

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

TO THE BOARD OF DIRECTORS

COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Country Group Development Public Company Limited and its subsidiaries and the separate statement of financial position of Country Group Development Public Company Limited as at March 31, 2014 and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

Other Matter

The consolidated statement of financial position of Country Group Development Public Company Limited and its subsidiaries and the separate statement of financial position of Country Group Development Public Company Limited as at December 31, 2013, presented herein as comparative information, were audited by other auditors, whose report thereon dated February 28, 2014 expressed an unmodified opinion with an emphasis of matter paragraphs regarding going concern and the preparation of the consolidated financial statements by the reverse acquisition business combinations. The consolidated and separate statements of income, changes in shareholders' equity and cash flows for the three-month period ended March 31, 2013, presented herein as comparative information, were reviewed by other auditors, whose report thereon dated May 14, 2013, concluded that nothing had come to his attention that caused her to believe that such interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

BANGKOK
May 15, 2014

Nisakorn Songmanee
Certified Public Accountant (Thailand)
Registration No. 5035
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2014

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		March 31,	December 31,	March 31,	December 31,
		2014	2013	2014	2013
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	71,400,276	232,201,439	37,296,031	225,997,271
Temporary investments	7	73,002	5,027,540	73,002	5,027,540
Trade accounts and other receivable	8	95,515,223	70,924,112	50,186,098	70,932,565
Prepaid deposits for land and buildings	5.3	-	138,101,474	-	-
Receivable from sale of investments to a related company	9	-	-	149,999,700	-
Receivable from sale of assets to a related company	9	-	-	93,442,143	-
Short-term loans to related companies	24.2	-	-	29,694,504	119,717,770
Short-term loans to other company	10	20,208,886	-	20,208,886	-
Land and cost of under project construction and utilities	11 and 28	799,080,566	871,089,743	636,773,773	719,947,581
Property for sale	28	-	-	-	234,319,961
Other current assets		16,430,432	7,521,178	9,500,930	2,519,651
Total Current Assets		<u>1,002,708,385</u>	<u>1,324,865,486</u>	<u>1,027,175,067</u>	<u>1,378,462,339</u>
NON-CURRENT ASSETS					
Deposits at bank under restrictions of use	12	44,792,314	-	-	-
Investment in subsidiaries	24.1	-	-	731,137,424	151,999,644
Investment properties	13	1,173,428,208	-	-	-
Property, plant and equipment	28	237,770,036	220,638,586	16,957,230	3,885,677
Leasehold	14	98,533,099	93,714,871	3,780,554,396	3,775,736,168
Goodwill		3,614,375,768	3,614,375,768	-	-
Intangible assets		1,256,564	1,407,512	1,256,564	1,407,512
Deferred tax assets	15	3,921,325	1,502,994	1,116,504	1,029,673
Other non-current assets		6,157,260	5,077,782	6,157,260	5,077,782
Total Non - Current Assets		<u>5,180,234,574</u>	<u>3,936,717,513</u>	<u>4,537,179,378</u>	<u>3,939,136,456</u>
TOTAL ASSETS		<u><u>6,182,942,959</u></u>	<u><u>5,261,582,999</u></u>	<u><u>5,564,354,445</u></u>	<u><u>5,317,598,795</u></u>

See condensed notes to the financial statements

COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2014

UNIT : BAHT

UNIT : BAHT					
		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
	Notes	As at	As at	As at	As at
		March 31,	December 31,	March 31,	December 31,
		2014	2013	2014	2013
LIABILITIES AND SHAREHOLDERS’ EQUITY					
CURRENT LIABILITIES					
Trade accounts and other payable	16	91,442,869	100,467,699	54,108,847	61,041,268
Deposit and advance from customers		37,041,632	45,612,565	37,041,632	45,612,565
Bill of exchange	17 and 28	694,441,295	466,196,627	694,441,295	466,196,627
Short-term loan from other company	18	50,000,000	-	50,000,000	-
Short-term loans from related person and companies	24.3	70,000,000	-	89,624,875	21,246,902
Deposits under lease agreement	12	44,792,314	-	-	-
Other current liabilities		29,210,932	5,496,887	6,245,781	5,009,025
Total Current Liabilities		1,016,929,042	617,773,778	931,462,430	599,106,387
NON-CURRENT LIABILITIES					
Long-term loans	19	758,808,163	221,729,353	146,398,646	221,729,353
Post-employment benefits obligation	20	5,582,519	5,148,365	5,582,519	5,148,365
Total Non-Current Liabilities		764,390,682	226,877,718	151,981,165	226,877,718
TOTAL LIABILITIES		1,781,319,724	844,651,496	1,083,443,595	825,984,105
SHAREHOLDERS’ EQUITY					
SHARE CAPITAL					
Authorized share capital					
7,482,294,461 ordinary shares of Baht 1 each		7,482,294,461	7,482,294,461	7,482,294,461	7,482,294,461
Issued and paid-up share capital					
6,982,294,461 ordinary shares of Baht 1 each, fully paid		6,982,294,461	6,982,294,461	6,982,294,461	6,982,294,461
DISCOUNT ON ORDINARY SHARE CAPITAL		(1,741,001,696)	(1,741,001,696)	(1,741,001,696)	(1,741,001,696)
ADJUSTMENT OF EQUITY INTERESTS UNDER REVERSE ACQUISITION		(732,872,059)	(732,872,059)	-	-
ACCUMULATED DEFICIT		(93,830,161)	(87,847,892)	(759,257,365)	(748,553,525)
OTHER COMPONENTS OF EQUITY		(12,967,310)	(3,641,311)	(1,124,550)	(1,124,550)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		4,401,623,235	4,416,931,503	4,480,910,850	4,491,614,690
TOTAL SHAREHOLDERS’ EQUITY		4,401,623,235	4,416,931,503	4,480,910,850	4,491,614,690
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY		6,182,942,959	5,261,582,999	5,564,354,445	5,317,598,795

