	14,669	13,277	10,626	17,834	14,425	26,962	23,148	23,503
Remaning	13,510	9,240	10,157	15,617	20,199	27,475	29,884	34,538	40,983	39,707	38,617

Source: Agency for the Real Estate Affairs Co., Ltd.

High Rise Projects (Condominium)

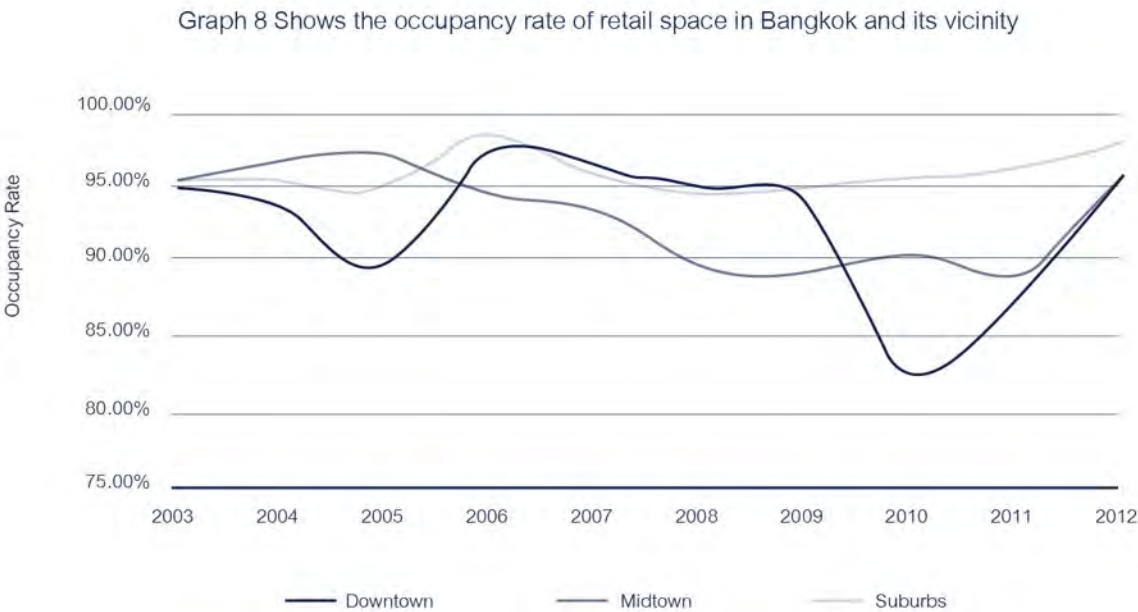
Condominiums projects in 2012 were highly popular as demonstrated by the sale of 65,215 units in 2012, an increase of 73 percent when compared to the sales in 2011 which totaled 37,797 units.

The remaining accumulative supply of condominiums in 2012 decreased from 43,520 units in 2011 to 40,853 units, an equivalent of 6 percent. At the same time, many new projects were launched totaling 62,458 units in 2012, an increase of 51 percent from 2011 which totaled 41,492 units.

Retail Space

At the end of 2012, Bangkok had a total retail space of 6,205,661 square meters, an increase of 8.88 percent from 2011 since there were a total six new projects launched. 60 percent of Bangkok’s retail space is mostly in the form of shopping malls, with 42 percent of the total retail space located in the suburbs, 39 percent located in outer Bangkok, and 19 percent in inner Bangkok. The retail space located in inner Bangkok area has a very low growth rate due to the limitation in areas for expansion.

The occupancy rate of retail space at the end of 2012 stabilized at 96.48 percent while the rate of the outer and inner Bangkok space was at approximately 95 percent. The occupancy rate of retail space in inner Bangkok increased more than that of the other areas, due to the opening of the Silom Complex project. CBRE forecasted that the opening of the Siam Center project and Soho project will allow the occupancy rate of retail space in 2013 and in the future to rise continuously.



Source: CB Richard Ellis (Thailand) Co., Ltd.

Table 1 The rental rates of retail space (Year 2012)

Area	Ground floor (Baht / Sq.meters / Mth)	Upper floors (Baht / Sq.meters / Mth)
Inner Bangkok		
(Silom, Sathorn, Rachadhamri, the beginning of Sukumvit)	1,200 - 2,500	700 - 1,000
Commercial building	1,800 - 3,500	1,520 - 2,600
Shopping mall	1,000 - 1,500	800 - 1,200
Large super centers		
Outer Bangkok		
(Ladprao, the end of Sukumvit, Ramkumhaeng, Bangkapi, Jatujak)	1,500 - 2,680	1,040 - 2,100
Suburban areas		
(Laksi, Don Muang, Rangsit, Ramintra, Sukapibarn, Bangna - Trad)	1,200 - 3,300	800 - 1,100

Source: CB Richard Ellis (Thailand) Co., Ltd.

The rental rate has a tendency to increase, especially for shopping malls in inner Bangkok. The rental rate for retail space in suburban areas was still the lowest rate compared to other areas. At present, the rental rate for the ground floor is still the highest rate.

During 2012, the rental rate of suburban areas increased considerably which was due to the opening of the Mega Bangna project, the Cicle Ratchapruek project and the Walk, Ratchapruek project. As for inner Bangkok, the highest rental rate is expected to be the Emquartier project which is expected to be complete in 2014. The rental rate for retail space in outer Bangkok was remained consistent and there was no significant change from the previous year.

Impact on Environment

Single-Detached Houses Projects

The development of the Company’s projects will be divided into phases. Each phase will develop an area of approximately 100 Rai, with less than 500 houses. Thus, this does not fall under the laws regarding the environment. However, the Company has a system of managing the utilities for the projects in order to avoid detrimental environmental effects, in particular, a system for wastewater treatment and management to ensure that there is adequate green land.

Condominiums

The Company is required to conduct an environmental impact assessment and provide a report on the environmental impacts to the relevant government department in order to support applications to construct fixtures and buildings. The Company’s condominium project has already received approval.

with its standards of quality, within the schedule and in accordance with the budgeted costs, which may in turn affect the performance of the Company.

However, to manage this risk, the Company has a policy to continuously build and maintain good relationships with contractors, by selecting highly qualified contractors who have worked with the Company over a long period of time. This means that the Company has a certain level of confidence that the construction will be completed in accordance with the Company's standards and quality and that the projects can be delivered according to the timeframe. Furthermore, it is the Company's policy is for contractors to invoice the Company in installments, and only when the work has been completed. This method allows the Company to maintain control over such payments to contractors to ensure that the payments do not exceed the amount of work actually completed. This in turn reduces the Company's risk where the contractor abandons the project as well as allows the Company to assess the quality of work and whether the contractors will be able to complete the project within the timeline. Where the Company determines that project may not be delivered in accordance with the schedule, the Company can provide personnel in order to support the project so that it is completed on time. This will be done by hiring special labor to assist the construction so that it is completed within the timeframe. Further, to supervise the construction and to be continuously assured of the contractor's quality of work, the Company will assign project managers, project engineers, and foremen to verify the contractor's work on a regular basis.

1.4 Risk of fluctuation of Construction Material Price

In the real estate development business, construction materials are the principal and major cost in the development of a project. During the previous year, there was an increase in price for some construction materials. Due to the growth of the real estate development business for residential projected located near the BTS expansion areas, various government projects and recovery of the domestic economy, there was an increase in demand for construction materials like steel rods. This will affect real estate developers in preparing budget and price forecasts, as there may be errors which impacts the Company's future performance.

Despite this, the Company has a policy to pass on the risk on to the contractor by specifying the amount of construction materials in the construction contract. For construction materials which the Company procures itself, such as steel rods and concrete, the Company's policy is to order large quantities for use in the project, resulting in cost savings in relation to the construction materials as well as increased bargaining power over the seller. This assists the Company in forecasting its costs and profits with a certain amount of accuracy and allows the Company to set its prices in accordance with its costs.

In addition, to lower the risk from the increase in construction costs, the Company utilizes Value Engineering in the design and construction stage of the project. This technique allows the Company to reduce construction costs and at the same time maintain construction quality and standards. In relation to risk of fluctuation in the cost of construction materials, in entering into contracts with contractors, the Company will clearly set out the value of the work by specifying the details of the material i.e. the type, quantity and features of the work, allowing the Company to reduce the risk from a fluctuation in the cost of construction materials.

1.5 Risk of Low Income Recognition and Poor Performance in the Early Stages of the Project

As the majority of Company's real estate development projects, such as Belle Grand Phra Ram 9, are still under construction, in addition to the change of the rules regarding revenue recognition based on the new Accounting Standards, which came into effect in 2011, and which state that revenue from construction contracts may only be recognized when construction has been completed and ownership has been transferred to the purchaser, instead of being based on the progress of construction, the Company is unable to recognize its revenue of the real estate development project in a short period of time.

For office building projects for lease, such as G Land Tower Grand Phra Ram 9 Office Building Project and the Ninth Grand Phra Ram 9 Office Building Project, the projects are also under construction. Further, the Company requires a large amount of investment for these projects and, as these are large scale projects, they will take a significant period of time to construct. Thus, the Company is unable to recognize its revenue in the early stages of these projects.

However, in order to have consistent revenue and so that these issues do not significantly affect the performance of Company, the Company plans to develop a variety of project types, such as, a single-detached housing projects in order to recognize revenue quickly, resulting in a more consistent income. Apart from this, the Company is also the project manager and sales manager for the Grand Canal Don Muang Project 1 and 2 housing projects, which allows the Company to recognize a continuous flow of revenue.

1.6 Risk of amendment of Laws, Regulation, Rules and Ministerial Regulations relating to the Real Estate Development Business

Amendments to the laws, regulations, rules, and ministerial regulations relating to the real estate development business may lead to an increase in the project's operational costs. For example, where there is a change of the town planning regulation in relation to the Floor Area Ratio (FAR), new policies on common areas, or the scope and preparation of Environmental Impact Assessment reports (EIA), etc. these may have an adverse effect on the Company's performance.

Despite this, the Company has studied and will continue to study any changes in the laws, rules, and regulations in order to prepare for a change in the government policy. The Company has always developed its projects in accordance with any changed policies, allowing the Company to reduce a certain amount of this risk.

1.7 Risk in relation to Leasehold Rights

The "G Land Tower Grand Phra Ram 9" office building project, operated by Phra Ram 9 Square Co., Ltd., is located on a plot of land in which the Company has a 33 year lease agreement along with an option to renew for another 10 years. Even though this is a long-term lease, the risk in relation to the lease is that the lease agreement provides for termination before expiry if the Company breaches the lease agreement. Therefore the Company must be careful not to breach the lease agreement which may lead to termination or a fine.

1.8 Risk of Land Procurement for Future Development Projects

The Company has a policy not to hold vacant land which is not ready to be developed but the Company plans to purchase sufficient land per period of time in order to develop the Company's projects. The Company will consider whether each the land is suitable for the target customer, if this is the case the Company will develop the project. Therefore, the Company does not have a large amount of vacant land which is not ready to be developed. As a result of this, the Company may have risks in relation to land procurement for future development projects. Despite this, the Company has Call Options and the Right of First Refusal for certain plots of lands which are ready to be developed in future from the Ratanarak Group. These parcels of land are located in prime areas with high development potential. Moreover, the Company has a policy to develop projects located in prime locations which are not restricted to CBD areas. This leads to a reduction of risk with respect to land procurement.

2. Investor Risk

2.1 Risks from Major Shareholders Holding more than 50 Percent of the Shares

At present, the Charernkit Group holds more than 50 percent of the Company's registered and paid up shares. Thus, the minority shareholders are at risk of the major shareholders controlling the Company policy, moving the Company in a certain direction, and the risk of not being able to accumulate the required number of votes to veto, review or balance the major shareholder's power.

However, as, at present, the audit committee consists of 3 directors who are independent directors, from a total of 9 directors. This assists and increases the efficiency and transparency in the Company management and the balance of power within the Board of Directors. Further, these directors are also representatives of minority shareholders in reviewing the Board of Directors' management of the Company. Moreover, the Board of Directors is concerned about the Principles of Good Corporate Governance and will strictly comply with these guidelines. Thus, investors can be assured that all shareholders, including persons who have a special interest in the Company, will be treated fairly and equally.

2.2 The risk of lack of liquidity in the sale and purchase of the Company's shares and the Company having a free float less than the specified criteria.

In the past, the proportion of free float was relatively low and the liquidity of the shares was also relatively low. Presently,

the minority shareholders hold 7.10 percent of the shares. As a result of this, investors are at risk of the shares having low liquidity, resulting in investors not being able to purchase or sell the Company's shares at fair value or not being able to purchase or sell the shares at a time, or in the quantity desired. In addition to this, in accordance with the criteria on maintaining status as a listed company in the Stock Exchange of Thailand, a listed Company must maintain the following characteristics in relation to the distribution of its shares, i.e. the Company must have at least 150 minority shareholders holding not less than 15 percent of the Company's registered and paid - up capital. Currently, the Company is in the process of urgently resolving these liquidity problems.

The Company has a risk of violating the afore-mentioned rule, but the Company has considered a possible solution to solve such problem and has plans to remedy this problem by distributing the minority shareholders' shares. This can be done by decreasing the proportion of shares held by shareholders who are involved in management of the Company, as one or as many transactions. The Company will distribute the shares in the Stock Exchange or sell to the public and/or specific investors within the specified period. However, this distribution depends on favorable conditions of the Stock Exchange and the response of investors. If this solution can be accomplished, the liquidity of the Company will be increased.

3. Risk of External Factors

Flood

The impact of the flood in 2011 had a significant effect on the customers' choice in choosing a residential location, especially with regards to location. At the same time, real estate developers suspended the launch of new projects resulting in a recession in the real estate market. Some of the Company's projects were affected by the flood, namely, the Belle Sky Condominium Project and the vacant land near the Grand Canal Don Muang Project, which will be developed in the future. Therefore, the Company has to consider improving the land quality i.e. implementing a higher land fill, additional strengthening of the land, and preparation of an efficient water dispensing system both inside and around the project as well as by taking into account the risk of future flooding when designing the projects. The Grand Phra Ram 9 Project was not affected by the flood, and in addition to being located in center of the city the project is able to accommodate every type of lifestyle, making the project very attractive to a large number of customers and companies.



G Land Tower Grand Phra Ram 9

Shareholders and Management Structure

Shareholders Structure

(1) Securities of the Company

At present, the Company has registered capital 5,327,862,930 Baht, the issued and paid-up share capital of 5,163,882,276 Baht which consists of 5,163,882,276 common shares, at 1.00 Baht par value.

Other Securities

Warrants to purchase the ordinary shares

Warrant	G LAND – W1
Duration (Years)	3
Expire Date	May 26, 2014
Total issued warrants (Units)	164,375,658
Total allotted warrants (Units)	164,375,658
Offering Date	May 27, 2011
Exercise Ratio (Update)	1 : 1
Exercise Price (Baht/share) (Update)	1
Total number of exercised warrants as of Dec 31, 2012 (Units)	395,004
Total number of non. exercised warrants as of Dec 31, 2012 (Units)	163,980,654

(2) Shareholders

List of top 10 shareholders as at 11 January 2013, the latest date the Company closed the registration book:

	Number of Shares	%
1. Charemkrit Enterprise Co., Ltd. Group		
<i>Charemkrit Enterprise Co., Ltd.</i>	1,965,834,241	38.07
<i>Belle Park Residence Co., Ltd.</i>	274,557,776	5.32
<i>Grand Fortune Co., Ltd.</i>	162,066,939	3.14
<i>Mr Jatesiri Boondicharearn</i>	225,300,000	4.36
<i>Ms.Romani Boondicharearn</i>	179,800,000	3.48
<i>Mr. Jatamongkol Boondicharearn</i>	179,800,000	3.48
Total Charemkrit Enterprise Co., Ltd. Group	2,987,358,956	57.85
2. Bangkok Broadcasting & Television Co., Ltd. Group		
<i>Bangkok Broadcasting & Television Co., Ltd.</i>	1,016,320,574	19.68
<i>Great Fortune Equity Co., Ltd.</i>	241,512,380	4.68
<i>BBTV Asset Management Co. Ltd.</i>	121,298,464	2.35
<i>GL Assets Co. Ltd.</i>	99,071,135	1.92
<i>BBTV Satelvision Co., Ltd.</i>	7,955,137	0.15
Total Bangkok Broadcasting & Television Co., Ltd. Group	1,486,157,690	28.78
3. KR & Associates Co., Ltd.	323,553,818	6.27
4. Kim Eng Securities (Hong Kong) Limited	164,324,324	3.18
5. Mr. Kiat Srichomkwan	24,269,708	0.47
6. NFS Assets Management Co.,Ltd.	18,817,860	0.36
7. BTS Group Holding Pcl.	14,004,437	0.27
8. Thai NVDR Co., Ltd	13,223,221	0.26
9. Mr. Prakrit Laovisit	12,211,123	0.24
10. Mr. Jetsada Lertnathapanya	7,996,627	0.15
Total	5,051,917,764	97.83

(Investors may view updated list of top 10 shareholders information at the Company website prior to the Annual General Shareholders' Meeting)

(3) Dividend Policy

Dividend payout policy of the Company and its subsidiaries is at least 50 percent of net profit after tax and legal reserve under the consolidated financial statements. Nonetheless, the Board of Directors is authorized in considering to omit this policy or to change it from time to time, under condition that it will be made highest benefit to the shareholders, e.g. reserving for loan payments, business expansion, or market impact which will lead to the Company and its subsidiaries' future cash flows.

Management

(1) Management Structure

The structure of the Board of Directors comprises of 3 committees: Board of Directors, Audit Committee, and Nomination and Remuneration Committee.

The Board of Directors

The Board of Directors (qualified under Section 68 of the Companies Act 2535 and announcement according by the Office of Securities and Exchange Commission) comprise of 9 members, 3 of whom are independent directors and appointed as Audit Committee members by the Board of Directors.