See condensed notes to the financial statements

COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

UNIT : BAHT

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	Notes	2014	2013	2014	2013
REVENUES					
Revenues from sale condominium		184,777,294	-	184,777,294	-
Revenues from sales		-	114,197,105	-	-
Revenues from services		-	24,513,869	-	-
Commission income		3,330,350	-	3,330,350	-
Rental income from investment properties	13	8,719,283	-	-	-
Other income		4,688,333	1,586,800	927,965	237,502
Gain on sale of temporary investments		15,003	45,169	15,003	45,169
Gain on remeasuring temporary investments		459	377,136	459	377,136
Total Revenues		201,530,722	140,720,079	189,051,071	659,807
EXPENSES					
Cost of condominium sale		140,918,804	-	140,918,804	-
Cost of goods sold		-	98,240,400	-	-
Cost of services		-	17,031,296	-	-
Direct operating expenses arising from investment properties	13	2,860,890	-	-	-
Selling expenses		11,172,689	17,351,830	11,172,689	9,807,202
Administrative expenses		25,306,655	19,473,311	23,821,301	12,013,483
Directors and managements' remuneration	22	7,074,533	10,195,654	6,992,393	6,123,095
Loss on exchange rate		2,348,665	-	549,698	-
Total Expenses		189,682,236	162,292,491	183,454,885	27,943,780
INCOME (LOSS) BEFORE FINANCE COSTS AND INCOME TAX					
		11,848,486	(21,572,412)	5,596,186	(27,283,973)
FINANCE COSTS					
		(17,917,586)	(3,424,553)	(16,386,857)	(3,321,063)
LOSS BEFORE INCOME TAX					
		(6,069,100)	(24,996,965)	(10,790,671)	(30,605,036)
REVENUE (EXPENSE) INCOME TAX					
	15	86,831	(728,496)	86,831	82,603
NET LOSS FOR THE PERIOD					
		(5,982,269)	(25,725,461)	(10,703,840)	(30,522,433)
OTHER COMPREHENSIVE LOSS					
Exchange differences on translating financial statements of a foreign operation - net from income tax		(9,325,999)	-	-	-
TOTAL OTHER COMPREHENSIVE LOSS - NET FROM INCOME TAX					
		(9,325,999)	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD					
		(15,308,268)	(25,725,461)	(10,703,840)	(30,522,433)

COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2014	2013	2014	2013
NET LOSS ATTRIBUTABLE TO					
Owners of the parent		(5,982,269)	(27,506,574)	(10,703,840)	(30,522,433)
Non-controlling interests		-	1,781,113	-	-
		<u>(5,982,269)</u>	<u>(25,725,461)</u>	<u>(10,703,840)</u>	<u>(30,522,433)</u>
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO					
Owners of the parent		(15,308,268)	(27,506,574)	(10,703,840)	(30,522,433)
Non-controlling interests		-	1,781,113	-	-
		<u>(15,308,268)</u>	<u>(25,725,461)</u>	<u>(10,703,840)</u>	<u>(30,522,433)</u>
LOSS PER SHARE	23				
BASIC LOSS PER SHARE	BAHT	(0.001)	(0.011)	(0.002)	(0.012)
WEIGHTED AVERAGE NUMBER OF					
ORDINARY SHARES	SHARES	6,982,294,461	2,444,820,629	6,982,294,461	2,444,820,629
DILUTED LOSS PER SHARE	BAHT	(0.001)	(0.010)	(0.002)	(0.011)
DILUTED NUMBER OF ORDINARY SHARES	SHARES	6,982,294,461	2,740,416,570	6,982,294,461	2,740,416,570

See condensed notes to the financial statements

COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

UNIT : BAHT

	CONSOLIDATED FINANCIAL STATEMENTS										Non-controlling interests	Total shareholders'
	Owners of the parent											
	Issued and paid-up share capital	Cash receipts from share subscription	Discount on ordinary share capital	Adjustment of equity interests under reverse acquisition	Accumulated deficit	Other components of equity			Total owners of the parent			
						Exchange differences on translating financial statements of a foreign operation	Acturial loss from actuarial assumptions	Surplus from acquisition under common control				
										Total other components of equity		
Beginning balance as at January 1, 2013	2,444,820,629	-	(1,322,264,780)	-	(634,647,837)	-	-	-	-	487,908,012	24,202,346	512,110,358
Advance received from warrants	-	21,317,000	-	-	-	-	-	-	-	21,317,000	-	21,317,000
Subsidiary's dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(2,440,000)	(2,440,000)
Total comprehensive income (loss) for the period	-	-	-	-	(27,506,574)	-	-	-	-	(27,506,574)	1,781,113	(25,725,461)
Ending balance as at March 31, 2013	2,444,820,629	21,317,000	(1,322,264,780)	-	(662,154,411)	-	-	-	-	481,718,438	23,543,459	505,261,897
Beginning balance as at January 1, 2014	6,982,294,461	-	(1,741,001,696)	(732,872,059)	(87,847,892)	(1,893,285)	(1,124,550)	(623,476)	(3,641,311)	4,416,931,503	-	4,416,931,503
Total comprehensive loss for the period	-	-	-	-	(5,982,269)	(9,325,999)	-	-	(9,325,999)	(15,308,268)	-	(15,308,268)
Ending balance as at March 31, 2014	6,982,294,461	-	(1,741,001,696)	(732,872,059)	(93,830,161)	(11,219,284)	(1,124,550)	(623,476)	(12,967,310)	4,401,623,235	-	4,401,623,235

See condensed notes to the financial statements

COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

UNIT : BAHT

	SEPARATE FINANCIAL STATEMENTS					Total shareholders' equity
	Issued and paid-up share capital	Cash receipts from share subscription	Discount on ordinary share capital	Accumulated deficit	Other components of equity Acturial loss on acturial assumptions	
Beginning balance as at January 1, 2013	2,444,820,629	-	(1,322,264,780)	(649,768,689)	-	472,787,160
Advance received from warrants	-	21,317,000	-	-	-	21,317,000
Total comprehensive loss for the period	-	-	-	(30,522,433)	-	(30,522,433)
Ending balance as at March 31, 2013	2,444,820,629	21,317,000	(1,322,264,780)	(680,291,122)	-	463,581,727
Beginning balance as at January 1, 2014	6,982,294,461	-	(1,741,001,696)	(748,553,525)	(1,124,550)	4,491,614,690
Total comprehensive loss for the period	-	-	-	(10,703,840)	-	(10,703,840)
Ending balance as at March 31, 2014	6,982,294,461	-	(1,741,001,696)	(759,257,365)	(1,124,550)	4,480,910,850

See condensed notes to the financial statements

COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

UNIT : BAHT

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before income tax		(6,069,100)	(24,996,965)	(10,790,671)	(30,605,036)
Adjustment for:					
Depreciation of fixed assets and amortization of					
intangible assets		1,133,207	2,302,677	1,133,207	1,140,624
Gain on remeasuring temporary investments		(459)	(377,136)	(459)	(377,136)
Gain on sales of temporary investments		(15,003)	(45,169)	(15,003)	(45,169)
Unrealized (gain) loss on exchange rate		(84,000)	183,174	-	-
Short-term provisions		-	1,074,597	-	-
Post-employment benefits obligation		434,154	521,569	434,154	413,016
Interest income		(652,213)	(364,056)	(761,752)	(501)
Finance costs		17,917,586	3,424,553	16,386,857	3,321,063
		12,664,172	(18,276,756)	6,386,333	(26,153,139)
(Increase) decrease in operating assets					
(Increase) decrease in temporary investment		4,970,000	(385,680,351)	4,970,000	(385,680,351)
(Increase) decrease in trade accounts and					
other receivable		(24,591,111)	27,689,219	20,746,467	(9,315,183)
Increase in inventories		-	(5,784)	-	-
Decrease in short-term loans to related companies		-	-	90,023,266	-
Increase in short-term loans to other company		(20,208,886)	-	(20,208,886)	-
(Increase) decrease in other current assets		(5,200,602)	7,638,332	(3,163,085)	11,527
(Increase) decrease in cost of under					
project construction and utilities		72,009,177	(34,077,986)	83,173,808	(34,077,986)
Increase in leasehold		(4,818,228)	-	(4,818,228)	-
(Increase) decrease in other non-current assets		(3,410,978)	1,405,626	(1,079,478)	1,512,177
Increase (decrease) in operating liabilities					
Increase (decrease) in trade accounts					
and other payable		(8,940,830)	(36,383,254)	(6,932,421)	1,154,410
Increase (decrease) in deposit and					
advance from customers		(8,570,933)	4,901,940	(8,570,933)	4,901,940
Increase in other current liabilities		23,019,799	646,508	529,383	3,701,161
Cash received from (paid for) operation		36,921,580	(432,142,506)	161,056,226	(443,945,444)
Proceeds from interest income		161	242,740	161	501
Finance cost paid		(18,978,672)	(26,995,099)	(17,434,818)	(26,891,608)
Income tax paid		(3,056,604)	(6,030,993)	(3,056,604)	-
Net cash provided by (used in) operating activities		14,886,465	(464,925,858)	140,564,965	(470,836,551)

COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

UNIT : BAHT

CASH FLOWS					
		CONSOLIDATED		SEPARATE	
	Notes	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2014	2013	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash paid for deposits at bank under obligations		-	(38,672,731)	-	-
Cash paid for investment in subsidiaries		-	-	(729,137,480)	-
Cash paid for property for sale		-	-	(3,759,693)	-
Cash paid for purchases of investment properties	5.3	(1,035,326,734)	-	-	-
Cash paid for fixed assets		(18,113,706)	(430,994)	(14,053,809)	(262,969)
Cash paid for purchases of intangible assets		-	(67,000)	-	(47,000)
Cash received from sale of assets to a related company	5.2	-	-	144,637,511	-
Net cash used in investing activities		<u>(1,053,440,440)</u>	<u>(39,170,725)</u>	<u>(602,313,471)</u>	<u>(309,969)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from short-term loan from related person and companies		70,000,000	25,000,000	68,377,973	-
Cash paid for financial lease liabilities		-	(680,143)	-	-
Proceeds from bill of exchange		230,000,000	440,000,000	230,000,000	440,000,000
Proceeds from long-term loan from a domestic financial institution		48,500,000	23,254,000	48,500,000	23,254,000
Proceeds from long-term loan from a foreign financial institution		612,409,518	-	-	-
Cash repayments for long-term loan from a domestic financial institution		(123,830,707)	-	(123,830,707)	-
Proceeds from short-term loan from other company		50,000,000	-	50,000,000	-
Cash received from increase in share capital		-	21,317,000	-	21,317,000
Dividend paid to non-controlling interests		-	(2,440,000)	-	-
Net cash provided by financing activities		<u>887,078,811</u>	<u>506,450,857</u>	<u>273,047,266</u>	<u>484,571,000</u>
Net increase (decrease) in cash and cash equivalents		<u>(151,475,164)</u>	<u>2,354,274</u>	<u>(188,701,240)</u>	<u>13,424,480</u>
Decrease in exchange differences on translating financial statements of a foreign operation		(9,325,999)	-	-	-
Cash and cash equivalents at beginning of the period		<u>232,201,439</u>	<u>103,309,855</u>	<u>225,997,271</u>	<u>14,431,915</u>
Cash and cash equivalents at the end of the period	6	<u>71,400,276</u>	<u>105,664,129</u>	<u>37,296,031</u>	<u>27,856,395</u>

See condensed notes to the financial statements

COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
“UNAUDITED”

1. THE COMPANY AND SUBSIDIARIES’ OPERATIONS AND GENERAL INFORMATION

1.1 The Company’s operations and general information

Country Group Development Public Company Limited (“the Company”) is incorporated in Thailand on March 29, 1995 and has registered its office at 898 Ploenchit Tower, 20th floor, Ploenchit Road, Lumpini, Pathum Wan, Bangkok. The Company’s main businesses are a holding company and real estate.

The Company was listed on the Stock Exchange of Thailand on May 7, 1997. In December 2006, the Company submitted a filing to the Stock Exchange of Thailand and was listed on the Market for Alternative Investment (“MAI”) and commenced trading on June 25, 2007.

1.2 Subsidiaries’ operations and general information

1.2.1 Landmark Waterfront Residences Company Limited is incorporated in Thailand on August 22, 2008 and has registered its head office at 898 Ploenchit Tower, 20th floor, Ploenchit Road, Lumpini, Pathum Wan, Bangkok. Its main business is real estate.

1.2.2 Landmark Waterfront Hotel Company Limited is incorporated in Thailand on August 22, 2008 and has registered its head office at 898 Ploenchit Tower, 20th floor, Ploenchit Road, Lumpini, Pathum Wan, Bangkok. Its main business is hotel, restaurant and shop.