No.	Name	Position
1	Mr. Yotin Boondicharearn	Chairman
2	Assoc. Prof. Prapanpong Vejajiva	Vice Chairman
3	Mr. Yongyuth Withayawongsaruchi	Independent Director
4	Mr. Nipon Wisityuthasart	Independent Director
5	Mr. Banphot Hongthong	Independent Director
6	Mr. Jarern Jirawisan	Director
7	Mr. Mongkol Pao-in	Director
8	Mr. Jatesiri Boondicharearn	Director
9	Ms. Romani Boondicharearn	Director

Ms. Supapan Wisaruetapa is appointed as the Company secretary.

The Roles and Duties of the Board of Directors

1. To perform with honest and careful, under the law, objectives, and rules of the Company and the legally resolution of the Shareholders, expect those matters which priory granted approval from the shareholders' meeting as well as regulations of the Stock Exchange of Thailand (SET) and/or other related matters, e.g., connected transaction, acquisition and disposal of major assets.
2. To have authorities to designate directors and/or top executives as a management team to operate one and/or multi duties delegated from Board of Directors. Moreover, their authorities include the designation for Chief Executive Offer who is authorized to appoint Managing Director and any management committees such as audit committees and nomination and remuneration committees as appropriated. Furthermore, their authorities can be appointed and delegated to any persons to perform on behalf of Board of Directors with control by Board of Directors to cancel, revoke, amend, and charge any authorities and roles as appropriated.
3. To appoint and replace the Director who is authorized to sign company documents.
4. To order sub-committees to monitor and control the Company's management and internal control as regulated by the Company's policies.
5. To determine the Company's policies, methods, strategies and budget, as well as, to conduct the management and other authorized persons' work to comply with the Company's policies.

6. To consider, reconsider, investigate and approve the Company's policies, directions, strategies and plans for operations as proposed by the Management.
7. To follow up the Company's operation to continually comply with the strategies and budget.
8. To consider and approve investments, diversify, and thoroughly join investment with other companies.
9. To consider and approve other matters for the Company's benefits and interest.
10. To regulate and oversee conflict of interests between the Company and interested persons.
11. To consider and approve borrowing, pledge, mortgage, guaranty and financial transaction with financial institution, shareholders or related persons with aproral credit line.
12. To consider and approve to pay the shareholders such interim dividends as appeared to the directors to be justified by the profits of the company and report such interim dividends to the next shareholders'meeting.

Audit Committee

The Board of Directors appoints the Audit Committee, which is a sub-committee of the Company, consisting of one Chairman and at least 2 but not exceeding 4 members. Each member is in charge for the 3 - year period; after the end of the contract, the member maybe re-appointed.

The Audit Committee comprised of 3 independent directors with expertise in accounting and finance and experiences in the financial statement review, as follows:

No.	Name	Position
1	Mr. Yongyuth Withyawongsaruchi	Chairman of the Audit Committee
2	Mr. Nipon Wisityuthasart	Member of the Audit Committee
3	Mr. Banphot Hongthong	Member of the Audit Committee

Mr.Sakol Pao-in is appointed as the Audit Committee's Secretary.

Duties and Responsibilities of Audit Committee

1. Carry out auditing to verify that the quarterly and annually financial reports correctly follow the accounting standard and are sufficiently disclosed to co-operate between the Company management and the auditor. The Audit committee has duties to highlight financial statement, accounting practice, continuing of firm, the major change of accounting standard, and indicating reasons of change to Management before presentation and publication to the shareholders and investors.
2. Develop internal control guidelines and carry out internal auditing to ensure that the Company has appropriate and effective internal control and auditing in cooperation with both external and internal auditors. Review the internal control year plan (Audit Plan) and evaluate the result with auditors and internal controller on the problem and constrain of the financial statement, including computer security systems to prevent the corruption and un-lawful activities of employees.
3. To review the Company and its subsidiaries to ensure that their operations are in accordance with the security laws and the Stock Exchange of Thailand's ("SET") legal requirements, the SET rules and regulations, as well as other laws that may be related to the Company's business.
4. Consider the selection and proposals to appoint an independent person as an auditor of the Company and consider the auditors' remuneration by highlighting on the trustiness, resourceful, and workload of that audit firm with the auditor's experience. The Audit committee needs to set up meetings with the auditor by having no management team's involvement at lease once a year.
5. Consider the completeness and correctness of the disclosure of Company information regarding the transactions, transactions with conflicts of interest and the acquiring/disposal of asset. Also to approve the transaction and reporting to the Board of Director and/or shareholder's meeting in accordance to related rule and regulation.

7. Carry legally audit committee report to be disclosed in the Company's annual report which shall consist of complete information and be signed by Chairman of audit committees.

8. To take care of any other matters assigned by the Board of Directors approved by audit committee.

Nomination and Remuneration Committee

The Board of Directors appoints the Nomination and Remuneration Committee, which is a sub-committee of the Company, consisting of one Chairman and at least 2 members. The Audit Committee and Board of Directors must be an independent director and each member is in charge for a 3 - year period; after the termination of the 3 - year period, the member may be re-appointed.

The Nomination and Remuneration Committee comprise of 2 independent directors and 1 director as follows:

No.	Name	Position
1	Mr. Nipon Wisityuthasart	Chairman of the Nomination and Remuneration Committee
2	Assoc. Prof. Prapanpong Vejajiva	Member of the Nomination and Remuneration Committee
3	Mr. Banphot Hongthong	Member of the Nomination and Remuneration Committee

Duties and Responsibilities of the Nomination and Remuneration Committee

1. To consider criteria and procedures to nominate qualified, knowledgeable, competent and high experiences candidates to act as directors, audit committee, the nomination and remuneration committee and the risk management committee (if any), and seek the approval in the Company's Board of Directors and/or Shareholders meeting.
2. To consider an appropriate remuneration scheme for directors, members of sub-committees, and top executives, as well as overseeing that such remuneration schemes are in line with their duties and responsibilities, comparable and equitable with the industrial and other business piers, and seek for approval in the shareholders' meeting.
3. Assist in other matters assigned by the Board of Directors.

Nomination of Directors and Management

The Nomination and Remuneration Committee is responsible for selecting only knowledgeable persons who truly comprehends to the nature of business and have qualifications for the Director's position, and will propose to the shareholders' meeting for approval.

The General Shareholders' Meeting for the election of Directors follows the standard approach specified in the Company's regulations section 3 on Directors no. 13 - 15, which states that there must be at least 5 persons on the Board of Directors, without mentioning the maximum number of Directors and at least half of the Directors must reside in the Kingdom of Thailand.

In the selection of Directors during the Shareholders' Meeting, one share equals one vote. Each shareholder can use all his/her votes to elect one or more persons as a Director(s), although he/she cannot split his/her votes between the candidates. Candidates who are elected as Directors are those with the highest votes; the number of candidates elected depends on the number of Directors specified in the meeting. In case of a tie in the number of votes received, causing the number of elected persons to exceed the number of Directors needed, the Chairman will break the tie and render the final vote to one candidate.

At every Annual General Shareholders' Meeting, one-third of the Directors shall retire. The director who is in the office longest shall retire first; if the Directors are in the office at the same time, they will retire by lottery selection. If the number of total Directors is not a multiple of three, the number of Directors closest to one-third shall retire. A Director who vacates his/her office under this article may be re-elected.

The termination of Directors can be done by the resolution of Shareholders during the Shareholders' Meeting only with a vote of at least three fourths of number of attended Shareholders who have the right to vote and when these Shareholders hold at least half of the total shares of all Shareholders who attended and have the right to vote.

The Nomination and Remuneration Committee is the one responsible for the appointment, transference, rotation, or dismissal of members of sub-committees and Executives, as appropriate.

(2) Principles of Good Corporate Governance

The Board of Directors has realized the importance of good corporate governance as a vital factor for strong and sustainable business operations. It means that the Company has efficient, transparent, and able to audit management systems that create trust and confidence amongst its shareholders, investors, other stakeholders and all relevant parties.

The Board of Directors sets a written policy on good corporate governance and business ethics that is reviewed annually. Also, this information is disclosed on the Company's website and Intranet as guidelines for directors, executives, and employees to follow. These guidelines include transparency of work procedure, provision of fair and equitable treatment to all shareholders and stakeholders involved in operations according to the law, punctual disclosure of reliable information, as well as the creation of internal control and internal audit system.

In addition, the Company complies with the Principles of Good Corporate Governance for Listed Companies that the Stock Exchange of Thailand has adopted as specified in the following five categories:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Role of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board

1. Rights of Shareholders

The Company recognizes the importance of the rights of shareholders to attend meetings to obtain the Company's information. The Company discloses the financial statements and the annual overview of the Company's operations to shareholders through SET. The Company will distribute invitation notice and documents for the Shareholders' Meeting to shareholders at least 7 days prior to the meeting date, of which include opinion of the Board of Directors in every session. The Company also advertises the invitation notice on its website: www.grandcanalland.com. In addition, the Company will organize the meeting place, date, time of the meeting, and coordinate the advance registration period of 1 hour prior to the beginning of the meeting. During the meeting, the Company facilitates each session, allowing shareholders to express their opinions and ask their questions. On 26 April 2012 the Company held an Annual General Shareholders' Meeting, shareholders and proxies attended representing 4,602,437,818 shares, accounting for 93.3458 percent of the total number of paid-up ordinary shares. (In addition, there were more shareholders and proxies attending the meeting, representing 4,602,802,203 shares, accounting for 93.3532 percent of the total number of paid-up ordinary shares)

2. Equitable Treatment of Shareholders

The Company gives the importance and pays respect to rights of shareholders by implementing a policy to treat all shareholders on an equitable basis. The Company protects not only the basic rights of every shareholder but also gives equal treatment toward shareholders during meetings and protect inside trading.

2.1 Shareholders' meetings

To show the transparency of management and operations and be fair to all shareholders, shareholders are entitled to express their opinions or make inquiries to executives and also participate in decision making. Therefore, important issues must be submitted to the shareholders meeting for consent or approval such as operating results, last year's profit appropriation, election of Directors, the appointment of auditors, etc. Aiming to give all shareholders equal rights, the Company gives shareholders advance notice of agenda items to be raised in the meetings.

Besides the invitation notice and list of documents submitted to shareholder, the Company also provides proxy forms to shareholders unable to attend the meeting. The proxy form is prepared such that shareholders can dominate the direction of the vote and assign proxies to attend the meeting to vote on their behalf. For the meeting in 2012, the Company offered additional alternatives to shareholders by proposing a list of Independent Directors for shareholders to choose as proxies to attend the meeting.

In the meeting, the Company Secretary informs all shareholders attending, the list of criteria for casting votes before starting with the meeting. Shareholders have the right to vote for or against or abstain, as they deem appropriate. On the election of Directors, it is specified that shareholders can vote in favor, vote against, or abstain each Director. During the meeting, the chairman of the meeting shall give the opportunity to all attending shareholders on equal basis to fully examine the Company's operations, make inquiries, express opinions/comments and give recommendations. In this respect, the directors and the related executive officers shall reply to the shareholders' queries while accepting the shareholders' opinions and suggestions for further consideration and action as deemed necessary.

With the shareholders' meeting decision, the Company Secretary shall inform all shareholders of each meeting agenda item, how many votes were cast by the shareholders in favor, how many against, and how many abstentions. All resolutions shall be decided by the majority vote. The resolutions, with the number of votes cast on each agenda item, are recorded and the minutes of the meeting are recorded accurately and completely. Copies of minutes of the meeting are then delivered to the related agencies concerned within a specified time and are disseminated on the Company's website: www.grandcanalland.com, for the shareholders and the general public to examine.

The Company has a commitment to seek and support shareholders' rights to attend meetings and check the equitable treatment of shareholders.

2.2 Measures to curb inside trading

To prevent Directors and executives from trading inside or gaining advantages for themselves or others, the Company has implemented section 59 of the Royal Decree on Securities and Exchange, B.E. 2535. Directors and executives have to report their transactions in a timely manner in the Board of Directors' meeting. In addition, the Company prohibits the executives or employees to neither disclose internal information to the public nor trade the Company's security a month before being made public. Directors and executives will strictly carry out the policy.

3. Role of Stakeholders

The Company recognizes the importance of rights of every stakeholder including shareholders, customers, trading partners, Company's employees and the society. In addition, the Company treats stakeholders in each group with fairness, transparency, and in line with provisions or requirements of the laws, rules, and regulations concerned. These are for cooperation between the Company and all groups of stakeholders to bring about advantages in operating performance and the stability of the organization. The Company has taken actions relating to stakeholders as follow:

- Shareholders. The Company respects shareholders' right and treats all shareholders fairly and equitably.
- Customers. The Company focuses on conducting business that is honest and responsive to customers' need by providing quality product. The Company also provides complete and accurate information.
- Trading partners. The Company treats trading partners in accordance with trading conditions. The Company is responsible for contracts and agreement that are made with their trading partners.
- Employees. The Company treats its employees fairly, provides appropriate compensation and welfare, and continuously promotes and develops all employees.
- Society. The Company aims for the awareness of the environment, well being and the quality of living of the society. Our architecture and landscape design is specially developed and carefully planned to be environmentally friendly and also in compliance with the laws and regulations set by the law. The Company has projected the main central park to be spacious and is specially designed to give the community a recreational area, with a peace of mind, a jogging space and a friendly relaxing green zone.

4. Disclosure and Transparency

4.1 Disclosure of information

The Company recognizes the importance of disclosing accurate, complete, timely, and transparent information, following the financial rules of SEC and SET, the general information to investors through various channels of SET and the Company website. The Company assigns the Managing Director to be responsible for informing all information to investors, shareholders, and related government sectors.

Disclosure of the Company's information includes financial and non-financial reporting (under the regulations of SEC, SET) and related information, i.e., policy and implementation on corporate governance, information related to the Board of Directors, the responsibility of the Board of Directors, and policy and compensation given to Directors.

4.1.1 Financial Reports and Responsibility of the Board of Directors for financial reporting

The Board of Directors is responsible for the Company's financial statements, the consolidated financial statements of the Company and its subsidiaries, and all financial information appearing in the annual report. These financial statements have been prepared in accordance with the accounting principles and there is adequate disclosure of important information in the notes of the financial statements. In addition, the financial statement have passed the examination of Certified Public Accountants and verified by Audit Committee. The Board of Directors has also prepared a report entitled "Responsibility of the Board of Directors for Financial Reporting" as attached herewith in the annual report.

4.1.2 Policy and Implementation on Corporate Governance

The Board of Directors always follows the Principles of Good Corporate Governance in the same approach specified by SET to ensure confidence of shareholders, investors, and related parties.

4.1.3 Policy and Compensation given to Directors and Executives

The Nomination and Remuneration Committee proposes directors' remuneration for the shareholders' approval on a yearly basis. Compensation for top executives is proposed by the Nomination and Remuneration Committee to the Board of Directors for approval, depending on the responsibilities and the Company's annual earnings performance. In 2012, remuneration payment to the Board of Directors and the Executives are mentioned under the topic of "Remuneration for Directors and Executives" (page 51).

4.2 Relationship with Investors

The Company assigns the tasks of information dissemination and investor relations to the Managing Director, who oversees relationships with both existing shareholders and potential shareholders. Interested investors could contact the Company's Investor Relation Department at 0-2246-2323 for more details. During 2012, the Investor Relation Department together with the Company's top executives, occasionally organized analysts meetings.

5. Responsibilities of the Board

5.1 Committee Structures

The Company's committee structure consists of three committee bodies: the Board of Directors, Audit Committee, Nomination and Remuneration Committee, and Executive Committee.

- Board of Directors - In 2012, there are 9 members of the Board of Directors, consisting of 3 independent directors. The Board of Directors has limited period ruled by the Company's regulation and is able to be re-appointed after retirement.
- Audit Committee - consists of 3 independent directors. Each member is in charge for a period of 3 years, the member may be re-appointed after retirement.
- Nomination and Remuneration Committee - consists of 2 independent directors and 1 director. Each member is in charge for a period of 3 years, the member may be re-appointed after retirement.

The composition, membership, selection method, and scope of authority for each of the committee, along with the name of the committee members were mentioned under the topic of "Management".

5.2 Roles, duties and responsibilities of the Board of Directors

The scope of authority of the Company's committee has been mentioned under the topic of Management – "Management Structure" (page 41). The Board of Directors plays a vital role to determine and approve the visions, goals, strategies, and budget of the Company, to follow up the executives' performance, to ensure the appropriate internal control system including the appropriate risk management. The Board of Directors is responsible for the preciseness, completion, and appropriate accounting principles of the financial report.

The Board of Directors sets a written policy on good corporate governance which is reviewed annually.

The Board of Directors sets a written policy on business ethics, which is disclosed on the Company's website as guidelines for directors, executives, and employees of all levels to follow.

The Board of Directors was informed and/or approved the appropriate connected transactions and conflict-of-interest transaction in accordance with the SET regulation and disclosed in the annual report and Form 56-1.

The Board of Directors realizes the importance of the internal control system of the Company. An independent internal audit team is set up to review work performance in accordance with the Company policies and to suggest solutions and improvement. To ensure that the audit team has independence and full control, the team is to report directly to the Audit Committee. In addition, the Board of Directors requires the Audit Committee to follow the regulations as operational guideline.

Risk management is the responsibility of the Chief Executive Officer, Managing Director and the Executives. The Company arranges risk evaluation, reviews, and tries to prevent risk that may occur. The Company realizes the significance of risk and obstructions affecting the business and strives for the success of the Company.

5.3 The Board of Directors' Meeting

The Board of Directors usually schedules meetings on a quarterly basis. The Chairman and the Group of the Executive will set agendas for the meeting. The Company Secretary is responsible for meeting appointments, preparing meeting agendas including the consideration of operations, preparing any documents submitted to the Board of Directors not less than 7 days prior to the meeting date and taking minutes of meeting. In the meeting, directors can express their opinions independently. In some occasions, the top executives are invited to attend the meeting to present their work assigned completely.