1.2.3 Landmark Urban Resort Hotel Company Limited is incorporated in Thailand on August 22, 2008 and has registered its head office at 898 Ploenchit Tower, 20th floor, Ploenchit Road, Lumpini, Pathum Wan, Bangkok. Its main business is hotel, restaurant and shop.

1.2.4 Landmark Holding Company Limited (“the subsidiary”) is incorporated in Thailand on July 5, 2013 and has registered its head office at 898 Ploenchit Tower, 20th floor, Ploenchit Road, Lumpini, Pathum Wan, Bangkok. Its main business is trading, rent and real estate operation, and holding company.

According to Extraordinary Shareholders' Meeting No. 1/2014 held on February 7, 2014 approved to increase the registered capital from Baht 1 million (100,000 ordinary shares of Baht 10 each) to Baht 147 million (14,700,000 ordinary shares of Baht 10 each). The subsidiary has registered with the Department of Business Development, the Ministry of Commerce on February 12, 2014. The parent company invested of Baht 146 million and paid-up share capital in full, and still holds the same proportion of 99.99%.

1.2.5 BCEG Country Group Engineering Company Limited is incorporated in Thailand on July 5, 2013 and has registered its head office at 898 Ploenchit Tower, 20th floor, Ploenchit Road, Lumpini, Pathum Wan, Bangkok. Its main business is construction and building maintenance.

1.2.6 CGD Data Limited (“the subsidiary”) is incorporated in Hong Kong on October 22, 2013 and has registered its head office at Suite 3004 Universal Trade CTR, 3-5A Arbuthnot Road, Central, Hong Kong. Its main business is holding company.

On January 7, 2014, the subsidiary increased the registered capital from HKD 1 (1 ordinary share of HKD 1 each) to HKD 43,275,133 (43,275,133 ordinary shares of HKD 1 each). On January 7, 2014, the subsidiary registered the increase of share capital, and the Company invested and paid for total increased share capital in full, and still holds the same proportion of 100%.

On February 19, 2014, the subsidiary increased the registered capital from HKD 43,275,133 (43,275,133 ordinary shares of HKD 1 each) to HKD 139,009,673 (139,009,673 ordinary shares of HKD 1 each). On February 19, 2014, the subsidiary registered the increase of share capital, and the Company invested and paid for total increased share capital in full and still holds the same proportion of 100%.

1.2.7 CGD Digital Partner Company Limited (“the subsidiary”) is incorporated in Mauritius on October 29, 2013 and has registered its head office at 8th Floor, Medine Mews, La Chaussee Street, Port Louis, Mauritius. Its main business is holding company.

On January 8, 2014, the subsidiary increased the registered capital from USD 1 (1 ordinary share of USD 1 each) to USD 5,566,861 (5,566,861 ordinary shares of USD 1 each). On January 8, 2014, the subsidiary registered the increase of share capital, and CGD Data Limited (“the Company’s subsidiary”) invested and paid for total increased share capital in full, and still holds the same proportion of 100%.

On February 19, 2014, the subsidiary increased the registered capital from USD 5,566,861 (5,566,861 ordinary shares of USD 1 each) to USD 17,912,281 (17,912,281 ordinary shares of USD 1 each). On February 19, 2014, the subsidiary registered the increase of share capital, and CGD Data Limited (“the Company’s subsidiary”) invested and paid for total increased share capital in full, and still holds the same proportion of 100%.

1.2.8 APUK Company Limited (“the subsidiary”) is incorporated in Guernsey on October 16, 2013 and has registered its head office at Anson Court, La Route des Camps, St Martin, Guernsey, GY1 3UQ. Its main business is real estate.

On January 9, 2014, the subsidiary increased the registered capital from USD 1 (1 ordinary share of USD 1 each) to USD 5,533,921 (5,533,921 ordinary shares of USD 1 each). On January 9, 2014, the subsidiary registered the increase of share capital, and CGD Digital Partner Company Limited (“the Company’s indirect subsidiary”) invested and paid for total increased share capital in full, and still holds the same proportion of 100%.

On February 19, 2014, the subsidiary increased the registered capital from USD 5,533,921 (5,533,921 ordinary shares of USD 1 each) to USD 17,880,081 (17,880,081 ordinary shares of USD 1 each). On February 19, 2014, the subsidiary registered the increase of share capital, and CGD Digital Partner Company Limited (“the Company’s indirect subsidiary”) invested and paid for total increased share capital in full, and still holds the same proportion of 100%.

2. BASIS FOR PREPARATION AND PRESENTATION OF INTERIM FINANCIAL STATEMENTS

- 2.1 The Company and its subsidiaries maintain its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards (TFRSs) and accounting practices generally accepted in Thailand.
- 2.2 The interim financial statements of the Company and its subsidiaries for the three-month period ended March 31, 2014 are prepared in compliance with Thai Accounting Standard No. 34 (Revised 2012) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements. Additional information is disclosed in accordance with the regulations of the Securities and Exchange Commission.
- 2.3 The consolidated and separate statements of financial position as at December 31, 2013, presented herein for comparison, have been derived from the consolidated financial statements and the separate financial statements of the Company and its subsidiaries for the year then ended which have been audited by another auditor. The audited consolidated financial statements for comparison have been prepared for the reverse acquisition business combinations which Country Group Development Public Company Limited is the legal parent company (accounting acquiree) and Landmark Development Group Company Limited is the legal subsidiaries (accounting acquirer).

- 2.4 The results of operations for the three-month period ended March 31, 2014 are not necessarily indicative of the operating results anticipated for the full year.
- 2.5 Certain financial information which is normally included in the financial statements prepared in accordance with the Thai Financial Reporting Standards (TFRS), but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2013 which have been audited by another auditor.
- 2.6 The consolidated financial statements are prepared by including the financial statements of Country Group Development Public Company Limited and its subsidiaries as follows:

Subsidiaries	Location	Type of business	Percentage of holding (%)	
			“Unaudited”	
			As at March 31, 2014	As at December 31, 2013
Direct subsidiaries				
Landmark Waterfront Residences Co., Ltd.	Thailand	Real estate	-	99.99
Landmark Waterfront Hotel Co., Ltd.	Thailand	Hotel, restaurant and shop	-	99.99
Landmark Urban Resort Hotel Co., Ltd.	Thailand	Hotel, restaurant and shop	-	99.99
Landmark Holding Limited	Thailand	Trading, rent and real estate operation, and holding company	99.99	99.99
BCEG Country Group Engineering Co., Ltd.	Thailand	Construction and building maintenance	99.99	99.99
CGD Data Limited	Hong Kong	Holding company	100.00	100.00
Indirect subsidiaries				
Landmark Waterfront Residences Co., Ltd.	Thailand	Real estate	99.99 ⁽¹⁾	-
Landmark Waterfront Hotel Co., Ltd.	Thailand	Hotel, restaurant and shop	99.99 ⁽¹⁾	-
Landmark Urban Resort Hotel Co., Ltd.	Thailand	Hotel, restaurant and shop	99.99 ⁽¹⁾	-
CGD Digital Partner Co., Ltd. ⁽²⁾	Mauritius	Holding company	100.00	100.00
APUK Company Limited ⁽³⁾	Guernsey	Real estate business	100.00	100.00

⁽¹⁾ The Company holds shares indirectly through Landmark Holding Limited.

⁽²⁾ The Company holds shares indirectly through CGD Data Limited.

⁽³⁾ The Company holds shares indirectly through CGD Digital Partner Company Limited.

The consolidated financial statements’ company included financial statements of direct and indirect subsidiaries in consolidated financial statements since the Company has power both directly and indirectly, to control their financial and operating policies so as to obtain benefits from their activities of such subsidiaries.

- 2.7 The consolidated financial statements are the consolidation between the Company and subsidiaries’ accounts. Therefore, intercompany transactions including unrealized gain (loss) are eliminated from these financial statements. The accounting policies of subsidiaries are adjusted to comply with the parent company’s in preparation of the consolidated financial statements. The information about the non-controlling interests is presented in separate transaction in the consolidated statements of financial position and the statements of comprehensive income.

- 2.8 Preparation of financial statements in conformity with the Thai Financial Reporting Standards (TFRSs), requires the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Although management has exercised judgment reasonably on these matters under the current events, actual result may differ from such estimates.
- 2.9 The Federation of Accounting Professions has issued the Notifications regarding the Thai Financial Reporting Standards (TFRSs), which have been announced in the Royal Gazette and effective for the financial statements for the periods beginning on or after January 1, 2016, as follows:

Thai Financial Reporting Standard (TFRS)

TFRS 4

Insurance contract

The Company and its subsidiaries' management has assessed the effects of these TFRSs and believes that they will not have any significant impact on the financial statements for the period in which they are initially applied.

3. ADOPTION OF NEW AND REVISED THAI FINANCIAL REPORTING STANDARDS

Since January 1, 2014, the Company and its subsidiaries' have adopted the new and revised Thai Financial Reporting Standards (TFRSs) issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2014 onwards, as follows:

Thai Accounting Standard (TAS)

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Statement of Cash Flows
TAS 12 (Revised 2012)	Income Taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee Benefits
TAS 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (Revised 2012)	Related Party Disclosures
TAS 28 (Revised 2012)	Investments in Associates
TAS 31 (Revised 2012)	Interests in Joint Ventures
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of Assets
TAS 38 (Revised 2012)	Intangible Assets

The Financial Reporting Standard (TFRS)

TFRS 2 (Revised 2012)	Share-based Payment
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2012)	Operating Segments

Thai Accounting Standard Interpretation (TSI)

TSI 15	Operating Leases – Incentives
TSI 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSI 29	Disclosure - Service Concession Arrangements
TSI 32	Intangible Assets - Web Site Costs

Thai Financial Reporting Interpretations (TFRI)

TFRI 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4	Determining Whether an Arrangement Contains a Lease
TFRI 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRI 10	Interim Financial Reporting and Impairment
TFRI 12	Service Concession Arrangements
TFRI 13	Customer Loyalty Programmes
TFRI 17	Distributions of Non-cash Assets to Owners
TFRI 18	Transfer of Assets from Customers

Guideline on Accounting

Guideline on Accounting regarding Stock Dividend

Such TFRSs have no significant impact on the Company and its subsidiaries' financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2013, except adoption of additional accounting policies for new business transactions during the three-month period ended March 31, 2014, as follows:

4.1 Investment property

Investment property that is held to earn for rental or for capital appreciation or both, rather than for sale in the ordinary course of business or use in the production or supply of goods or services or for administrative purposes.

The Company and its subsidiaries measured investment property initially at its cost, including related transaction costs. After initial recognition, investment property is measured at fair value.

Investment properties consist of land and Data Center building located in London, United Kingdom.

The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure. Directly attributable expenditure includes professional fees for legal services, property transfer taxes and other transaction costs.

The Company and its subsidiaries recognized gain or loss arising from a change in the fair value of investment property in profit or loss for the period in which it arises.

4.2 Revenue recognition

Rental income from investment property is recognised on a straight-line basis over the lease term in the statement of comprehensive income.

5. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

Non-cash items as at March 31, are as follows:

5.1 Receivable from sale of investments to a related company

(Unit : Baht)

	SEPARATE FINANCIAL STATEMENTS	
	2014	2013
Receivable from sale of investments to a related company - brought forward as at January 1,	-	-
Sale of investments to a related company	149,999,700	-
<u>Less</u> Cash received from sale of investments to a related company	-	-
Receivable from sale of investments to a related company - carried forward as at March 31,	<u>149,999,700</u>	<u>-</u>

5.2 Receivable from sale of assets to a related company

(Unit : Baht)

	SEPARATE FINANCIAL STATEMENTS	
	2014	2013
Receivable from sale of assets to a related company - brought forward as at January 1,	-	-
Sale of assets to a related company	238,079,654	-
<u>Less</u> Cash received from sale of assets to a related company	<u>(144,637,511)</u>	<u>-</u>
Receivable from sale of assets to a related company - carried forward as at March 31,	<u>93,442,143</u>	<u>-</u>

5.3 Prepaid deposits for land and buildings

	(Unit : Baht)	
	CONSOLIDATED	
	FINANCIAL STATEMENTS	
	2014	2013
Prepaid deposits for land and buildings		
- brought forward as at January 1,	138,101,474	-
<u>Add</u> Cash paid for purchase of land and Data Center building	1,035,326,734	-
<u>Less</u> Purchase price of land and Data Center building	(1,173,428,208)	-
Prepaid deposits for land and buildings		
- carried forward as at March 31,	-	-