In 2012, there were a total of 8 meetings and the number of the Board of Directors attended is as follow:

Name		Number of Meetings Attended/Number of Meeting
1. Mr. Yotin	Boondicharem	8 / 8
2. Assoc. Prof. Prapanpong	Vejjajiva	7 / 8
3. Mr. Yongyuth	Withayawongsaruchi	8 / 8
4. Mr. Nipon	Wisityuthasart	8 / 8
5. Mr. Banphot	Hongthong	6 / 8
6. Mr. Jarern	Jirawisan	8 / 8
7. Mr. Mongkol	Pao-in	8 / 8
8. Mr. Jatesiri	Boondicharem	7 / 8
9. Ms. Romani	Boondicharem	7 / 8

As for the Audit Committee's meeting, there is an Audit Committee Charter indicating that the meeting will be held at least 4 times a year. In 2012, there were a total of 6 meetings and the number of Audit Committee attended is as follow:

Name		Number of Meetings Attended/Number of Meeting
1. Mr. Yongyuth	Withayawongsaruchi	6 / 6
2. Mr. Nipon	Wisityuthasart	6 / 6
3. Mr. Banphot	Hongthong	5 / 6

For the Nomination and Remuneration Committee's meeting, there is a rule from the Committee indicating that the meeting will be held at least 2 times a year or as necessary and appropriately. In 2012, there were 2 meetings and the number of Nomination and Remuneration Committee attended is as follow:

Name		Number of Meetings Attended/Number of Meeting
1. Mr. Nipon	Wisityuthasart	2/2
2. Assoc.Prof. Prapanpong	Vejjajiva	2/2
3. Mr. Banphot	Hongthong	2/2

5.4 Remuneration

The Board of Directors oversee the practices and rules relating to remuneration policies and schemes which are equitable and reasonable based on the consideration of comparable experiences, duty, the scope of actions, and the responsibility that is equivalent to other companies in the similar industry. The task includes:

1. Considering and reviewing the remuneration scheme for directors and sub-committee members and submitting it to the shareholder's meeting for approval, and
2. Considering and reviewing the remuneration scheme for top executives and submitting it to the Board of Directors for approval.

5.5 Development of Directors and Executives

The Company is aware of the importance of the Board of Directors looking after shareholders' rights in a corrective and fair manner to gain the confidence of the people concerned and also for the Company's long-term growth. Therefore, the Company has nominated persons with knowledge and competency as well as experiences to perform the duties of the members of the Board of Directors and the Management team.

The Company encouraged Directors, executives, and staff to attend seminars and workshops to help them better serve and contribute to the Company.

The following board members and executive officers went through training/seminar programs organized by the Thai Institute of Directors Association (IOD):

Directors and Executive	Topics / Curriculum / Seminars
Assoc. Prof. Prapanpong Vejjajiva Vice Chairman, Nomination and Remuneration Committee	• Director Accreditation Program (DAP) • The Role of Chairman Program (RCP) • Audit Committee Program (ACP) • The Role of Compensation Committee (RCC)
Mr. Yongyuth Withayawongsaruchi Independent Director and Chairman of the Audit Committee	• Director Certification Program (DCP) • Audit Committee Program (ACP) • Board Performance Evaluation • Setting the CEO Performance Plan and Evaluation
Mr. Nipon Wisityuthasart Independent Director, Audit Committee Member and Chairman of Nomination and Remuneration Committee	• Director Accreditation Program (DAP)
Mr. Jarern Jirawisan Director	• Director Accreditation Program (DAP)
Ms. Romani Boondicharern Director, Deputy Managing Director of Accounting and Finance Group / Purchasing and General Administration Group	• Director Accreditation Program (DAP) • Director Certification Program (DCP)
Mr. Surakit Thantananont Assistant Managing Director of Finance and Accounting Group	• Director Accreditation Program (DAP)

(3) Monitoring the Handling of Information

According to the Company's regulation, section 3 Board of Directors, stating in the prohibition for the Board of Directors in issue 27, that the director must inform the Company once the director interferes in any transaction, gain or loss, and possesses more or less share in the Company or any related Company. As announced in issue 28, the director is prohibited to run similar business or acts as a competitor against the Company. The director is also prohibited to be a director in any private or public Company which commences the same or related business and is likely to be competitors for the Company. This point will be put into consideration only if this has been brought up in the shareholders' meeting before making an election.

The Directors of the Company and all the executives must strictly follow rules and regulations as set in the SET and SEC, concerning the preparation and disclosure the stock report. The Directors or executives must inform the Company Secretary once they sell or purchase stocks of the Company, in order to report to SET and SEC.

(4) Internal Controls

During the Company's Board of Directors' Meeting No. 2/2013 held on 28 February 2013, three members of the Audit Committee also participated in this meeting. The Board reviewed and assessed the adequacy and competency of the Company's internal control system in the five following aspects:

1. Organization and Conditions: The Company set up appropriate bodies to oversee the Company's operation and management. Among these bodies is the Board of Directors, which comprises of nine members, three of whom are independent directors. The Audit Committee and the Nomination and Remuneration Committee formed to assist the Board as a subcommittee with suitable qualifications as prescribed by regulatory concerns. The operations of the Company are directed under a prescribed budget and in accordance with corporate objective which periodically monitored and reviewed.
2. Risk Management: Even though the Company has not formed a Risk Management Committee to administer its risk factors, the current Board of Directors, and other executives certainly realize and are fully aware of possible problems that may relate to the risk aspects, and take care to mitigate and manage them. The executives often analyze, evaluate and report, to the Board of Directors, external risk factors which may effected to the Company's operations. As well as the Accounting and Finance Group work together to assist the management in assessing the corporate risk exposure, and find measures to protect the Company against possible risks, such as an operational risk. In this regard, appropriate measures are prescribed to guard the Company against occurrence of any operational errors, and to lay down acceptable levels for operational risk.
3. Management Control: The Board of Directors to appoint 2 sub-committee consists of the Audit Committee and the Nomination and Remuneration Committee. Approval procedures and authorized limits are set to control management's actions. The scope of authorization is prescribed in writing and the appropriate authority is reviewed frequently and notified to all parties concerned for compliance. Executives and officers from all levels are subject to these prescribed authorization rules. In cases whereby an excess of prescribed authorization limit, or out of scope activities is required, approval from the Board of Directors is then required. In principle, the Chief Executive Officer has operational power to make authorization decisions. The Accounting and Finance Group is in charge of bookkeeping and taking records of the transactions. The Administration Group oversees the corporate assets. Transactions undertaken with major shareholders, directors and their related parties are made in compliance with rules and regulations of SET and SEC. The Company also prescribes in writing, relevant charters for the Audit Committee and Internal Audit Division which are applied to control and monitor work performed by various internal functions.
4. Information Technology & Communication: Matters presented to the Board of Directors for consideration are submitted through the Company Secretary who will issue meeting notifications and send them to the Board members, together with relevant attachments, that require the Board's perusal. The notifications and its attachments are submitted to the Board members within the time frame prescribed by law. Minutes of meetings are issued and records are kept for future review and reference. The Company applies the generally accepted accounting principles and accounting procedures which are appropriate and accountable for its business operation. Accounting records are completed and properly safeguarded. Moreover, the adequate information in concern with shareholders and investors is posted on the Company's website.
5. Follow-up System: The Company set operational objectives and report its actual performance in comparison with its targeted objectives. The Internal Audit Unit reviews the compliance of the prescribed internal controls and regularly reports its findings to the Audit Committee for further presentation to the Board of Directors for adjustment method determination within time. Moreover the Internal Audit Unit evaluated the internal controls as a plan quarterly and annually.

The Board of Directors views that the Company adequately and effectively follows the prescribed guidance and assessment criteria set by SEC. In addition, it also concludes that the Company has adequate internal controls that govern transactions with its major shareholders, directors, executives, and their related parties.

The Company's auditor, Ernst & Young, who audited the Company's 2012 financial statement also expressed opinion that there is no material imperfection in the Company's internal control system as reported on 31 December 2012.

In addition the company appointed the Internal Control Unit which the company hired Burapha Accounting Firm by Mr. Pravit Kanit, Managing Partner, to review the operating system to make sure that the Internal Control Unit is independent to checking and balancing the system. The Board of Directors assigned the Internal Control Unit to report directly to the Audit Committee.

(5) Remuneration for Directors and Executives

In 2012, the Company paid the remunerations to Directors and Executives as follow:

(5.1) Remuneration in form of cash

(a) Remuneration for the Company Directors

(Unit : Baht)

Directors	Transportation Allowances for Directors	Total
Mr. Yotin Boondicharearn	600,000.00	600,000.00
Mr. Yongyuth Withayawongsaruchi	600,000.00	600,000.00
Assoc. Prof. Prapanpong Vejjajiva	600,000.00	600,000.00
Mr. Nipon Wisityuthasart	540,000.00	540,000.00
Mr. Bunphot Hongthong	540,000.00	540,000.00
Mr. Jatesiri Boondicharearn	420,000.00	420,000.00
Ms. Romani Boondicharearn	420,000.00	420,000.00
Mr. Jarern Jirawisan	420,000.00	420,000.00
Mr. Mongkol Pao-In	420,000.00	420,000.00
Total	4,560,000	4,560,000

(b) Total remuneration for Directors as an Executive and Executives in total 5 persons is:

Salary 11,046,756.00 Baht

(5.2) Other remunerations:

(a) Other remunerations for Directors – None

(b) Other remuneration for Directors as an Executive and Executives in total 5 persons is:

Provident Fund 262,912.68 Baht

Transactions with related parties

The Company has business transactions with its related parties, which are within the scope of normal business and general trading conditions. Details of the relationship of the Company and related companies (excluding subsidiaries and associates) are summarized as follows:



U Place Grand Phra Ram 9

Transactions with Related Parties

The Company has business transactions with its related parties, which are within the scope of normal business and general trading conditions. Details of the relationship of the Company and related companies (excluding subsidiaries and associates) are summarized as follows:

Company	Relationship
- Bank of Ayudhya Pcl.	Co-shareholders
- Central Pattana Nine Square Co., Ltd.	Co-directors / Co-shareholders
- BBTV Equity Co., Ltd.	Co-directors / Co-shareholders
- Bangkok Broadcasting & Television Co., Ltd.	Co-directors / Co-shareholders
- Bangkok Thanakom Co., Ltd.	Co-directors
- Breguet Thai Co., Ltd	Co-directors / Co-shareholders
- Chareonkit Enterprise Co., Ltd.	Co-directors / Co-shareholders
- Grand Fortune Co., Ltd.	Co-directors / Co-shareholders
- Tonson Ploenchit Co., Ltd	Co-directors / Co-shareholders
- K Group Co., Ltd	Co-shareholders
- Great Fortune Equity Co., Ltd	Co-directors / Co-shareholders' related Company
- C.K.S. Holding Co., Ltd. and Supper Asset Co.,Ltd.	Co-directors / Co-shareholders
- Italian-Thai Development Pcl.	Co-directors / Co-shareholders
- Mr. Yotin Boondichareon	Co-Management directors/ Co-shareholders
- Mr. Jetsiri Boondichareon	Co-Management directors/ Co-shareholders
- Ms. Romani Boondichareon	Co-Management directors/ Co-shareholders
- Mr. Krit Ratanarak	Director in Shareholder's Company
- Assoc. Prof. Prapanpong Vejajiva	Director
Subsidiary Held By Phra Ram 9 Square Ltd.	
- Phra Ram 9 Square Hotel Co., Ltd.	Co-directors / Co-shareholders



Hotel Grand Phra Ram 9

Operational Results of 2010

In 2010, which was the first year of shifting the focus of the core businesses of the Company and its subsidiaries from advertisement to the real estate business, the Company and its subsidiaries distributed investment and assets, which were relevant to the advertising business, in the first quarter of 2010.

1. In 2010, the Company and its subsidiaries received revenue from advertising fees in the amount of Baht 129.1 Million, and further received revenue from golf courses amounting to Baht 87.6 Million. Regarding revenue generated from the real estate business, the majority of it was not recognized as revenue as prescribed by the Accounting Standards. Therefore, such revenue, which was composed of project management fees and some rental fees, was only Baht 70.2 Million.
2. After deducting the cost of sold, for all goodwills from conglomerated business of 103.3 Million Baht and selling and administration cost, the company and its subsidiaries had net loss of before financial expenses and tax of 52.7 Million Baht.
3. The company and its subsidiaries had financial expenses of 33.0 Million Baht.
4. The net losses of the Company and its subsidiaries were Baht 86.25 Million, divided by the losses of the Company amounting to 73.9 Baht Million. The loss per share was 0.0175 Baht/share.

Financial Status of the Company and its subsidiaries of 2010

- The total assets were Baht 7,857.1 Million. The main assets were real estate for the purpose of sale, amounting to Baht 4,850.6 Million, and real estate for the purpose of investment, which was allocated for rent, was Baht 1,315.7 Million.
- The total liabilities were 2,648.3 Million Baht, which could be mainly divided into deposits of prospective buyers amounting to Baht 1,079.1 Million, long-term loans from financial institutions in the amount of Baht 951 Million, and installments for condominium reservations amounting to Baht 304.9 Million.
- The registered paid-up capital was Baht 4,109.4 Million, and when included with accumulated profits, the Company and its subsidiaries had shareholders' equity in the amount of Baht 5,208.8 Million, which could be calculated by the debt to equity ratio in the amount of 0.51 times.

Operational Results of 2011

In 2011, the Company and its subsidiaries still could not record the revenue from selling condominiums, because of conditions prescribed by the Accounting Standards, which provides that such revenue can only be recognized when the ownership is transferred. Accordingly, due to the number and structure of condominiums, which were over 8 buildings and had over 27-43 Floors, the construction has taken a long time. Additionally, in 2011, there was a disastrous flood in Thailand, which indirectly affected the construction, such as the decrease in the number of construction materials, including the problem of transporting of such materials, the decrease of workers and so on. These factors led to the delay in construction.

1. In 2011, the Company and its subsidiaries had revenue only from project management fees and rental fees, in the amount of Baht 67.1 Million. When included with other revenue, and allowances for impairment losses of investment properties in the amount of Baht 79.4 Million, which were transferred back, the total revenue was Baht 196.1 Million. Regarding the golf course business, the Company and its subsidiaries distributed the revenue in the second quarter of 2011.
2. After deducting the cost of sales, selling expenses and administrative expenses, the Company and its subsidiaries had profit before financial expenses and income tax amounting to Baht 18.0 Million.
3. The Company and its subsidiaries had financial expenses and income tax amounting to Baht 16.9 Million and Baht 33.6 Million. Additionally, the Company and its subsidiaries also accumulated profit from golf courses before distributing it, amounting to 5.8 Million Baht.
4. The Company and its subsidiaries had net losses, which occurred from the Company, amounting to Baht 28.9 Million and could be calculated to the loss per share amounting to 0.0059 Baht/Share.

Financial Status of the Company and its subsidiaries of 2011

- The Company and its subsidiaries had an increase of condominium construction in an amount of over Baht 1,300 Million. Additionally, the Company and its subsidiaries also purchased land for Baht 2,200 Million and sold a building for Baht 1,630 Million. This led to an increase in the value of assets in the amount of Baht 2,221.6 Million, and the total assets, therefore, were Baht 10,078.7 Million.
- The total liabilities were recorded as Baht 3,769.5 Million, an increase from the previous year amounting to Baht 1,121.3 Million. This was a result of taking on loans from a bank for supporting construction in the amount of Baht 800.0 Million and supporting land purchases amounting to Baht 640.0 Million.
- The registered paid-up capital was Baht 4,930.5 Million, an increase in the amount of Baht 821.1 Million. The increase of premiums on shares was Baht 589.3 Million, which was used to purchase land. When these amounts were included with accumulated profits, the Company and its subsidiaries had shareholders' equity in the amount of Baht 6,309.1 Million, which could be calculated by the debt to equity ratio in the amount of 0.60 times.

Operational Results of 2012

In 2012, the Company and its subsidiaries could record the revenue from the sale of condominiums, in accordance with Accounting Standards.

1. In 2012, the Company and its subsidiaries accumulated revenue from the sale of condominiums amounting to Baht 983.2 Million, which increased the total revenue amounting to Baht 1,098.6 Million, an increase over the previous year amounting to Baht 902.5 Million.
2. After deducting the costs of sales, selling expenses, and administrative expenses, the Company and its subsidiaries had profit before expenses and income tax amounting to Baht 146.3 Million.
3. The Company and its subsidiaries had financial expenses amounting to Baht 43.1 Million and income tax amounting to Baht 42.9 Million.
4. The Company and its subsidiaries had net profit, most of which is generated from the Company amounting to Baht 58.9 Million, and this could be calculated by the profit per share amounting to 0.0117 Baht/Share.

Financial Status of the Company and its subsidiaries for 2012

- The Company and its subsidiaries had a dramatic increase of construction of condominiums and buildings for rent. Regarding condominium construction, it increased by over Baht 2,000 Million. The construction of buildings for rent increased by over Baht 1,000 Million. Additionally, the Company and its subsidiaries invested over Baht 800 Million in land, plot 3, which would be used to construct the U Place Project. Consequently, the total assets were 14,188.0 Million Baht, which was increased by Baht 4,109.3 Million.
- The total liabilities were Baht 7,371.1 Million, increasing from the previous year in the amount of Baht 3,601.5 Million. This was a result of borrowing from financial institutions for supporting construction in the amount of Baht 1,800 Million. Trade accounts receivable were increased pursuant to the increase of construction by over Baht 900 Million.
- The registered paid-up capital was Baht 5,163.9 Million, increasing in the amount of Baht 233.4 Million. The increase of premiums on shares was Baht 363.4 Million. The partial increase of capital was used to purchase the land, plot 3. When these amounts were included with retain earnings, the Company and its subsidiaries had shareholders' equity in the amount of Baht 6,816.8 Million, which could be calculated by the debt to equity ratio in the amount of 1.08.