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	(Unit : Baht)	
	CONSOLIDATED	
	FINANCIAL STATEMENTS	
	“Unaudited”	
	As at	As at
	March 31,	December 31,
	2014	2013
Cash	32,399	17,663
Saving account	68,594,479	225,338,943
Current account	2,773,398	6,844,833
Total cash and cash equivalents	71,400,276	232,201,439

7. TEMPORARY INVESTMENTS

The Company has invested in securities, as follows:

	(Unit : Baht)	
	CONSOLIDATED AND SEPARATE	
	FINANCIAL STATEMENTS	
	“Unaudited”	
	As at March 31, 2014	As at December 31, 2013
	Cost/ Amortized cost	Cost/ Amortized cost
	Fair value	Fair value
Trading securities		
Equity securities	72,543	4,977,121
Unrealized gain on remeasurement	459	50,419
Total trading securities	73,002	5,027,540

The movements of investment in trading securities during the three-month periods ended March 31 are as follows:

	(Unit : Baht)	
	CONSOLIDATED AND SEPARATE	
	FINANCIAL STATEMENTS	
	2014	2013
Book value as at January 1,	5,027,540	26,673,146
Purchases	50,000,000	423,680,351
Sales	(54,954,997)	(37,954,831)
Unrealized gain on remeasurement	459	377,136
Book value as at March 31,	<u>73,002</u>	<u>412,775,802</u>

8. TRADE ACCOUNTS AND OTHER RECEIVABLE

Trade accounts and other receivable consist of:

	(Unit : Baht)			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2014	2013	2014	2013
Trade accounts receivable				
Receivable installment due	2,765,146	1,612,037	2,765,146	1,612,037
Income due in contract	(2,765,146)	(1,612,037)	(2,765,146)	(1,612,037)
Total trade accounts receivable	-	-	-	-
Other receivable				
Prepaid expenses	3,611,580	5,466,893	3,611,580	5,466,893
Advance	3,183,249	1,380,287	3,183,249	1,380,287
Accrued interest income	305,891	-	770,045	8,453
Prepaid deposits	88,414,503	64,076,932	42,621,224	64,076,932
Total trade accounts and other receivable	<u>95,515,223</u>	<u>70,924,112</u>	<u>50,186,098</u>	<u>70,932,565</u>

9. RECEIVABLE FROM SALE OF INVESTMENTS TO A RELATED COMPANY AND RECEIVABLE FROM SALE OF ASSETS TO A RELATED COMPANY

The Board of Director's meeting No. 1/2014 held on January 2, 2014, approved to divest of assets related to the development of the Landmark Waterfront building to the Landmark Holdings Co., Ltd. ("the subsidiary") to own the project with a total value of in the amount of Baht 3 8 8 .0 8 million, which is the price the Company and the subsidiary agreed based on the book value of the assets as follows:

(Unit : Baht)

1. Total shares of Landmark Waterfront Residences Company Limited	49,999,900
2. Total shares of Landmark Waterfront Hotel Company Limited	49,999,900
3. Total shares of Landmark Urban Resort Hotel Company Limited	49,999,900
4. Building under construction	238,079,654
Total	<u>388,079,354</u>

On February 7, 2014, the Company entered into sale of investments agreement in subsidiaries and buildings under construction to the subsidiary in the amount of Baht 3 8 8 ,0 7 9,354. On February 12, 2014, the Company transferred such assets to the subsidiary and received partial payment in the amount of Baht 144,637,511. As at March 31, 2014, the residuals are recorded as receivable from sale of investments to a related company of Baht 149,999,700 and receivable from sale of assets to a related company of Baht 93,442,143 in the separate financial statements.

10. SHORT-TERM LOANS TO OTHER COMPANY

As at March 31, 2014, the Company has short-term loans to other company in the form of promissory notes in the amount of Baht 20.21 million, carrying interest at rate of 9.25% per annum and is due for maturity during July to September 2014. (As at December 31, 2013: Nil)

11. LAND AND COST OF UNDER PROJECT CONSTRUCTION AND UTILITIES

Land and cost of under project construction and utilities consist of:

(Unit : Baht)

	CONSOLIDATED FINANCIAL STATEMENTS "Unaudited"		SEPARATE FINANCIAL STATEMENTS "Unaudited"	
	As at March 31, 2014	As at December 31, 2013	As at March 31, 2014	As at December 31, 2013
The Element Project	636,773,773	719,947,581	636,773,773	719,947,581
Landmark Waterfront Project	162,306,793	151,142,162	-	-
Total land and cost of under project construction and utilities	<u>799,080,566</u>	<u>871,089,743</u>	<u>636,773,773</u>	<u>719,947,581</u>

11.1 Land and cost of under project construction and utilities of The Element Project consist of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2014	2013	2014	2013
Land	299,113,725	299,113,725	299,113,725	299,113,725
Condominium construction	414,398,982	368,285,396	414,398,982	368,285,396
Cost of construction design	16,499,134	16,499,134	16,499,134	16,499,134
Other expenses of project	38,570,156	37,789,742	38,570,156	37,789,742
Utilities	48,148,475	43,694,388	48,148,475	43,694,388
Furniture	37,524,348	31,589,757	37,524,348	31,589,757
Finance cost	12,313,389	11,851,071	12,313,389	11,851,071
Total	866,568,209	808,823,213	866,568,209	808,823,213
<u>Less</u> Accumulated transferred to cost of goods sold to the present	(229,794,436)	(88,875,632)	(229,794,436)	(88,875,632)
Total land and cost of under project construction and utilities	636,773,773	719,947,581	636,773,773	719,947,581

As at March 31, 2014 and December 31, 2013, the Company has mortgage land and building in future of The Element Project stated in land and cost of under construction in project to a financial institution for collaterals of long-term loans from a domestic financial institution which has mortgaged capital in the amount of Baht 883 million (see Note 19).

11.2 Land and cost of under project construction and utilities of Landmark Waterfront Project consist of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2014	2013	2014	2013
Condominium construction	55,082,998	52,787,776	-	-
Cost of construction design	74,151,123	70,432,254	-	-
Other expenses of project	32,956,043	27,922,132	-	-
Finance cost	116,629	-	-	-
Total land and cost of under project construction and utilities	162,306,793	151,142,162	-	-

12. DEPOSITS AT BANK UNDER RESTRICTIONS OF USE AND DEPOSITS UNDER LEASE AGREEMENT

As at March 31, 2014, APUK Company Limited (“the subsidiary”) has deposits under lease agreement transferred from the former lessor of Data Center building in London, United Kingdom in the amount of Baht 44.79 million which has been recorded as deposits at bank under restrictions of use. Such account is used for repair, maintenance and improve assets to be ready for use conditions to the lessee. The subsidiary has obligations to refund the residual balance on the due date of the agreement to the lessee.

13. INVESTMENT PROPERTIES

Investment properties consist of land and Data Center building located in London, United Kingdom which are owned by APUK Company Limited (“the subsidiary”).

The reconciliation of investment properties for the three-month period ended March 31, 2014 is as follows:

(Unit : Baht)
CONSOLIDATED
FINANCIAL STATEMENTS

Beginning book value as at January 1, 2014	-
Purchases	<u>1,173,428,208</u>
Ending book value as at March 31, 2014	<u>1,173,428,208</u>

As at March 31, 2014, the subsidiary has mortgaged land and Data Center building for collaterals of long-term loans from a foreign financial institution (see Note 19).

Amounts recognized in statement of income which relates to investment properties for the three-month period ended March 31, 2014 are as follows:

(Unit : Baht)
CONSOLIDATED
FINANCIAL STATEMENTS
2014

Rental income from investment property	8,719,283
Direct operating expense arising from investment property that generated rental income for the period	2,860,890

14. LEASEHOLD

Consolidated financial statements

On December 6, 2005, Landmark Development Group Co., Ltd. (“the former lessee”), entered into the land lease agreement with the Crown Property Bureau (“the lessor”). The initial lease period is 25 years to improve the area for commercial business.

Later, on May 8, 2013, Country Group Development Public Company Limited (“the lessee”) entered into a land lease agreement on behalf of the former lessee with the lessor to support the purchase and transfer of the entire business of the Landmark Development Group Co., Ltd., which has terms and conditions as follows:

1. The lessee agrees to finish land development upon the lessee’s project within construction period of the project and the lessee agrees to pay rental at specified rate in the agreement during the development period. The initial lease period is 25 years from the date the lessee finishes land development or the due date of construction period as specified in the agreement.
2. The lessee may make full prepayment for the residual of the rental period with the specified discount rate in the agreement and being allowed by the lessor. In the 15th year of rental period, the lessee has to submit its financial statement for the 14th year of operation to the lessor for consideration of incremental rental fee (if any) as specified terms in the agreement.
3. The lessor agrees to allow the lessee to propose for the extension of lease period (follow article 2) for another 25 years. The lessee shall notice to the lessee by written document not less than 24 months before maturity (follow article 2). The parties will maintain the lease terms according to the original agreement except for the rental fee, which provides a method and formula rents similar to calculating rents under the original contract and the percentage of the official appraisal of Land Department as specified in the agreement.

When the lease period (follow article 3) is matured, the lessor must allow the lessee to lease further according to the agreement. If other person proposes to lease at a higher rate, the lessor must notify the lessee. If the lessee agrees to pay rental at a rate equal to such other person, the lessor must allow the first rights to the lessee.

In the consolidated financial statements, leasehold consists of:

	(Unit : Baht)		
	CONSOLIDATED FINANCIAL STATEMENTS		
	“Unaudited”		
	Balance as at December 31, 2013	Purchases/ Acquisitions	Balance as at March 31, 2014
Leasehold - advance payment	20,000,000	-	20,000,000
Leasehold - compensation	67,743,465	-	67,743,465
Transfer fee	4,051,406	3,598,228	7,649,634
Rental under construction and land development	1,920,000	1,220,000	3,140,000
Total	<u>93,714,871</u>	<u>4,818,228</u>	<u>98,533,099</u>

	(Unit : Baht)		
	CONSOLIDATED FINANCIAL STATEMENTS		
	Balance as at December 31, 2012	Purchases/ Acquisitions	Balance as at December 31, 2013
Leasehold - advance payment	20,000,000	-	20,000,000
Leasehold - compensation	67,743,465	-	67,743,465
Transfer fee	-	4,051,406	4,051,406
Rental under construction and land development	-	1,920,000	1,920,000
Total	<u>87,743,465</u>	<u>5,971,406</u>	<u>93,714,871</u>

Separate financial statements

On May 15, 2013, the Company has paid for business transferring to Landmark Development Group Limited at fair value of Baht 3,700 million. The Company has been transferred both assets and liabilities of Landmark Development Group Limited included leasehold at fair value of Baht 3,769.76 million which have the acquisition at book value of Baht 87.74 million. The difference of Baht 3,682.02 million is recorded as leasehold in the separate financial statements.

In the separate financial statements, leasehold consists of:

	(Unit : Baht)		
	SEPARATE FINANCIAL STATEMENTS		
	Balance as at December 31, 2013	Purchases/ Acquisitions	“Unaudited” Balance as at March 31, 2014
Leasehold - advance payment	20,000,000	-	20,000,000
Leasehold - compensation	67,743,465	-	67,743,465
Transfer fee	4,051,406	3,598,228	7,649,634
Surplus on the fair value of the merger	3,682,021,297	-	3,682,021,297
Rental under construction and land development	1,920,000	1,220,000	3,140,000
Total	3,775,736,168	4,818,228	3,780,554,396

	(Unit : Baht)		
	SEPARATE FINANCIAL STATEMENTS		
	Balance as at December 31, 2012	Purchases/ Acquisitions	Balance as at December 31, 2013
Leasehold - advance payment	-	20,000,000	20,000,000
Leasehold - compensation	-	67,743,465	67,743,465
Transfer fee	-	4,051,406	4,051,406
Surplus on the fair value of the merger	-	3,682,021,297	3,682,021,297
Rental under construction and land development	-	1,920,000	1,920,000
Total	-	3,775,736,168	3,775,736,168

15. DEFERRED TAX ASSETS/ CORPORATE INCOME TAX

According to Section 3 of the Royal Decree No. 555 B.E. 2555 issued under the Revenue Code regarding the corporate income tax rate reduction effective on December 27, 2012, the corporate income tax rate was reduced from 30% to 20% of net income for accounting period beginning on or after January 1, 2013 but not later than December 31, 2014.

The corporate income tax for the three-month periods ended March 31, 2014 and 2013 are calculated by using tax rate at 20% for income before tax of the Company and its subsidiaries after adding back transactions which are non-deductible expenses and deducted exempted income under the Revenue Code.