Liquidity

Cash flow

In 2012, the Company and its subsidiaries used cash in operational activities amounting to Baht 386.86 Million. This amount of cash was mainly incurred from the progress of construction of the Bell Grand Rama 9 Project. Cash was expended in investment activity in the amount of Baht 1,465.31 Million, as a result of investment property by purchasing U Place Project and Work In Progress of projects was increased. The Company received cash from cash earning activities in the amount of Baht 1,844.57 Million and from long term financing along with the construction progress in the amount of Baht 1,838.51 Million.

Significant Financial Ratios

Liquidity Ratio In 2012, the Company and its subsidiaries had a liquidity ratio of 1.31 times, decreasing from the previous year at 1.98 times, as a result of the increase of current liabilities amounting to Baht 2,300 Million. This was partly due to the increase of trade accounts payable amounting to Baht 942 Million, which was used as support for construction, and the increase of loans being due in one year, amounting to Baht 676 Million. However, as the liquidity ratio was 1.31 times, the liquidity was still sound.

Profitability Ratio In 2012, the Company and its subsidiaries had gross profit of 32.24%, increasing from the previous year by 10.26%, as a result of the ability of the Company to record the revenue from selling condominiums, since September of 2012.

Debt to Equity Ratio In 2012, the Company and its subsidiaries had debt to equity ratio at 1.08 times, increasing from the previous year, when the ratio was at 0.60 times. The reasons for this were the increase in the amount of loans from financial institutions and trade accounts payable, used to support construction of condominiums and buildings for rent. However, the debt to equity ratio of 1.08 times, was not too high. Additionally, The Company and its subsidiaries were during the transfer of ownership of apartments to customers, and when the transfer was completed, the Company and its subsidiaries must repay debt to bank, that would bring to the decrease of such ratio.

Main factors and influence, which may affect to the future operation and financial position.

-None-

Remuneration of auditor

The Company and its subsidiaries paid the remuneration for auditing to the audit firm, in which the auditor was employed, in the years of 2012, 2011 and 2010, in the amount of Baht 2,860,000, Baht 1,835,000 and Baht 1,940,000, respectively.



Grand Canal Don Muang

Audit Committee Report

To Shareholders of Grand Canal Land Public Company Limited

The Audit Committee consists of three independent directors who are freed and authorized by The Board of Directors according to the rules and regulations of The Securities and Exchange Commission and The Stock Exchange of Thailand.

In 2012, the Audit Committee held total of 6 meetings, 2 Audit Committees members attended 6 meeting, and 1 Audit Committees member attended 5 meeting ,together with internal auditor and auditor joined in related matters. Therefore, there was one special agenda with auditor without the Company's managements attended the meeting. The Audit Committee regularly reported to the Board of Directors which can be summarized as follow:

1. Reviewed the quarterly and annual financial statements and notes to the financial statements of the Company to accurately and completely in accordance with the accounting standards.
2. Reviewed and approved annual internal audit plan and, thus, monitored internal audit results and improvement of the Management in according to the Internal Auditor and Auditor's recommendations in order to achieve targeted plan.
3. Reviewed the Company to follow rules, regulation and laws related to listed company. The Audit Committee considered that there was no important issue regarding to this matter.
4. Considered and recommended Ms. Waraporn Prapasirikul CPA License # 4579 or Mr.Khitsada Lerdwana CPA License # 4958 or Mr. Supachai Phanyawattano CPA License # 3930 of Ernst & Young Office Limited to be the Company's auditor in 2012 including the appropriated audit fee which had been approved in the Annual General Meeting of Shareholders.
5. Reviewed the connected transactions or conflict-of-interest transactions to operate reasonably in accordance with normal business practice and complied with related rules, regulations and laws, and also disclosed accurate, sufficient and transparent information.
6. Considered, selected and approved Burapa Accounting Office, by Mr. Pravit Vongkanit, Managing Partner as Team Leader, to be the Company's Internal Auditor in 2012 and proposed pros and cons between hiring outsource and in-house to be Internal Auditor to the Board of Directors.
7. Reviewed and monitored the adequacy, sufficiency and appropriation of the internal control system.

The Audit Committee considered that the Company has an accurate and adequate financial statement. Also its operations were complied with rules and regulations of The Securities and Exchange Commission and The Stock Exchange of Thailand. Meanwhile, with the existing operation manual and internal control system led to adequate, reliable and transparent disclosed financial information.

(Mr. Yongyuth Withayawongsruchi)
Chairman of Audit Committee
22 March 2013



Grand Phra Ram 9

Responsibility of the Board of Directors for Financial Reporting

The Board of Directors is responsible for the Company's financial statements, the consolidated financial statements of the Company and its subsidiaries, and all financial information appearing in the annual report. These financial statements have been prepared in accordance with generally accepted accounting standards and practices under appropriate accounting policies applied on a consistent basis following the principles of prudence and impartiality. All important financial information about the Company has been sufficiently disclosed in the notes to the financial statements.

In this regard, the Board of Directors has appointed an Audit Committee, consisting of three independent members, to be responsible for the quality of the Company's financial reporting and internal control mechanisms. The opinion of the Audit Committee with regard to these matters appears in the Audit Committee Report contained in the annual report.

(Mr. Jarern Jirawisan)
Authorized Director

(Mr. Jatesiri Boondicharem)
Authorized Director



Central Plaza Grand Phra Ram 9

Certification of The Accuracy of Auditor's Remuneration Details

FOR THE FISCAL YEAR ENDED 31 DECEMBER 2012

(Audit Fee)

NO.	Company's Name	Auditor's Name	Audit fee (Baht)
1	Grand Canal Land Plc.	Ms. Waraporn Prapasirikul	1,350,000.-
2	Belle Development Co., Ltd.	Ms. Waraporn Prapasirikul	840,000.-
3	Phra Ram 9 Square Co., Ltd.	Ms. Waraporn Prapasirikul	380,000.-
4	Phra Ram 9 Square Hotel Co., Ltd.	Ms. Waraporn Prapasirikul	7,000.-
5	Sterling Equity Co., Ltd.	Ms. Waraporn Prapasirikul	220,000.-
Total audit fee			2,860,000.-

(Non-Audit Fee)

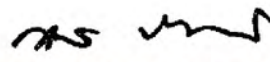
None

The foregoing information

is complete and accurate, and I certify that to the best of my knowledge there is no other remuneration paid by the Company to me and related persons and to the Company I work for and its related persons.

is not complete and not accurate in respect of

After making any necessary adjustments to the information contained in this form, I hereby certify that such information presents complete and accurate details of all Audit Fees and Non-Audit Fees paid by the Company to me and the audit firm that I work for.


 (Ms. Waraporn Prapasirikul)
 Ernst & Young Office Limited
 Auditor of Grand Canal Land Public Company Limited



Belle Grand Phra Ram 9

Independent Auditor's Report

To Shareholders of Grand Canal Land Public Company Limited

I have audited the accompanying consolidated financial statements of Grand Canal Land Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2012, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Grand Canal Land Public Company Limited for the same period.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Grand Canal Land Public Company Limited and its subsidiaries and of Grand Canal Land Public Company Limited as at 31 December 2012, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of matter

I draw attention to Note 3 and Note 5 to the financial statements, during the current year the Company and its subsidiaries have adopted TAS 12 Income Taxes, and the Company has adjusted certain transactions relating to the preparation of the consolidated financial statements and income taxes of prior years. The Company has therefore presented consolidated and separate statements of financial position as at 31 December 2011 and 1 January 2011 for comparative purposes. In my opinion, the adjustments made for the preparation of such statements are appropriate and have been properly applied. My opinion is not qualified in respect of this matter.

Other matter

The financial statements of Grand Canal Land Public Company Limited and its subsidiaries for the year ended 31 December 2011 were audited by another auditor who, under her report dated 28 February 2012, expressed an unqualified opinion on those financial statements.

(Ms. Waraporn Prapasirikul)
Certified Public Accountant (Thailand) No. 4579
28 February 2013



Financial Statements

Grand Canal Land Public Company Limited and its subsidiaries
Statements of financial position
As at 31 December 2012

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2012	31 December 2011 (Restated)	1 January 2011 (Restated)	31 December 2012	31 December 2011 (Restated)	1 January 2011 (Restated)
Assets							
Current assets							
Cash and cash equivalents	9	129,791,203	137,385,772	234,563,519	41,437,615	50,231,931	116,127,415
Current investments	10	40,130,182	-	28,241,353	40,130,182	-	-
Trade and other receivables	8, 11	73,593,746	29,529,335	18,032,385	137,253,118	30,631,617	20,687,668
Short-term loans to related parties	8	-	-	-	399,936,312	322,936,312	255,315,703
Project development costs	12	6,268,095,791	5,370,162,155	4,850,568,535	783,869,875	774,438,055	767,602,982
Other current assets							
Advance payment to contractors	8	359,858,242	235,884,946	253,429,579	202,787,630	15,535,107	-
Others		24,025,729	18,514,568	11,571,193	6,383,431	2,132,268	8,198,681
Total current assets		6,895,494,893	5,791,476,776	5,396,406,564	1,611,798,163	1,195,905,290	1,167,932,449
Non-current assets							
Restricted bank deposits	13	67,648,435	44,375,010	44,034,499	16,763,094	1,541,552	934,703
Investments in subsidiaries	14	-	-	-	2,636,584,067	2,391,119,694	2,871,119,694
Investments in associated company	15	-	-	-	-	-	-
Other long-term investments	16	104,520,000	104,520,000	106,107,500	-	-	1,587,500
Investment properties	17	6,753,838,113	3,854,533,373	1,315,670,712	4,682,651,587	3,568,712,316	1,255,183,920
Property, plant and equipment	18	24,536,755	17,571,015	553,122,403	17,251,170	7,915,690	4,863,697
Deposits for purchase of land - related party		-	-	113,980,446	-	-	-
Land leasehold right from related parties	19	159,716,364	169,287,934	202,155,039	-	-	-
Deferred tax assets	30	159,792,423	74,003,088	95,600,560	7,032,145	11,550,311	18,939,851
Intangible assets	20	8,310,169	6,957,229	908,245	8,161,575	6,957,229	608,286
Other non-current assets		14,110,654	15,951,849	29,092,159	655,649	5,703,565	27,971,211
Total non-current assets		7,292,472,913	4,287,199,498	2,460,671,563	7,369,099,287	5,993,500,357	4,181,208,862
Total assets		14,187,967,806	10,078,676,274	7,857,078,127	8,980,897,450	7,189,405,647	5,349,141,311

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

Grand Canal Land Public Company Limited and its subsidiaries
Statements of financial position (continued)
As at 31 December 2012

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2012	31 December 2011 (Restated)	1 January 2011 (Restated)	31 December 2012	31 December 2011 (Restated)	1 January 2011 (Restated)
Liabilities and shareholders' equity							
Current liabilities							
Short-term loans from financial institutions	21	694,597,900	715,898,000	-	590,000,000	640,000,000	-
Trade and other payables	8, 22	1,573,653,904	630,766,036	271,313,045	540,339,052	49,756,888	13,950,866
Retention payable	8	164,318,307	64,922,313	19,186,191	28,643,889	3,670,796	74,556
Short-term loans from related parties	8	416,097,530	-	-	110,000,000	-	-
Current portion of long-term loan from related party	8	-	100,000,000	-	-	-	-
Current portion of long-term loans from financial institutions	23	1,424,223,750	747,367,689	71,563,396	-	-	71,563,396
Deposits and advance received from customers	8	855,816,734	647,351,317	304,897,312	-	-	-
Corporate income tax payable		97,012,321	1,654,720	142,623	-	1,650,313	109,826
Other current liabilities		20,256,883	9,674,862	15,138,634	16,851,373	6,978,611	6,267,636
Total current liabilities		5,245,977,329	2,917,634,937	682,241,201	1,285,834,314	702,056,608	91,966,280
Non-current liabilities							
Other payables for purchase of assets - related party	8, 17	-	-	-	-	113,980,446	-
Deposit received under the contract to purchase buildings		-	-	1,079,150,000	-	-	-
Long-term loan from related party	8	100,000,000	-	-	-	-	-
Long-term loans from financial institutions - net of current portion	23	2,005,599,316	843,950,350	879,401,895	760,160,400	-	183,478,654
Provision for long-term employee benefits	24	4,002,053	1,554,275	1,157,491	4,002,053	1,554,275	1,157,491
Other non-current liabilities	8	15,570,548	6,414,143	6,333,318	3,969,807	4,120,214	6,512,985
Total non-current liabilities		2,125,171,917	851,918,768	1,966,042,704	768,132,260	119,654,935	191,149,130
Total liabilities		7,371,149,246	3,769,553,705	2,648,283,905	2,053,966,574	821,711,543	283,115,410

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

Grand Canal Land Public Company Limited and its subsidiaries
Statements of financial position (continued)
As at 31 December 2012

(Unit: Baht)

		Consolidated financial statements			Separate financial statements		
	Note	31 December 2012	31 December 2011 (Restated)	1 January 2011 (Restated)	31 December 2012	31 December 2011 (Restated)	1 January 2011 (Restated)
Shareholders' equity							
Share capital							
Registered							
5,327,862,930 ordinary shares							
of Baht 1 each	25	<u>5,327,862,930</u>	<u>5,327,862,930</u>	<u>4,109,449,080</u>	<u>5,327,862,930</u>	<u>5,327,862,930</u>	<u>4,109,449,080</u>
Issued and fully paid							
5,163,882,276 ordinary shares of Baht 1 each							
(2011: 4,930,523,272 ordinary shares							
of Baht 1 each)	25	<u>5,163,882,276</u>	<u>4,930,523,272</u>	<u>4,109,449,080</u>	<u>5,163,882,276</u>	<u>4,930,523,272</u>	<u>4,109,449,080</u>
Share premium	25	<u>1,532,320,430</u>	<u>1,168,896,590</u>	<u>579,588,374</u>	<u>1,532,320,430</u>	<u>1,168,896,590</u>	<u>579,588,374</u>
Adjustment to present assets purchased							
under common control at book value	25	<u>(423,185,000)</u>	<u>(423,185,000)</u>	<u>(423,185,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Adjustment of equity interests							
under reverse acquisition	25	<u>183,163,577</u>	<u>230,140,649</u>	<u>353,920,834</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total equity interests		<u>6,456,181,283</u>	<u>5,906,375,511</u>	<u>4,619,773,288</u>	<u>6,696,202,706</u>	<u>6,099,419,862</u>	<u>4,689,037,454</u>
Share subscription received in advance		<u>-</u>	<u>64</u>	<u>-</u>	<u>-</u>	<u>64</u>	<u>-</u>
Retained earnings							
Appropriated - statutory reserve	27	<u>15,000,000</u>	<u>9,400,000</u>	<u>8,000,000</u>	<u>52,700,000</u>	<u>47,100,000</u>	<u>45,700,000</u>
Unappropriated (deficits)		<u>(240,433,802)</u>	<u>(191,348,772)</u>	<u>(161,067,218)</u>	<u>177,924,024</u>	<u>221,174,178</u>	<u>330,674,197</u>
Other components of shareholders' equity		<u>104,146</u>	<u>-</u>	<u>239,250</u>	<u>104,146</u>	<u>-</u>	<u>614,250</u>
Equity attributable to owners of the Company		<u>6,230,851,627</u>	<u>5,724,426,803</u>	<u>4,466,945,320</u>	<u>6,926,930,876</u>	<u>6,367,694,104</u>	<u>5,066,025,901</u>
Non-controlling interests of the subsidiaries		<u>585,966,933</u>	<u>584,695,766</u>	<u>741,848,902</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total shareholders' equity		<u>6,816,818,560</u>	<u>6,309,122,569</u>	<u>5,208,794,222</u>	<u>6,926,930,876</u>	<u>6,367,694,104</u>	<u>5,066,025,901</u>
Total liabilities and shareholders' equity		<u>14,187,967,806</u>	<u>10,078,676,274</u>	<u>7,857,078,127</u>	<u>8,980,897,450</u>	<u>7,189,405,647</u>	<u>5,349,141,311</u>

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

Grand Canal Land Public Company Limited and its subsidiaries
Statements of comprehensive income
For the year ended 31 December 2012

(Unit: Baht)

	Consolidated financial statements			Separate financial statements	
	Note	2012	2011	2012	2011
			(Restated)		(Restated)
Profit or loss:					
Revenues					
Sales of residential condominium units		983,181,747	-	-	-
Rental and service income	28	108,946,805	67,099,288	271,192,377	152,997,261
Other income					
Gains on sales of investments		201,774	17,404,992	30,000	41,140,000
Reversal of allowance for impairment loss					
of investment properties		-	79,420,908	-	-
Others		6,246,617	32,159,754	34,142,376	32,583,446
Total revenues		1,098,576,943	196,084,942	305,364,753	226,720,707
Expenses					
Cost of residential condominium units sold		666,072,376	-	-	-
Cost of rent and services		73,912,777	60,214,235	135,859,740	110,285,861
Selling expenses		65,672,349	7,806,774	4,043,901	640,524
Administrative expenses		146,592,659	110,035,208	45,963,157	55,634,904
Total expenses		952,250,161	178,056,217	185,866,798	166,561,289
Profit before finance cost and income tax					
expenses		146,326,782	18,028,725	119,497,955	60,159,418
Finance cost		(43,076,458)	(16,877,434)	(80,965)	(25,465,546)
Profit from continuing operations before					
income tax expenses		103,250,324	1,151,291	119,416,990	34,693,872
Income tax expenses	30	(42,857,034)	(33,604,260)	(7,682,919)	(19,388,706)
Profit (loss) from continuing operations		60,393,290	(32,452,969)	111,734,071	15,305,166
Profit from discontinued operations	29	-	5,824,688	-	-
Profit (loss) for the year		60,393,290	(26,628,281)	111,734,071	15,305,166
Other comprehensive income:					
Gain (loss) on change in value of					
available-for-sale investments		104,146	(614,250)	104,146	(614,250)
Actuarial loss arising from post-employment benefits		(1,470,097)	-	(1,470,097)	-
Other comprehensive income for the year		(1,365,951)	(614,250)	(1,365,951)	(614,250)
Total comprehensive income for the year		59,027,339	(27,242,531)	110,368,120	14,690,916

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

Grand Canal Land Public Company Limited and its subsidiaries
Statements of comprehensive income (continued)
For the year ended 31 December 2012

(Unit: Baht)					
	Consolidated financial statements			Separate financial statements	
	Note	2012	2011	2012	2011
			(Restated)		(Restated)
Profit (loss) attributable to:					
Equity holders of the Company					
Profit (loss) from continuing operations		58,922,123	(32,975,145)	111,734,071	15,305,166
Profit from discontinued operations		-	4,093,591	-	-
		58,922,123	(28,881,554)	111,734,071	15,305,166
Non-controlling interests of the subsidiaries					
Profit (loss) from continuing operations		1,471,167	522,176		
Profit from discontinued operations		-	1,731,097		
		1,471,167	2,253,273		
		60,393,290	(26,628,281)		
Total comprehensive income attributable to:					
Equity holders of the Company					
Profit (loss) from continuing operations		57,556,172	(33,589,395)	110,368,120	14,690,916
Profit from discontinued operations		-	4,093,591	-	-
		57,556,172	(29,495,804)	110,368,120	14,690,916
Non-controlling interests of the subsidiaries					
Profit (loss) from continuing operations		1,471,167	522,176		
Profit from discontinued operations		-	1,731,097		
		1,471,167	2,253,273		
		59,027,339	(27,242,531)		
Earnings per share	32				
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		0.0117	(0.0059)	0.0222	0.0031
Diluted earnings per share					
Profit (loss) attributable to equity holders of the Company		0.0114	(0.0059)	0.0217	0.0031
Earnings per share from continuing operations	32				
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		0.0117	(0.0067)	0.0222	0.0031
Diluted earnings per share					
Profit (loss) attributable to equity holders of the Company		0.0114	(0.0067)	0.0217	0.0031

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

Grand Canal Land Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity
For the year ended 31 December 2012

(Unit: Baht)									
Consolidated financial statements									
Equity attributable to the parent's shareholders									
	Adjustment to present assets purchased under common control at book value			Adjustment of equity interest under reverse acquisition		Share subscription received in advance		Other components of shareholders' equity	
	Issued and fully paid share capital	Share premium	Share common control at book value	Adjustment to equity interest under reverse acquisition	Retained earnings (deficits)	Surplus on change in value of available-for-sale investments	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2011 - as previously reported	4,109,449,080	579,588,374	(423,185,000)	353,920,834	8,000,000	(224,931,350)	4,403,344,438	712,879,625	5,116,224,063
Cumulative effect of prior years' adjustments (Note 5.1)	-	-	-	-	-	(24,910,401)	(24,910,401)	21,880,000	(3,030,401)
Cumulative effect of change in accounting policy (Note 5.2)	-	-	-	-	-	88,774,533	88,511,283	7,089,277	95,600,560
Balance as at 1 January 2011 - restated	4,109,449,080	579,588,374	(423,185,000)	353,920,834	8,000,000	(161,067,218)	4,466,945,320	741,848,902	5,208,794,222
Increase share capital (Note 25)	821,074,192	589,308,216	-	-	-	-	1,410,382,408	-	1,410,382,408
Share subscription received in advance	-	-	-	-	-	-	64	-	64
Dividend paid (Note 25 and 34)	-	-	-	(123,405,185)	-	-	(123,405,185)	-	(123,405,185)
Loss for the year - restated	-	-	-	-	(28,881,554)	-	(28,881,554)	2,253,273	(26,628,281)
Other comprehensive income for the year - restated	-	-	-	(375,000)	-	-	(614,250)	-	(614,250)
Unappropriated retained earnings transferred to statutory reserve	-	-	-	-	1,400,000	(1,400,000)	-	-	-
Decrease in equity attributable to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	(159,406,409)	(159,406,409)
Balance as at 31 December 2011 - restated	4,930,523,272	1,168,896,590	(423,185,000)	230,140,649	9,400,000	(191,348,772)	5,724,426,803	584,695,766	6,309,122,569

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

Grand Canal Land Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the year ended 31 December 2012

(Unit: Baht)

Consolidated financial statements (continued)

	Equity attributable to the parent's shareholders									
	Other components of shareholders' equity					Total equity attributable to shareholders of the Company				
	Issued and fully paid share capital	Share premium	Adjustment to present assets purchased under common control at book value	Adjustment of equity interest under reverse acquisition	Share subscription received in advance	Retained earnings (deficits) available-for-sale investments	Surplus on change in value of available-for-sale investments	Equity attributable to non-controlling interests of the subsidiaries	Total equity attributable to shareholders' equity	
Balance as at 1 January 2012 - as previously reported	4,930,523,272	1,168,896,590	(423,185,000)	230,140,649	64	9,400,000	(226,887,634)	500,578,232	5,688,887,941	6,189,466,173
Cumulative effect of prior years' adjustments (Note 5.1)	-	-	-	-	-	-	(29,839,716)	75,493,024	(29,839,716)	45,653,308
Cumulative effect of change in accounting policy (Note 5.2)	-	-	-	-	-	-	65,378,578	8,624,510	65,378,578	74,003,088
Balance as at 1 January 2012 - restated	4,930,523,272	1,168,896,590	(423,185,000)	230,140,649	64	9,400,000	(191,348,772)	584,695,766	5,724,426,803	6,309,122,569
Increase share capital (Note 25)	233,359,004	363,423,840	-	-	(64)	-	-	-	596,782,780	596,782,780
Dividend paid (Note 25 and 34)	-	-	-	(46,977,072)	-	-	(100,937,056)	-	(147,914,128)	(147,914,128)
Profit for the year	-	-	-	-	-	-	58,922,123	1,471,167	58,922,123	60,393,290
Other comprehensive income for the year	-	-	-	-	-	-	(1,470,097)	-	104,146	(1,365,951)
Unappropriated retained earnings transferred to statutory reserve	-	-	-	-	-	5,600,000	(5,600,000)	-	-	-
Decrease in equity attributable to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	(200,000)	-	(200,000)
Balance as at 31 December 2012	5,163,882,276	1,532,320,430	(423,185,000)	183,163,577	-	15,000,000	(240,433,802)	585,966,933	6,230,851,627	6,816,818,560

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

Grand Canal Land Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the year ended 31 December 2012

(Unit: Baht)

Separate financial statements

	Other components of shareholders' equity						
	Issued and fully paid share capital	Share premium	Share subscription received in advance	Retained earnings		Surplus on change in value of available-for-sale investments	Total shareholders' equity
				Appropriated	Unappropriated		
Balance as at 1 January 2011 - as previously reported	4,109,449,080	579,588,374	-	45,700,000	314,501,497	877,500	5,050,116,451
Cumulative effect of prior years' adjustments (Note 5.1)	-	-	-	-	(3,030,401)	-	(3,030,401)
Cumulative effect of change in accounting policy (Note 5.2)	-	-	-	-	19,203,101	(263,250)	18,939,851
Balance as at 1 January 2011 - restated	4,109,449,080	579,588,374	-	45,700,000	330,674,197	614,250	5,066,025,901
Increase share capital (Note 25)	821,074,192	589,308,216	-	-	-	-	1,410,382,408
Share subscription received in advance	-	-	64	-	-	-	64
Dividend paid (Note 34)	-	-	-	-	(123,405,185)	-	(123,405,185)
Profit for the year - restated	-	-	-	-	15,305,166	-	15,305,166
Other comprehensive income for the year - restated	-	-	-	-	-	(614,250)	(614,250)
Unappropriated retained earnings transferred to statutory reserve	-	-	-	1,400,000	(1,400,000)	-	-
Balance as at 31 December 2011 - restated	4,930,523,272	1,168,896,590	64	47,100,000	221,174,178	-	6,367,694,104

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

(Unit: Baht)

	Separate financial (continued)						
	Issued and fully paid share capital	Share premium	Share subscription received in advance	Retained earnings		Other components of shareholders' equity	Total shareholders' equity
				Appropriated	Unappropriated		
Balance as at 1 January 2012 - as previously reported	4,930,523,272	1,168,896,590	64	47,100,000	217,583,583	-	6,364,103,509
Cumulative effect of prior years' adjustments (Note 5.1)	-	-	-	-	(7,959,716)	-	(7,959,716)
Cumulative effect of change in accounting policy (Note 5.2)	-	-	-	-	11,550,311	-	11,550,311
Balance as at 1 January 2012 - restated	4,930,523,272	1,168,896,590	64	47,100,000	221,174,178	-	6,367,694,104
Increase share capital (Note 25)	233,359,004	363,423,840	(64)	-	-	-	596,782,780
Dividend paid (Note 34)	-	-	-	-	(147,914,128)	-	(147,914,128)
Profit for the year	-	-	-	-	111,734,071	-	111,734,071
Other comprehensive income for the year	-	-	-	-	(1,470,097)	104,146	(1,365,951)
Unappropriated retained earnings transferred to statutory reserve	-	-	-	5,600,000	(5,600,000)	-	-
Balance as at 31 December 2012	5,163,882,276	1,532,320,430	-	52,700,000	177,924,024	104,146	6,926,930,876

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

Grand Canal Land Public Company Limited and its subsidiaries
Cash flow statements
For the year ended 31 December 2012

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
		(Restated)		(Restated)
Cash flows from operating activities				
Profit from continuing operations before tax	103,250,324	1,151,291	119,416,990	34,693,872
Profit from discontinued operations	-	5,824,688	-	-
Profit before tax	103,250,324	6,975,979	119,416,990	34,693,872
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	32,442,464	38,997,885	27,991,858	27,624,466
Allowance for doubtful accounts (reversal)	53,500	(150,000)	53,500	(150,000)
Loss (gain) on sales of property, plant and equipment	46,901	(103,458)	46,349	-
Gain on sales of assets awaiting for sale	(193,237)	(10,205,000)	(193,237)	(10,205,000)
Gain on sales of investments in subsidiaries	(191,774)	(16,264,992)	(20,000)	(40,000,000)
Gain on sales of investments in associated company	(10,000)	-	(10,000)	-
Gain on sales of available-for-sale investments	-	(1,140,000)	-	(1,140,000)
Gain on sales of investment properties	-	-	(2,384,849)	-
Loss on unused assets	-	155,540	-	13,690
Loss on compensation for flood damage	850,343	-	-	-
Gain on change in value of current investments	-	(291,067)	-	-
Reversal of allowance for diminution in value of project development cost	(732,929)	-	-	-
Reversal of allowance for impairment loss of investment properties	-	(79,420,908)	-	-
Impairment loss on property, plant and equipment	300,000	-	-	-
Recognition of golf member fee as income	-	(532,582)	-	-
Provision for long-term employee benefits	610,157	396,784	610,157	396,784
Interest income	(2,261,517)	(2,442,186)	(32,695,780)	(20,462,440)
Interest expenses	42,995,494	16,877,434	-	25,398,216
Profit (loss) from operating activities before changes in operating assets and liabilities	177,159,726	(47,146,571)	112,814,988	16,169,588
Operating assets decrease (increase)				
Trade and other receivables	(43,075,306)	(10,636,030)	(106,480,928)	(9,395,796)
Project development costs	(1,219,901,744)	(455,206,924)	(9,431,820)	(6,835,073)
Advance payment to contractors	(123,973,296)	17,544,633	(187,252,523)	(15,535,107)
Other current assets	(6,041,731)	(444,372)	(5,592,003)	(56,587)
Other non-current assets	2,624,589	(9,990,918)	5,717,010	(117,247)

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

Grand Canal Land Public Company Limited and its subsidiaries
Cash flow statements (continued)
For the year ended 31 December 2012

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
		(Restated)		(Restated)
Operating liabilities increase (decrease)				
Trade and other payables	924,491,650	363,906,697	234,819,818	34,147,638
Retention payable	99,395,994	45,736,122	24,973,093	3,596,240
Deposits and advance received from customers	208,465,417	342,454,005	-	-
Deposit received under the contract to purchase buildings	-	(1,079,150,000)	-	-
Other current liabilities	10,822,173	311,875	10,237,914	710,975
Other non-current liabilities	9,156,405	(3,404,921)	(150,407)	(2,392,772)
Cash flows from (used in) operating activities	39,123,877	(836,026,404)	79,655,142	20,291,859
Cash paid for interest expenses	(391,791,815)	(102,751,321)	(64,723,000)	(23,739,833)
Proceed from refund of corporate income tax	4,862,938	22,409,658	4,862,938	22,409,658
Cash paid for corporate income tax	(39,053,028)	(26,398,485)	(10,636,033)	(10,220,194)
Net cash flows from (used in) operating activities	(386,858,028)	(942,766,552)	9,159,047	8,741,490
Cash flows from investing activities				
Increase in restricted bank deposits	(24,150,523)	(1,504,511)	(15,221,542)	(606,849)
Increase in short-term loans to related parties	-	-	(77,000,000)	(67,620,608)
Interest income	853,760	1,731,266	32,136,555	20,064,287
Proceed from sales of available-for-sale investments	-	1,850,000	-	1,850,000
Cash payment for investments in available-for-sale security	(40,000,000)	-	(40,000,000)	-
Proceed from sales of investments in subsidiaries	(670)	504,993,370	20,000	520,000,000
Cash payment for investments in subsidiary (Note 14.1)	(4,518,794)	(18)	(245,464,373)	-
Proceed from sales of investments in associated company	10,000	-	10,000	-
Proceed from sales of investment properties	-	-	26,233,340	-
Acquisition of property, plant and equipment	(13,237,764)	(13,154,888)	(11,907,479)	(4,628,938)
Proceed from sales of property, plant and equipment	9,159	-	9,159	-
Proceed from sales of assets awaiting for sale	2,164,500	16,328,000	2,164,500	16,328,000
Cash received as compensation for flood damage	1,244,574	-	-	-
Increase in investment properties	(1,384,704,700)	(1,101,662,608)	(955,136,125)	(925,738,263)
Increase in intangible assets	(2,977,192)	(6,901,725)	(2,826,450)	(6,901,725)
Net cash flows used in investing activities	(1,465,307,650)	(598,321,114)	(1,286,982,415)	(447,254,096)

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

Grand Canal Land Public Company Limited and its subsidiaries
Cash flow statements (continued)
For the year ended 31 December 2012

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
		(Restated)		(Restated)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	(21,300,100)	640,000,000	(50,000,000)	640,000,000
Increase (decrease) in short-term loans from related parties	(421,502,470)	-	110,000,000	-
Increase (decrease) in long-term loans from financial institutions	1,838,505,027	816,250,747	760,160,400	(255,042,050)
Proceed from increase in share capital	596,782,780	-	596,782,780	-
Increase in share subscription received in advance	-	64	-	64
Dividend paid	(147,914,128)	(12,340,892)	(147,914,128)	(12,340,892)
Net cash flows from financing activities	1,844,571,109	1,443,909,919	1,269,029,052	372,617,122
Net decrease in cash and cash equivalents	(7,594,569)	(97,177,747)	(8,794,316)	(65,895,484)
Cash and cash equivalents at beginning of the year	137,385,772	234,563,519	50,231,931	116,127,415
Cash and cash equivalents at end of the year	129,791,203	137,385,772	41,437,615	50,231,931
Supplemental cash flows information:				
Non-cash transactions				
Amounts due to related party increased due to the purchases of investment properties	-	-	142,395,532	113,980,446
Transfer project development cost to investment properties	450,460,204	-	-	-

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

Grand Canal Land Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2012

1. General information

Grand Canal Land Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the property development. The registered office of the Company is at 33/4 Rama 9 Road, Huaykwang, Huaykwang, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543. The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements. The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) In 2009, Grand Canal Land Public Company Limited issued new ordinary shares to the existing shareholders of Grand Canal Co., Ltd., Belle Development Ltd. and Praram 9 Square Ltd., and transferred the entire business of Grand Canal Co., Ltd. to combine with the business of Grand Canal Land Public Company Limited. This business combination is treated as a reverse acquisition.

These consolidated financial statements are prepared for a reverse acquisition, for which Grand Canal Land Public Company Limited is the legal parent company (accounting acquiree) and Belle Development Ltd. and Praram 9 Square Ltd. are the legal subsidiaries (accounting acquirers). In addition, these consolidated financial statements include the financial statements of the following subsidiary companies of the legal parent company and the legal subsidiaries, which are incorporated in Thailand:

Company's name	Nature of business	Percentage of shareholding	
		2012 Percent	2011 Percent
Phra Ram 9 Square Hotel Co., Ltd. (owned by Phra Ram 9 Square Co., Ltd.)	Hotel business	99.99	99.99
M&D Entertainment Co., Ltd. (owned by the Company)	Sales of goods	-	80.00
Sterling Equity Co., Ltd. (owned by the Company)	Property development	100.00	-

b) The consolidated financial statements as at the date of the reverse acquisition were prepared as follows:

1. The assets and liabilities of the legal subsidiaries are recognised and measured in the consolidated financial statements at their pre-combination carrying amounts.
2. Deficit and the outstanding balance of other equities in the consolidated financial statements are recognised at the last amounts of deficit and outstanding balance of other equities of the legal subsidiaries before the business combination.
3. Equity interests, as presented in the consolidated financial statements, represent the sum of the issued equity interests of the legal subsidiaries (accounting acquirers) outstanding before the business combination and the cost of the business combination (Note 25.2).

c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the shares of profit or loss and net assets of the subsidiaries that do not belong to the group of the Company (including the shares of shareholders of the legal subsidiaries that do not exchange their equity interests with the legal parent company under the reverse acquisition) and are presented separately in consolidated profit or loss and within equity in the consolidated statement of financial position.

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

3. Adoption of the new accounting standard during the year

In 2012, the Company and its subsidiaries elected to early adopt Thai Accounting Standard 12 Income Taxes. This accounting standard is effective for fiscal years beginning on or after 1 January 2013.

This accounting standard requires an entity to identify temporary differences arising from discrepancies between the carrying amount of an asset or liability in the accounting records and its tax base in order to recognise the tax effects as deferred tax assets or liabilities, subject to certain recognition criteria. The effect of the adoption is described in Note 5 to the financial statements.

4. New accounting standards not yet effective

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

Accounting standards:

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

Financial Reporting Standard:

TFRS 8	Operating Segments
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Accounting Standard Interpretations:

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

Except for the TAS 12 Income Taxes which the Company and its subsidiaries elected to adopt during the year as described in Note 3 the financial statements, the Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied.

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

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

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

5. Cumulative effect of change in accounting policy and prior years' adjustments

(Unit: Thousand Baht)

5.1 During the current year, the Company adjusted corporate income taxes for the years 2009 to 2011, which had been under stated, and certain transactions relating to the preparation of prior periods' consolidated financial statements. The cumulative effect of the prior years' adjustments has been separately presented in the statements of changes in shareholders' equity.

The cumulative effect of prior years' adjustments and restatement of the financial statements, on the retained earnings as at 1 January 2012 and 1 January 2011, comprises:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cumulative effect of adjustments on:				
Calculation of corporate income taxes	(7,960)	(3,030)	(7,960)	(3,030)
Preparation of consolidated financial statements	(21,880)	(21,880)	-	-
Total	<u>(29,840)</u>	<u>(24,910)</u>	<u>(7,960)</u>	<u>(3,030)</u>

5.2 During the current year, the Company and its subsidiaries changed its significant accounting policy, as mentioned in Note 3 to the financial statements, due to the adoption of TAS 12 Income Taxes. The cumulative effect of the change in the accounting policy has been separately presented in the statements of changes in shareholders' equity.

5.3 The amounts of adjustments from the change in accounting policy and prior years' adjustments affecting the statements of financial position as at 31 December 2012, 31 December 2011 and 1 January 2011 and the statements of comprehensive income for the years ended 31 December 2012 and 2011 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	31 December 2012	31 December 2011	1 January 2011	31 December 2012	31 December 2011	1 January 2011
Statements of financial position						
Increase in investment properties	-	53,613	-	-	-	-
Increase in deferred tax assets	159,792	74,003	95,600	7,032	11,551	18,940
Decrease in other non-current assets	-	6,309	2,920	-	6,309	2,920
Increase in corporate income tax payable	-	1,651	110	-	1,651	110
Increase (decrease) in other components of shareholders' equity	341	-	(263)	341	-	(263)
Increase in non-controlling interests of the subsidiaries	24,762	84,117	28,969	-	-	-
Decrease in unappropriated deficits	134,689	35,539	63,864	6,691	3,591	16,173

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011

Statements of comprehensive income

Increase (decrease) in corporate income tax	(85,448)	26,790	4,860	12,582
Increase in profit attributable to non-controlling interests of the subsidiaries	16,137	1,535	-	-
Increase (decrease) in profit attributable to equity holders of the Company	69,311	(28,325)	(4,860)	(12,582)
Increase (decrease) in basic earnings per share (Baht)	0.0138	(0.0057)	(0.0010)	(0.0026)
Increase (decrease) in diluted earnings per share (Baht)	0.0135	(0.0056)	(0.0009)	(0.0025)

6. Significant accounting policies

6.1 Revenue recognition

Sales of residential condominium units

Revenues from sales of residential condominium units are recognised as revenues when significant risks and rewards are transferred to the buyer.

Project management fee, selling management fee and other service income

Project management fee, selling management fee and other service income are recognised when services have been rendered taking into account the stage of completion.

Rental and related service income

Rental and related service income of units in office buildings and residential buildings are recognised on an accrual basis.

Interest income

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

Dividends

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

6.2 Cost of residential condominium units sold

In determining the cost of residential condominium units sold, the anticipated total development costs (after recognising the costs incurred to date) are attributed to units already sold on the basis of the salable area and then recognised as costs in profit or loss.

6.3 Cash and cash equivalents

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

6.4 Trade accounts receivable

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

6.5 Project development costs

Project development costs are valued at the lower of cost and net realisable value.

Project development costs consist of the costs of land, land development, construction, land lease and related interest.

6.6 Investments

a) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in comprehensive income, and will be recorded in profit or loss when the securities are sold.

- b) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- c) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- d) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

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

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

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

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

6.7 Investment properties

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

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

Buildings	-	20 and 43 years
Building improvements	-	3 years
Building systems and swimming pool	-	10 - 43 years

Depreciation of the investment properties is included in determining income.

No depreciation is provided on land awaiting development and project under construction.

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

6.8 Property, plant and equipment/Depreciation

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

Depreciation of plant and equipment is calculated by reference to their costs or the revalued amounts on the straight-line basis over estimated useful lives of 5 years.

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

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

6.9 Borrowing costs

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

6.10 Intangible assets and amortisation

Intangible assets (computer software) are carried at cost less accumulated amortisation and accumulated impairment losses (if any). They are amortised over a period of 5 years.

6.11 Leasehold rights and amortisation

Leasehold right is stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any).

Amortisation of leasehold right is calculated by reference to its cost on a straight-line basis over the leasehold period.

Amortisation is included in determining income and is capitalised as part of project costs for leasehold rights of project under development.

6.12 Related party transactions

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

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

6.13 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

6.14 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment and other assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

6.15 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

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

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

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

6.16 Provisions

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

6.17 Income tax

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

Current tax

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

Deferred tax

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

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

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

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

7. Significant accounting judgements and estimates

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

Property plant and equipment/ Investment properties/ Depreciation

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

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

Deferred tax assets

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

Post-employment benefits under defined benefit plans

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

Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

8. Related party transactions

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

(Unit: Million Baht)					
	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2012	2011	2012	2011	
Transactions with subsidiaries					
(Eliminated from the consolidated financial statements)					
Project management fee	-	-	126	80	As stipulated in agreements
Selling management fee	-	-	30	-	As stipulated in agreements
Rental and related service income	-	-	8	6	As stipulated in agreements
Interest income	-	-	32	19	MLR - 0.5% per annum and MLR + 0.25% per annum
Interest expenses	-	-	2	-	MLR - 1.5% per annum
(including interest expenses capitalised as assets)					
Sales of investment properties	-	-	26	-	Cost plus margin
Purchases of investment properties	-	-	142	-	As stipulated in agreements
Transactions with related companies					
Project management fee	66	33	66	33	As stipulated in agreements
Selling management fee	2	5	2	5	As stipulated in agreements
Design service fee	35	-	35	-	As stipulated in agreements
Rental and related service income	1	9	-	9	As stipulated in agreements
Interest income	-	1	-	1	MLR + 0.25% per annum
Gains on sales of assets	-	10	-	10	As mutual agreements
Gains on sales of investments	-	40	-	40	As stipulated in agreements
Interest expenses	32	6	-	-	MLR - 1% per annum and 4% per annum
(including interest expenses capitalised as assets)					
Sales of assets awaiting for sale	2	-	2	-	As stipulated in agreements
Revenue from sales of residential condominium units	109	-	-	-	Similar to market price
Transactions with management and directors					
Revenue from sales of residential condominium units	38	-	-	-	Similar to market price

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Trade and other receivables - related parties				
Subsidiaries	-	-	76,796	6,117
Less: Allowance for doubtful debts	-	-	-	(3,625)
Net	-	-	76,796	2,492
Associated company	-	2,360	-	2,360
Less: Allowance for doubtful debts	-	(2,360)	-	(2,360)
Net	-	-	-	-
Related companies				
(related by common directors)	57,184	13,150	55,725	13,150
Total trade and other receivables - related parties	57,184	13,150	132,521	15,642
Advance payment to contractors				
Related company				
(related by common directors)	11,168	59,620	-	-
Trade and other payables - related parties				
Subsidiaries	-	-	142,908	-
Associated company	-	313	-	313
Related companies				
(related by common directors)	170,622	149,787	7,445	5,294
Total trade and other payables - related parties	170,622	150,100	150,353	5,607
Retention payable				
Related company (related by common directors)	62,293	44,147	675	-
Deposits and advance received from customers				
Related companies (related by common directors)	561	9,154	-	-
Other payables for purchase of assets - related party				
Subsidiary	-	-	-	113,981
Other non-current liabilities - rental and service retention				
Subsidiary	-	-	1,180	1,180
Related companies				
(related by common directors)	10	250	10	250
Total rental and service retention - related parties	10	250	1,190	1,430

Loans to related parties and loans from related parties

As at 31 December 2012 and 2011, the balance of loans to related parties and loans from related parties and the movement of these loans are as follows:

(Unit: Thousand Baht)

		Separate financial statements			
Short - term loans to related parties	Related by	Balance as at 31 December 2011	Increase during the year	Decrease during the year	Balance as at 31 December 2012
Belle Development Co., Ltd.	Subsidiary	50,000	100,000	(50,000)	100,000
Phra Ram 9 Square Co., Ltd.	Subsidiary	272,936	106,000	(79,000)	299,936
Sterling Equity Co., Ltd.	Subsidiary	-	596,388	(596,388)	-
Total		322,936	802,388	(725,388)	399,936

Short-term loans to subsidiaries carried interest at MLR - 0.5% per annum and repayable at call.

In July 2012, the Company lent Baht 596.4 million, received from the capital increase mentioned in Note 25.1 to the financial statements, to Sterling Equity Co., Ltd., so that Sterling Equity Co., Ltd. could settle loans and outstanding interest payable to Bangkok Broadcasting & T.V. Co., Ltd. and BBT Equity Co., Ltd. Subsequently, in October 2012 Sterling Equity Co., Ltd. repaid the loans to the Company in full.

(Unit: Thousand Baht)

		Consolidated financial statements			
Short-term loans from related parties	Related by	Balance as at 31 December 2011	Increase from investment in subsidiary	Decrease during the year	Balance as at 31 December 2012
Bangkok Broadcasting & T.V. Co., Ltd.	Common directors	-	750,000	(333,902)	416,098
BBTV Equity Co., Ltd.	Common directors	-	87,600	(87,600)	-
Total		-	837,600	(421,502)	416,098

Short-term loans from related companies carried interest at 4% per annum and repayable at call.

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loan to related party	Related by	Balance as at 31 December 2011	Increase during the year	Decrease during the year	Balance as at 31 December 2012
Sterling Equity Co., Ltd.	Subsidiary	-	160,000	(50,000)	110,000

Short-term loans from the subsidiary carried interest at MLR - 1.5% per annum and repayable at call.

(Unit: Thousand Baht)

Long-term loan from related party	Related by	Consolidated financial statements			
		Balance as at 31 December 2011	Increase during the year	Decrease during the year	Balance as at 31 December 2012
Great Fortune Equity Co., Ltd.	Common directors	100,000	-	-	100,000

Long-term loan from related company carried interest at MLR - 1% per annum. During the current year, the related company agreed to extend the due date of this loan from 29 June 2012 to 29 June 2014.

Directors and management's benefits

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Short-term employee benefits	16.7	19.1	15.3	17.1

Guarantee obligations with related parties

The Company and its subsidiaries have outstanding guarantee obligations with its related parties, as described in Note 36.4 to the financial statements.

9. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Cash	54	43	36	14
Bank deposits	129,737	137,343	41,402	50,218
Total	129,791	137,386	41,438	50,232

As at 31 December 2012, bank deposits in saving accounts and fixed deposits carried interests between 0.60 and 0.75 percent per annum (2011: between 0.25 and 0.75 percent per annum).

10. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Subordinated debentures	40,000	-	40,000	-
Add: Gain on valuation of available-for-sale securities	130	-	130	-
Total	40,130	-	40,130	-

In December 2012, the Company invested in subordinated debentures of Bangkok Bank Public Company Limited. The debentures carry interest at 4.375% per annum and mature in 2022. The Company expects to dispose of these debentures in the near future, and therefore classifies them as investments in available-for-sale securities.

11. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	1,888	10,093	19,306	14,145
Past due				
Up to 3 months	8,020	-	50,275	213
3 - 6 months	7,800	111	21,600	111
Over 12 months	111	2,360	111	2,360
Total	17,819	12,564	91,292	16,829
Less: Allowance for doubtful debts	-	(2,360)	-	(5,985)
Total trade receivables - related parties, net	17,819	10,204	91,292	10,844
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	3,632	1,317	3,632	1,317
Past due				
Up to 3 months	1	3,140	1	3,140
3 - 6 months	-	853	-	853
Over 12 months	54,306	60,920	54,306	60,920
Total	57,939	66,230	57,939	66,230
Less: Allowance for doubtful debts	(57,916)	(60,852)	(57,916)	(60,852)
Total trade receivables - unrelated parties, net	23	5,378	23	5,378
Total trade receivables - net	17,842	15,582	91,315	16,222

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Other receivables				
Advances - related parties	3,488	2,940	3,488	2,940
Advances - unrelated parties	232	1,326	108	275
Interest receivable - related parties	-	-	2,161	1,852
Interest receivable - unrelated parties	314	-	249	-
Amounts due from related parties	2	6	191	6
Unearned income from related parties	35,875	-	35,389	-
Others	25,755	17,229	14,266	16,891
Total	65,666	21,501	55,852	21,964
Less: Allowance for doubtful debts	(9,914)	(7,554)	(9,914)	(7,554)
Total other receivables - net	55,752	13,947	45,938	14,410
Total trade and other receivables - net	73,594	29,529	137,253	30,632

12. Project development costs

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Land and construction under development	5,196,055	5,370,162	783,870	774,438
Land and construction developed	1,072,041	-	-	-
Total	6,268,096	5,370,162	783,870	774,438

During the years 2012 and 2011, the subsidiaries included borrowing costs of Baht 100 million and Baht 65 million, respectively, as part of project development costs.

During the current year, a subsidiary transferred project development costs amounting to approximately Baht 450 million to investment properties.

A subsidiary has mortgaged its land and construction thereon with bank to secure the subsidiary's long-term loans from the bank.

13. Restricted bank deposits

These represent fixed deposits pledged with the banks to secure credit facilities.

14. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Separate financial statements					
	Paid-up capital		Shareholding percentage		Cost	
	2012	2011	2012	2011	2012	2011
			%	%		
M&D Entertainment Co., Ltd.	1,000	1,000	-	80.00	-	800
Belle Development Co., Ltd.	2,064,261	2,064,261	79.57	79.57	1,920,104	1,920,104
Phra Ram 9 Square Co., Ltd.	1,000,000	1,000,000	78.12	78.12	471,016	471,016
Sterling Equity Co., Ltd.	280,000	25,000	100.00	-	245,464	-
Total					2,636,584	2,391,920
Less: Allowance for impairment loss on investments					-	(800)
Investments in subsidiaries, net					2,636,584	2,391,120

14.1 On 4 July 2012, the Company invested in 400,000 ordinary shares of Sterling Equity Co., Ltd. at a price of Baht 13.661 per share, or a total of approximately Baht 5.5 million, representing a 100% interest in this company. Subsequently, on 19 September 2012, Sterling Equity Co., Ltd. increased its share capital by Baht 240 million (2,400,000 ordinary shares of Baht 100 each), and the Company acquired all of the additional shares. As a result, as at 31 December 2012, the Company's investment in this company totaled Baht 245.5 million.

The value of acquired assets and liabilities as at the acquisition date, based on the value allocated from the acquisition cost of the group of assets, and the cash payment made to purchase the investment in subsidiary are summarised below.

	Thousand Baht
Cash payment for purchase of investment in subsidiary	5,464
Value of assets and liabilities, based on value allocated from the acquisition cost of the group of assets	
Cash and cash equivalents	946
Project development costs	32,259
Investment properties	982,384
Other current assets	1,288
Other non-current assets	114
Trade and other payables	(173,802)
Short-term loans from related parties	(837,600)
Other current liabilities	(125)
Total net assets	5,464
Cash payment for purchase of investment in subsidiary	5,464
Less: Cash and cash equivalents of subsidiary	(946)
Net cash payment for purchase of investment in subsidiary	4,518

14.2 In November 2012, a meeting of the Board of Directors and an extraordinary meeting of the shareholders of Phra Ram 9 Square Company Limited, a subsidiary, approved the following significant resolutions:

- On 7 November 2012, the meeting of the Board of Directors resolved to sell the subsidiary's investment in 999,998 ordinary shares of Phra Ram 9 Square Hotel Company Limited to the Company at a price of Baht 1.35 per share, or for approximately Baht 1.35 million.

2. On 26 November 2012, the extraordinary meeting of the shareholders resolved to reduce the subsidiary's registered and paid-up share capital from Baht 1,000 million (10 million ordinary shares of Baht 100 each) to Baht 600 million (6 million ordinary shares of Baht 100 each) by canceling 4 million shares of Baht 100 per share, in order to write-off retained losses; and then increase the registered and paid-up share capital from Baht 600 million (6 million ordinary shares of Baht 100 each) to Baht 1,100 million (11 million ordinary shares of Baht 100 each), through the issuance of 5 million additional ordinary shares with a par value of Baht 100 each, for offer to existing shareholders at Baht 100 per share.

As at 31 December 2012, Praram 9 Square Limited had yet to change its registered share capital and dispose of its investments in Praram 9 Square Hotel Limited, as approved by the meeting of the Board of Directors and the extraordinary meeting of the shareholders.

- 14.3 On 28 December 2012, the Company sold its investments in M&D Entertainment Co., Ltd. to an other person at a price of Baht 20,000. The Company recorded gain on sales of investments amounting to Baht 20,000 in the separate statement of comprehensive income and Baht 191,774 in the consolidated statement of comprehensive income. The details are as follows:

	Thousand Baht
Net asset value of subsidiary as at the selling date	
Cash and cash equivalents	21
Restricted bank deposits	877
Other current assets	420
Other current liabilities	(1,290)
Total net assets	28
Net asset value - equity attributable to Company's shareholders	(172)
Less: Selling price	(20)
Gain on sale of investment in subsidiary	(192)
 Cash received from sales of investment in subsidiary	20
Less: Cash and cash equivalents of subsidiary	(21)
Net cash received from sale of investment in subsidiary	(1)

15. Investments in associated company

Details of investments in associated company as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

	Separate financial statements	
	2012	2011
Iloura (Thailand) Co., Ltd. - at cost	-	85,750
Less: Allowance for impairment loss on investments	-	(85,750)
Investments in associated company, net	-	-

On 28 December 2012, the Company sold an investment in an associated company to an other person at the selling price of Baht 10,000. The Company recognised a gain on the sale of the investment, amounting to Baht 10,000, in the statements of comprehensive income.

16. Other long-term investments

Other long-term investments represent investments in ordinary shares of Central Pattana Nine Square Co., Ltd., in which Praram 9 Square Limited, a subsidiary, holds a 3.27% interest.

17. Investment properties

(Unit: Thousand Baht)

	Consolidated financial statements							
	Office rental project				Project under construction			Total
	Land	Office buildings	Building systems and swimming pool improvements	Building	Land	Office buildings	Land awaiting development	
Cost:								
1 January 2011	328,000	716,000	-	2,240	-	434,198	-	1,480,438
Additions	-	-	-	-	-	249,088	2,256,119	2,505,207
Write off	-	-	-	-	-	(46,837)	-	(46,837)
Transfers	-	(92,170)	92,170	-	-	-	-	-
Capitalised amortisation of								
leasehold right	-	-	-	-	-	35,747	-	35,747
Capitalised interest	-	-	-	-	-	27,199	-	27,199
31 December 2011	328,000	623,830	92,170	2,240	-	699,395	2,256,119	4,001,754
Additions	-	-	-	-	-	1,384,705	-	1,384,705
Write off	-	-	-	-	-	(1,044)	-	(1,044)
Transfers	-	-	-	-	1,935,359	450,460	(1,935,359)	450,460
Capitalised amortisation of								
leasehold right	-	-	-	-	-	9,572	-	9,572
Capitalised interest	-	-	-	-	-	98,130	-	98,130
Acquisition of subsidiary								
during the year	-	22,833	10,060	-	960,026	-	-	992,919
31 December 2012	328,000	646,663	102,230	2,240	2,895,385	2,641,218	320,760	6,936,496
Accumulated depreciation:								
1 January 2011	-	23,927	-	775	-	-	-	24,702
Depreciation for the year	-	17,657	7,105	746	-	-	-	25,508
31 December 2011	-	41,584	7,105	1,521	-	-	-	50,210
Depreciation for the year	-	20,525	3,658	719	-	-	-	24,902
Acquisition of subsidiary								
during the year	-	7,433	3,102	-	-	-	-	10,535
31 December 2012	-	69,542	13,865	2,240	-	-	-	85,647
Allowance for impairment loss:								
1 January 2011	-	-	-	-	-	140,065	-	140,065
Decrease during the year	-	-	-	-	-	(43,054)	-	(43,054)
31 December 2011	-	-	-	-	-	97,011	-	97,011
31 December 2012	-	-	-	-	-	97,011	-	97,011
Net book value:								
1 January 2011	328,000	692,073	-	1,465	-	294,133	-	1,315,671
31 December 2011	328,000	582,246	85,065	719	-	602,384	2,256,119	3,854,533
31 December 2012	328,000	577,121	88,365	-	2,895,385	2,544,207	320,760	6,753,838
Depreciation for the year								
2011 (Baht 25 million included in cost of rent and services, and the balance in administrative expenses)								25,508
2012 (Baht 24 million included in cost of rent and services, and the balance in administrative expenses)								24,902

(Unit: Thousand Baht)

Separate financial statements

	Office rental project				Project under construction			Total
	Land	Office buildings	Building systems	Building improvements	Land	Office buildings	Land awaiting development	
Cost:								
1 January 2011	328,000	949,646	-	2,240	-	-	-	1,279,886
Additions	-	-	-	-	-	82,918	2,256,119	2,339,037
Transfers	-	(92,170)	92,170	-	-	-	-	-
31 December 2011	328,000	857,476	92,170	2,240	-	82,918	2,256,119	3,618,923
Additions	-	-	-	-	-	1,097,532	-	1,097,532
Disposals	-	-	-	-	-	(23,849)	-	(23,849)
Transfers	-	-	-	-	1,935,359	-	(1,935,359)	-
Capitalised interest	-	-	-	-	-	64,109	-	64,109
31 December 2012	328,000	857,476	92,170	2,240	1,935,359	1,220,710	320,760	4,756,715
Accumulated depreciation:								
1 January 2011	-	23,927	-	775	-	-	-	24,702
Depreciation for the year	-	17,657	7,105	746	-	-	-	25,508
31 December 2011	-	41,584	7,105	1,521	-	-	-	50,210
Depreciation for the year	-	19,979	3,155	719	-	-	-	23,853
31 December 2012	-	61,563	10,260	2,240	-	-	-	74,063
Net book value:								
1 January 2011	328,000	925,719	-	1,465	-	-	-	1,255,184
31 December 2011	328,000	815,892	85,065	719	-	82,918	2,256,119	3,568,713
31 December 2012	328,000	795,913	81,910	-	1,935,359	1,220,710	320,760	4,682,652
Depreciation for the year								
2011 (Baht 25 million included in cost of rent and services, and the balance in administrative expenses)								25,508
2012 (Baht 23 million included in cost of rent and services, and the balance in administrative expenses)								23,853

The Company and its subsidiaries have mortgaged their investment properties with a total net book value as at 31 December 2012 of Baht 5,233 million (2011: Baht 2,430 million) to secure their credit facilities obtained from banks (The Company only: Baht 4,220 million, 2011: Baht 1,935 million).

The fair value of the office rental project, determined based on valuations performed by an independent valuer in March 2011, using the cost approach, was approximately Baht 1,446 million. The Company's management believes the fair value of the office rental project as at 31 December 2012 and 2011 did not significantly differ from the fair value as determined by the valuer, and believes that the fair values of land awaiting development and project under construction will not significantly differ from the book values.

In March 2012, a subsidiary sold investment properties totaling Baht 142 million to the Company. As at 31 December 2012, the Company had yet to pay for the purchase of these investment properties.

In 2011, the Company purchased land of Baht 2,256 million from two related companies, of which Baht 1,299 million would be paid by the issuance of 710.01 million ordinary shares of the Company, and the remaining Baht 957 million would be paid in cash. As at 31 December 2011, the Company had paid Baht 843 million to related companies and recorded the balance of Baht 114 million as "Other payables for purchase of assets - related party". During the current year, the Company paid the remaining amount in full.

18. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements

	Land	Mock-up room and fence	Furniture, fixtures and office equipment	Property, plant and equipment of golf business	Motor vehicles	Assets under installation	Total
Cost:							
1 January 2011	300	15,709	6,015	752,445	-	-	774,469
Additions	-	785	4,588	15,156	-	72	20,601
Disposals	-	-	(17)	(11,070)	-	-	(11,087)
Disposal of subsidiary during the year	-	-	-	(756,531)	-	-	(756,531)
31 December 2011	300	16,494	10,586	-	-	72	27,452
Additions	-	-	3,979	-	7,789	1,470	13,238
Disposals	-	-	(116)	-	-	-	(116)
Disposal of subsidiary during the year	-	-	(23)	-	-	-	(23)
31 December 2012	300	16,494	14,426	-	7,789	1,542	40,551
Accumulated depreciation:							
1 January 2011	-	4,059	991	216,297	-	-	221,347
Depreciation for the year	-	3,214	1,620	8,080	-	-	12,914
Depreciation on disposals	-	-	(3)	(3,586)	-	-	(3,589)
Disposal of subsidiary during the year	-	-	-	(220,791)	-	-	(220,791)
31 December 2011	-	7,273	2,608	-	-	-	9,881
Depreciation for the year	-	3,280	2,391	-	246	-	5,917
Depreciation on disposals	-	-	(61)	-	-	-	(61)
Disposal of subsidiary during the year	-	-	(23)	-	-	-	(23)
31 December 2012	-	10,553	4,915	-	246	-	15,714
Allowance for impairment loss:							
1 January 2011	-	-	-	-	-	-	-
31 December 2011	-	-	-	-	-	-	-
Increase during the year	300	-	-	-	-	-	300
31 December 2012	300	-	-	-	-	-	300
Net book value:							
1 January 2011	300	11,650	5,024	536,148	-	-	553,122
31 December 2011	300	9,221	7,978	-	-	72	17,571
31 December 2012	-	5,941	9,511	-	7,543	1,542	24,537
Depreciation for the year							
2011 (Baht 1 million included in cost of rent and services, and the balance in administrative expenses)							12,914
2012 (Baht 2 million included in cost of rent and services, and the balance in administrative expenses)							5,917

(Unit: Thousand Baht)

	Separate financial statements			
	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost:				
1 January 2011	5,733	-	-	5,733
Additions	4,557	-	72	4,629
Disposals	(17)	-	-	(17)
31 December 2011	10,273	-	72	10,345
Additions	2,648	7,789	1,470	11,907
Disposals	(111)	-	-	(111)
31 December 2012	12,810	7,789	1,542	22,141
Accumulated depreciation:				
1 January 2011	869	-	-	869
Depreciation for the year	1,563	-	-	1,563
Depreciation on disposals	(3)	-	-	(3)
31 December 2011	2,429	-	-	2,429
Depreciation for the year	2,271	246	-	2,517
Depreciation on disposals	(56)	-	-	(56)
31 December 2012	4,644	246	-	4,890
Net book value:				
1 January 2011	4,864	-	-	4,864
31 December 2011	7,844	-	72	7,916
31 December 2012	8,166	7,543	1,542	17,251
Depreciation for the year				
2011 (Baht 1 million included in cost of rent and services, and the balance in administrative expenses)				1,563
2012 (Baht 2 million included in cost of rent and services, and the balance in administrative expenses)				2,517

19. Land leasehold right from related parties

Land leasehold right from related parties, as presented in the consolidated financial statements, were advance rental fees that a subsidiary paid to two related companies under a land lease agreement with a term of 43 years, which matures on 30 June 2050. The outstanding balances as at 31 December 2012 and 2011 can be summarised as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2012	2011
Land leasehold right	221,000	221,000
Less: Accumulated amortisation	(61,284)	(51,712)
Net	159,716	169,288

A subsidiary has pledged its land leasehold right to secure its credit facilities obtained from bank.

20. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Computer software - cost	10,562	7,585	10,411	7,585
Less: Accumulated amortisation	(2,252)	(628)	(2,250)	(628)
Net book value	8,310	6,957	8,161	6,957

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Net book value at beginning of year	6,957	908	6,957	608
Additions	2,977	6,902	2,826	6,902
Amortisation expenses for the year	(1,624)	(575)	(1,622)	(553)
Disposal of subsidiary during the year	-	(278)	-	-
Net book value at end of year	8,310	6,957	8,161	6,957

21. Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2012 consist of the Company's loans from bank of Baht 590 million (2011: Baht 640 million), carrying interest at MLR - 1% per annum and are guaranteed by the Company's investment properties, and the subsidiary's loans from bank of Baht 105 million (2011: Baht 76 million), carrying interest at MOR - 1% per annum and are guaranteed by the land leasehold right and premises of the subsidiary.

22. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Trade payables - related parties	167,331	149,428	7,445	5,466
Trade payables - unrelated parties	1,322,332	454,322	371,270	26,323
Other payables for purchase of assets - related party	-	-	142,396	-
Amounts due to related party	-	141	-	141
Accrued interest expenses to related party	3,291	531	512	-
Accrued interest expenses	1,875	1,702	576	1,702
Accrued expenses	72,716	16,630	12,348	8,113
Advance received from customers	1,579	2,916	1,579	2,916
Others	4,530	5,096	4,213	5,096
Total trade and other payables	1,573,654	630,766	540,339	49,757

23. Long-term loans from financial institutions

(Unit: Thousand Baht)

Loan	Interest Rate (%)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			2012	2011	2012	2011
1	MLR - 1.25 for the 1st - 4th years and MLR -1 for the remaining years	Quarterly installments starting from the last official date in December 2015	760,160	-	760,160	-
2	MLR - 1 for the 1st - 3rd years, MLR - 0.5 for the 4th - 6th years and MLR for the remaining years	Quarterly installments starting from the last official date in December 2013	229,423	69,419	-	-
3	MLR	Repayment at 55% of the redemption price of properties foreclosed	1,840,240	1,521,899	-	-
4	MLR - 2 for the 1st - 3rd years and MLR -1 for the remaining years	Quarterly installments starting from the last official date in June 2014	600,000	-	-	-
Total			3,429,823	1,591,318	760,160	-
Less: Current portion			(1,424,224)	(747,368)	-	-
Long-term loans, net of current portion			2,005,599	843,950	760,160	-

The Company's loans are secured by the mortgage of the land and premises of the Ninth Towers Grand Rama 9 project and the pledge of the Company's bank deposits.

The subsidiary's loan facilities are secured by the mortgage of its land and premises and the pledge of its land leasehold right, investment properties and bank deposits, and are guaranteed by the subsidiary's directors.

In December 2012, the Company was granted long-term loan facilities by a bank, amounting to Baht 1,000 million, for investment in the Belle Sky Condominium project. These loans carry interest at MLR - 1.5 and are secured by the mortgage of the land and premises of the project. As at 31 December 2012, the Company had yet to draw down this loan.

The loan agreements contain covenants that, among other things, require the Company and its subsidiaries to maintain a certain debt to equity ratio and debt service coverage ratio.

24. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Defined benefit obligation at beginning of year	1,554	1,157	1,554	1,157
Current service cost	525	349	525	349
Interest cost	85	48	85	48
Actuarial loss	1,838	-	1,838	-
Provisions for long-term employee benefits at end of year	4,002	1,554	4,002	1,554

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Current service cost	525	349	525	349
Interest cost	85	48	85	48
Total expense recognised in profit or loss	610	397	610	397

Line items under which such expenses are included in profit or loss:

Cost of rent and services	539	329	539	329
Administrative expenses	71	68	71	68

Total actuarial loss recognised in the other comprehensive income of the Company and its subsidiaries as at 31 December 2012 amounted to Baht 1.8 million (The Company only: Baht 1.8 million)

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated financial statements		Separate financial statements	
	2012 (% per annum)	2011 (% per annum)	2012 (% per annum)	2011 (% per annum)
Discount rate	4.1	3.2	4.1	3.2
Future salary increase rate	7.5	5.0	7.5	5.0
Staff turnover rate (depending on age)	12.2 - 26.0	9.1 - 36.1	12.2 - 26.0	9.1 - 36.1

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

(Unit: Thousand Baht)

	Defined benefit obligation	
	Consolidated financial statements	Separate financial statements
Year 2012	4,002	4,002
Year 2011	1,554	1,554
Year 2010	1,157	1,157

25. Share capital

25.1 As at 31 December 2012, the Company's issued and fully paid share capital amounted to Baht 5,163,882,276, consisting of 5,163,882,276 ordinary shares of Baht 1 each (2011: Baht 4,930,523,272, consisting of 4,930,523,272 ordinary shares of Baht 1 each). The increase of Baht 233,359,004 is the result of the exercise of Baht 395,004 of warrants in December 2011, March 2012, June 2012 and September 2012, and the offering of 232,964,000 ordinary shares of Baht 1 each to Bangkok Broadcasting & T.V. Co., Ltd. at a price of Baht 2.56 per share, or a total of Baht 596.4 million, in July 2012. As a result of the above offering, the Company's issued and fully paid share capital increased by Baht 232,964,000 and its share premium increased by Baht 363,423,840.

On 9 October 2012, the Company registered the increase in its issued and fully paid share capital to Baht 5,163,882,276 with the Ministry of Commerce.

25.2 In the preparation of the consolidated financial statements for a reverse acquisition, equity interests, as presented in consolidated financial statements, represent the sum of the issued equity interests of the legal subsidiaries (accounting acquirers) outstanding before the business combination, the cost of business combination and the equity interests of the legal parent company (accounting acquiree) issued after the business combination. The details are as follows:

(Unit: Thousand Baht)

	2012	2011
Issued equity interests of the legal subsidiaries outstanding before the business combination, net of non-controlling interests due to business combination		
- Belle Development Ltd.	1,621,967	1,621,967
- Praram 9 Square Ltd.	781,250	781,250
Total	2,403,217	2,403,217
Cost of business combination		
Cost of business combination as at the acquisition date (Note 25.3)	1,611,416	1,611,416
Change of accounting acquiree's equity from the acquisition date	(271,617)	(224,639)
Total	1,339,799	1,386,777
Adjustment to present assets purchased under common control at book value (Note 25.3)	(423,185)	(423,185)
Equity interests of the legal parent company issued after the business combination		
- Share capital issued during 2010 - 2011	1,950,259	1,950,259
- Increase in share premium due to share issue in 2011	589,308	589,308
- Share capital issued in 2012 (Note 25.1)	233,359	-
- Increase in share premium due to share issue in 2012 (Note 25.1)	363,424	-
Total	3,136,350	2,539,567
Equity interests in the consolidated financial statements	6,456,181	5,906,376

The above transactions are presented as follows in the consolidated financial statements to reflect the equity structure of the Company which is the legal parent company:

(Unit: Thousand Baht)

	2012	2011
Issued and fully paid share capital	5,163,882	4,930,523
Share premium	1,532,321	1,168,897
Adjustment to present assets purchased under common control at book value	(423,185)	(423,185)
Adjustment of equity interests under reverse acquisition	183,163	230,141
Total	6,456,181	5,906,376

In May 2012, the Company paid dividend amounting to Baht 148 million (2011: Baht 123 million) to its shareholders, as mentioned in Note 34 to the financial statements. Baht 47.0 million (2011: Baht 123 million) of the dividend was paid from the retained earnings outstanding before the business combination. The Company therefore decreased the cost of business combination by an amount equal to this dividend payment. As a result, the cost of business combination decreased from Baht 1,387 million to Baht 1,340 million.

25.3 Under a reverse acquisition in 2009, the legal subsidiaries had to issue ordinary shares to exchange for ordinary shares of the legal parent company which were in issue before the business combination. Since the fair value of equity instruments of Grand Canal Land Public Company Limited had clearer evidential support, being listed securities on the Stock Exchange, the fair value applied to the equity instruments of Grand Canal Land Public Company Limited before the business combination was used as the base for calculating the cost of business combination. The cost of business combination was as follows:

	Thousand Baht
Total fair value of the Company at the acquisition date (328,073,896 ordinary shares of Baht 4.92 each)	1,614,124
Issued ordinary shares to purchase land and buildings (225,837,000 ordinary shares of Baht 4.92 each)	1,111,118
Cash payment for purchases of land and buildings	245,000
Liabilities to be received for purchases of land and buildings	663,000
Financial advisor expenses for business combination	15,359
Total	3,648,601
Book value of the Company's land and buildings before business combination	(2,037,185)
Cost of business combination as at the date of reverse acquisition	1,611,416

In addition, when Grand Canal Land Public Company Limited received land and buildings from Grand Canal Co., Ltd. through the issuance of share capital, cash payment and assumption of loans, in accordance with the agreed price, it recorded the land and buildings at their book values before the business combination, because such business combination was a business combination under common control. The excess of the agreed price over the book value, amounting to Baht 423 million, was recorded as "Adjustment to present assets purchased under common control at book value", and separately presented in shareholders' equity.

25.4 On 28 April 2011, the annual general meeting of the Company's shareholders resolved to change the value of the ordinary shares, to transform 1,027,362,270 ordinary shares of Baht 4 each to 4,109,449,080 ordinary shares of Baht 1 each, and to increase the registered share capital from Baht 4,109,449,080 to Baht 5,094,903,133. The additional share capital of Baht 985,454,053 (985,454,053 ordinary shares of Baht 1 each) was to be used to pay a share dividend, support the issuance of the warrants and to offer to related parties as payment for purchases of their assets. Subsequently, on 3 November 2011, an extraordinary meeting of the Company's shareholders resolved to decrease the registered share capital by Baht 4,203 (4,203 ordinary shares of Baht 1 each) and increase the registered share capital by Baht 232,964,000 (232,964,000 ordinary shares of Baht 1 each). As a result, the Company's registered share capital increased from Baht 5,094,903,133 (5,094,903,133 ordinary shares of Baht 1 each) to Baht 5,327,862,930 (5,327,862,930 ordinary shares of Baht 1 each). The Company intended to offer the additional share capital of Baht 232,964,000 to related parties as payment for purchases of their assets.

As at 31 December 2011, the Company's issued and fully-paid share capital amounted to Baht 4,930,523,272, consisting of 4,930,523,272 ordinary shares of Baht 1 each (2010: Baht 4,109,449,080, consisting of 4,109,449,080 ordinary shares of Baht 1 each). The increase of Baht 821,074,192 is the result of the issuance of ordinary shares for dividend payment of Baht 111,064,293 (111,064,293 ordinary shares of Baht 1 each) and the issuance of 710,009,899 ordinary shares at Baht 1.83 per share to related parties as payment for purchases of land awaiting for development (Note 17). As a result of the above share issuance, the Company's issued and fully paid share capital increased by Baht 821,074,192 and its share premium increased by Baht 589,308,216.

26. Warrants

In May 2011, the Company issued 164,375,658 registered, transferable warrants with a term of three years from the issue date (27 May 2011) to its shareholders, without charge. The warrants can be exercised to subscribe to new ordinary shares in a ratio of 1 warrant per 1 ordinary share, at an exercise price of Baht 1 per share, with the exercise period being every 30th of March, June, September, and December (the first exercise date being 30 September 2011).

As at 31 December 2012, a total of 163,980,654 warrants remained unexercised (2011: 164,375,594 warrants).

27. Statutory reserve

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

28. Rental and service income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Project management fee and selling management fee	70,916	38,838	226,216	119,586
Design service fee	35,389	-	35,389	-
Rental and related service income	2,642	28,261	9,587	33,411
Total	108,947	67,099	271,192	152,997

29. Profit from discontinued operations

This represents profit from operations of Khao Kheow Country Club Co., Ltd., in which the Company holds 70.28%. The Company classified the investment in this company as assets held for sale because, on 28 April 2011, the Annual General Meeting of the Company's shareholders resolved to sell such investment. The Company sold the investment in this company on 29 June 2011.

30. Income tax

Income tax expenses for the year ended 31 December 2012 and 2011 are made up as follows:

(Unit: Thousand Baht)

	For the year ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Current income tax:				
Current income tax charge	129,552	11,799	4,071	11,791
Adjustment in respect of current income tax of previous year	(1,247)	(55)	(1,247)	(55)
Deferred tax:				
Relating to origination and reversal of temporary differences	(104,597)	(8,130)	5,588	631
Effects of changes in the applicable tax rates	19,149	28,743	(729)	5,775
Write off deferred tax assets	-	1,247	-	1,247
Income tax expense reported in the statements of comprehensive income	42,857	33,604	7,683	19,389

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2012 and 2011 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Deferred tax relating to gain on change in value of available-for-sale investments	26	(263)	26	(263)
Deferred tax relating to actuarial loss	(367)	-	(367)	-
Total	(341)	(263)	(341)	(263)

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2012 and 2011 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Accounting profit before tax	103,250	1,151	119,417	34,694
Applicable tax rate	23%	30%	23%	30%
Accounting profit before tax multiplied by applicable tax rate	23,748	345	27,466	10,408
Adjustment in respect of current income tax of previous year	(1,247)	(55)	(1,247)	(55)
Write off deferred tax assets	-	1,247	-	1,247
Effects of changes in the applicable tax rates	19,149	28,743	(729)	5,775
Effects of:				
Non-deductible expenses	12,140	25,374	1,940	2,059
Additional expense deductions allowed	(20,375)	(37,460)	(19,747)	(45)
Unused tax losses	9,442	15,410	-	-
Total	1,207	3,324	(17,807)	2,014
Income tax expenses reported in the statement of comprehensive income	42,857	33,604	7,683	19,389

As of 31 December 2012 and 2011, the components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Allowance for doubtful accounts	12,205	13,321	12,205	13,321
Allowance for diminution in value of project development costs	7,896	4,861	3,054	3,054
Allowance for impairment loss on investments	-	160	-	160
Accumulated depreciation - Investment properties	(9,001)	(5,296)	(9,001)	(5,296)
Allowance for impairment loss on investment properties	26,714	18,431	-	-
Provision for long-term employee benefits	800	311	800	311
Revenue and expense recognitions of real estate business	121,204	36,433	-	-
Unused tax losses	-	5,782	-	-
Unrealised gain on change in value of investments	(26)	-	(26)	-
Total	159,792	74,003	7,032	11,550

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

As at 31 December 2012, the Company and subsidiaries have deductible temporary differences and unused tax losses totaling Baht 98 million (2011: Baht 145 million) (The Company only: Baht 8 million, 2011: Baht 94 million), on which deferred tax assets have not been recognised as the Company's management believes that they might not be used to offset taxable income in the future.

31. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2012	2011	2012	2011
Salaries, wages and other employee benefits	92,539	75,769	92,516	75,769
Depreciation and amortisation	32,443	38,998	27,992	27,624
Reserve for expenses on the transfers of residential condominium units	37,106	2,345	-	-
Specific business tax and transfer fees	41,474	-	-	-
Cost of residential condominium units sold	666,072	-	-	-

32. Earnings per share

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

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

The following table sets forth the computation of basic and diluted earnings per share for the year ended 31 December 2012 and 2011:

	Consolidated financial statements					
	Profit (loss) for the year		Weighted average number of ordinary shares		Earnings (loss) per share	
	2012	2011	2012	2011	2012	2011
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Earnings per share						
<i>Basic earnings per share</i>						
<i>Profit (loss) attributable to equity holders of the Company</i>	58,922	(28,882)	5,029,285	4,930,523	0.0117	(0.0059)
<i>Effect of dilutive potential ordinary shares</i>						
Warrants 163,980,654 units (2011: 164,375,658 units)	-	-	119,870	86,102		

Diluted earnings per share

Profit (loss) of ordinary shareholders
assuming the conversion of dilutive
potential ordinary shares

Consolidated financial statements					
Profit (loss) for the year		Weighted average number of ordinary shares		Earnings (loss) per share	
2012	2011	2012	2011	2012	2011
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
58,922	(28,882)	5,149,155	5,016,625	0.0114	Anti-diluted

Earnings per share for continuing operations**Basic earnings per share**

Profit (loss) attributable to equity holders
of the Company

Effect of dilutive potential ordinary shares

Warrants 163,980,654 units
(2011: 164,375,658 units)

Diluted earnings per share

Profit (loss) of ordinary shareholders
assuming the conversion of dilutive
potential ordinary shares

58,922	(32,975)	5,029,285	4,930,523	0.0117	(0.0067)
-	-	119,870	86,102		
58,922	(32,975)	5,149,155	5,016,625	0.0114	Anti-diluted

**Earnings per share and earnings per share
for continuing operations****Basic earnings per share**

Profit (loss) attributable to equity holders
of the Company

Effect of dilutive potential ordinary shares

Warrants 163,980,654 units
(2011: 164,375,658 units)

Diluted earnings per share

Profit (loss) of ordinary shareholders
assuming the conversion of dilutive
potential ordinary shares

Separate financial statements					
Profit (loss) for the year		Weighted average number of ordinary shares		Earnings (loss) per share	
2012	2011	2012	2011	2012	2011
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
111,734	15,305	5,029,285	4,930,523	0.0222	0.0031
-	-	119,870	86,102		
111,734	15,305	5,149,155	5,016,625	0.0217	0.0031

33. Financial information by segment

The Company and its subsidiaries main business is a real estate developer, which consist of land and house projects, residential condominium projects, service apartment for rent and office building for rent. The Company and its subsidiaries have only one geographical segment because they operate only in Thailand.

The Company and its subsidiaries financial information by segment in the consolidated financial statements for the years ended 31 December 2012 and 2011 are as follows:

	Separate financial statements							
	Real estate business		Rental and service business		Elimination of inter-segment revenues		Consolidation	
	2012	2011	2012	2011	2012	2011	2012	2011
Revenues from external customers	983.2	-	271.9	153.0	(163.0)	(85.9)	1,092.1	67.1
Segment income	317.1	-	35.0	6.9	-	-	352.1	6.9
Unallocated income (expenses):								
Other income							6.5	129.0
Other expenses							(212.2)	(117.8)
Finance cost							(43.1)	(16.9)
Income tax expenses							(42.9)	(33.6)
Profit from discontinued operations							-	5.8
Non-controlling interests of the subsidiaries							(1.5)	(2.3)
Profit (loss) for the year attributable to equity holders of the Company							58.9	(28.9)

Transfer prices between business segments are as set out in Note 4 to the financial statements.

34. Dividends

On 26 April 2012, the Annual General Meeting of the Company's shareholders resolved to pay a dividend of Baht 0.03 per share, or a total Baht 147.9 million, to the shareholders. This dividend was paid to the shareholders on 24 May 2012.

On 28 April 2011, the Annual General Meeting of the Company's shareholders resolved to pay a dividend of Baht 0.03 per share, or a total Baht 123.4 million, to the shareholders. Baht 12.3 million of the dividend was to be paid in cash and the remaining Baht 111.1 million was to be paid in stock at a rate of 1 dividend share for every 37 existing shares. The dividend was paid to the shareholders on 27 May 2011.

35. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by Ayudhaya Master Fund Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2012, the Company contributed Baht 2.2 million (2011: Baht 2.0 million) to the fund.

36. Commitments and contingent liabilities**36.1 Capital commitments**

As at 31 December 2012, the Company and its subsidiaries had commitments of approximately Baht 2,167 million (2011: Baht 2,230 million) in respect of design and building construction work services and project construction contracts (The Company only: Baht 1,080 million, 2011: Baht 222 million).

As at 31 December 2012, a subsidiary had commitments totaling Baht 306 million under a land lease agreement (2011: Baht 310 million). This agreement expires in June 2050. The details are as follows:

	<u>Million Baht</u>
Payable:	
In up to 1 year	3
In over 1 and up to 5 years	18
In over 5 years	285

As at 31 December 2012, the Company had commitments totaling Baht 100 million under various service agreements (2011: Baht 8 million) (The Company only: Baht 38 million, 2011: Baht 2 million).

As at 31 December 2012, a subsidiary has provided guarantees totaling Baht 0.5 million (2011: Baht 0.5 million) for a loan repayment on behalf of a related company.

As at 31 December 2012, there were outstanding bank guarantees of approximately Baht 79 million (2011: Baht 66 million) issued by the banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of businesses (The Company only: Baht 2 million, 2011: Baht 2 million).

The Company has been sued by a company seeking payment of hiring fees of approximately Baht 5.9 million. The Court of First Instance and the Court of Appeal have ruled that the Company is not liable for such hiring fees. At present, the suit is being considered by the Supreme Court. Although the final outcome of this suit cannot be determined at this stage, it is the management's opinion that its resolution will not have any material effect on the Company's financial statements as a whole.

37.1 Financial risk management

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

Credit risk

The Company is exposed to credit risk primarily with respect to trade receivables, loans and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade receivables, loans and other receivables as stated in the statement of financial position.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, loans and short-term and long-term borrowings. However, most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

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

Consolidated financial statements															
2012															
	Fixed interest rates				Floating interest rates	Non-interest bearing	Total	Effective interest rate (% per annum)	Fixed interest rates				Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	(Million Baht)					Within 1 year	1 - 5 years	Over 5 years	(Million Baht)			
Financial assets															
Cash and cash equivalents	-	-	-	129.7	0.1	129.8	See Note 9	-	-	-	137.3	0.1	137.4	See Note 9	
Current investments	-	-	40.1	-	-	40.1	See Note 10	-	-	-	-	-	-	-	
Trade and other receivables	-	-	-	-	73.6	73.6	-	-	-	-	-	29.5	29.5	-	
Restricted bank deposits	-	-	-	67.6	-	67.6	1.75 - 2.60	-	-	-	44.4	-	44.4	1.05 - 2.60	
	-	-	40.1	197.3	73.7	311.1		-	-	-	181.7	29.6	211.3		
Financial liabilities															
Short-term loans from financial institutions	-	-	-	694.6	-	694.6	See Note 21	-	-	-	715.9	-	715.9	See Note 21	
Trade and other payables	-	-	-	-	1,573.7	1,573.7	-	-	-	-	-	630.8	630.8	-	
Retention payable	-	-	-	-	164.3	164.3	-	-	-	-	-	64.9	64.9	-	
Loans from related parties	-	-	-	516.1	-	516.1	See Note 8	-	-	-	100.0	-	100.0	See Note 8	
Long-term loans from financial institutions	-	-	-	3,429.8	-	3,429.8	See Note 23	-	-	-	1,591.3	-	1,591.3	See Note 23	
	-	-	-	4,640.5	1,738.0	6,378.5		-	-	-	2,407.2	695.7	3,102.9		

Separate financial statements														
	2012							2011						
	Fixed interest rates							Fixed interest rates						
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rates	Non-interest bearing	Total	Effective interest rate	Within 1 year	1 - 5 years	Over 5 years	Floating interest rates	Non-interest bearing	Total	Effective interest rate
Financial assets														
Cash and cash equivalents	-	-	-	41.4	-	41.4	See Note 9	-	-	-	50.2	-	50.2	See Note 9
Current investments	-	-	40.1	-	-	40.1	See Note 10	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	137.3	137.3	-	-	-	-	-	30.6	30.6	-
Short-term loans to related parties	-	-	-	399.9	-	399.9	See Note 8	-	-	-	322.9	-	322.9	See Note 8
Restricted bank deposits	-	-	-	16.8	-	16.8	1.75 - 2.60	-	-	-	1.5	-	1.5	1.4 - 2.1
	-	-	40.1	458.1	137.3	635.5		-	-	-	374.6	30.6	405.2	
Financial liabilities														
Short-term loans from financial institutions	-	-	-	590.0	-	590.0	See Note 21	-	-	-	640.0	-	640.0	See Note 21
Trade and other payables	-	-	-	-	540.3	540.3	-	-	-	-	-	49.8	49.8	-
Retention payable	-	-	-	-	28.6	28.6	-	-	-	-	-	3.7	3.7	-
Short-term loans from related party	-	-	-	110.0	-	110.0	See Note 8	-	-	-	-	-	-	-
Other payables for purchase of assets	-	-	-	-	-	-	-	-	-	-	-	114.0	114.0	-
Long-term loans from financial institutions	-	-	-	760.1	-	760.1	See Note 23	-	-	-	-	-	-	-
	-	-	-	1,460.1	568.9	2,029.0		-	-	-	640.0	167.5	807.5	

Foreign currency risk

The Company considers itself no foreign currency risk because it has no foreign currency transactions, and no financial assets and liabilities denominated in foreign currencies outstanding at the date of statements of financial position.

37.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

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

38. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2012, the Group's debt-to-equity ratio was 1.1:1 (2011: 0.6:1) and the Company's debt-to-equity ratio was 0.3:1 (2011: 0.1:1).

39. Reclassification

The Company has reclassified certain amounts in the consolidated statement of financial position as at 31 December 2011 to conform to the current year's classifications. The reclassifications had no effect to previously reported profit or shareholders' equity.

	(Unit: Thousand Baht)	
	As reclassified	As previously reported
Short-term loans from financial institutions	715,898	640,000
Current portion of long-term loan from related party	100,000	-
Current portion of long-term loans from financial institutions	747,368	-
Long-term loans from financial institutions	843,950	-
Long-term loans	-	1,767,216

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2013.



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