The movements of deferred tax assets and liabilities during the three-month periods ended March 31, 2014 and 2013 are as follows:

	(Unit : Baht)			
	CONSOLIDATED FINANCIAL STATEMENTS			
				“Unaudited”
	Balance As at December 31, 2013	Items as recognized in profit or loss revenue (expenses)	Items as recognized in other comprehensive income	Balance As at March 31, 2014
Deferred tax assets				
Post-employment benefits obligation	1,029,673	86,831	-	1,116,504
Exchange differences on translating financial statements of a foreign operation	473,321	-	2,331,500	2,804,821
Deferred tax assets	<u>1,502,994</u>	<u>86,831</u>	<u>2,331,500</u>	<u>3,921,325</u>

	(Unit : Baht)			
	CONSOLIDATED FINANCIAL STATEMENTS			
				“Unaudited”
	Balance As at December 31, 2012	Items as recognized in profit or loss revenue (expenses)	Items as recognized in other comprehensive income	Balance As at March 31, 2013
Deferred tax assets				
Short-term provisions	820,013	99,111	-	919,124
Post-employment benefits obligation	637,622	-	-	637,622
Estimates fines	-	214,919	-	214,919
Total	<u>1,457,635</u>	<u>314,030</u>	<u>-</u>	<u>1,771,665</u>
Deferred tax liabilities				
Depreciation and amortization in finance lease	600,656	136,137	-	736,793
Interest expenses in financial lease	100,908	20,698	-	121,606
Rental in financial lease	(741,579)	(167,697)	-	(909,276)
Total	<u>(40,015)</u>	<u>(10,862)</u>	<u>-</u>	<u>(50,877)</u>
Deferred tax assets	<u>1,417,620</u>	<u>303,168</u>	<u>-</u>	<u>1,720,788</u>

	(Unit : Baht)		
	SEPARATE FINANCIAL STATEMENTS		
			“Unaudited”
	Balance as at December 31, 2013	Items as recognized in profit or loss revenue (expenses)	Balance as at March 31, 2014
Deferred tax assets			
Post-employment benefits obligation	748,536	86,831	835,367
Actuarial loss from actuarial assumptions	281,137	-	281,137
Deferred tax assets	<u>1,029,673</u>	<u>86,831</u>	<u>1,116,504</u>

(Unit : Baht)			
SEPARATE FINANCIAL STATEMENTS			
	Balance as at	Items as	Balance as at
	December 31,	recognized in	March 31,
	2012	profit or loss	2013
		revenue	
		(expenses)	
Deferred tax assets			
Post-employment benefits obligation	498,570	82,603	581,173
Deferred tax assets	<u>498,570</u>	<u>82,603</u>	<u>581,173</u>

For the three-month periods ended March 31, 2014 and 2013, income tax recognized in profit or loss consists of:

(Unit : Baht)			
CONSOLIDATED		SEPARATE	
FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
2014	2013	2014	2013
Current income tax for the period	-	1,031,665	-
Deferred income tax related to temporary differences			
Increase in deferred tax assets	(86,831)	(314,030)	(82,603)
Increase in deferred tax liabilities	-	10,861	-
Income tax expense (revenue) per statements of income	<u>(86,831)</u>	<u>728,496</u>	<u>(82,603)</u>

For the three-month periods ended March 31, 2014 and 2013, income tax recognized other comprehensive income consists of:

(Unit : Baht)					
CONSOLIDATED FINANCIAL STATEMENTS					
2014			2013		
Before income tax	Revenue (expenses) income tax	Net from income tax	Before income tax	Revenue (expenses) income tax	Net from income tax
Exchange differences on translating financial statements of a foreign operation	31,962,115	(6,392,423)	25,569,692	-	-
Post-employment benefits obligation	-	86,831	86,831	-	-
Total	<u>31,962,115</u>	<u>(6,305,592)</u>	<u>25,656,523</u>	<u>-</u>	<u>-</u>
(Unit : Baht)					
SEPARATE FINANCIAL STATEMENTS					
2014			2013		
Before income tax	Revenue (expenses) income tax	Net from income tax	Before income tax	Revenue (expenses) income tax	Net from income tax
Post-employment benefits obligation	-	86,831	86,831	-	82,603
Total	<u>-</u>	<u>86,831</u>	<u>86,831</u>	<u>-</u>	<u>82,603</u>

Reconciliations of tax expenses and the product of accounting profit multiplied by the application tax rate for the three-month period ended March 31, 2014 and 2013 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Loss before income tax	(6,069,100)	(24,996,965)	(10,790,671)	(30,605,036)
Applicable tax at rate as at reporting date	-	1,605,017	-	-
Tax effect of non-deductible (revenue) expenses	-	(876,521)	-	-
Deferred income tax related temporary differences	(86,831)	-	(86,831)	(82,603)
Income tax expense (revenue) per statement of income	(86,831)	728,496	(86,831)	(82,603)

16. TRADE ACCOUNTS AND OTHER PAYABLE

Trade accounts and other payable consist of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2014	2013	2014	2013
Trade accounts payable				
Trade accounts payable - oversea	6,512,000	-	-	-
Trade accounts payable - local	49,365,779	65,743,343	18,543,757	26,316,912
Other payable				
Other payable	4,165,674	7,324,958	4,165,674	7,324,958
Accrued expenses	11,470,018	10,488,450	11,470,018	10,488,450
Retention	19,929,398	16,910,948	19,929,398	16,910,948
Total trade accounts and other payable	91,442,869	100,467,699	54,108,847	61,041,268

17. BILL OF EXCHANGE

Bill of exchange consists of:

	(Unit : Baht)	
	CONSOLIDATED AND SEPARATE	
	FINANCIAL STATEMENTS	
	“Unaudited”	
	As at	As at
	March 31,	December 31,
	2014	2013
Bill of exchange	720,000,000	490,000,000
<u>Less</u> Advance interest expense	<u>(25,558,705)</u>	<u>(23,803,373)</u>
Total bill of exchange	<u>694,441,295</u>	<u>446,196,627</u>

The directors' meeting No. 1/2013 of the Company held on January 25, 2013 approved the Company to issue the short-term bill of exchange with not exceeding 270-day which is not exceeding Baht 650 million through private placement to less than 10 individuals or institutions. The interest rate shall not be exceeding 12 % per annum to be used as working capital and investment. It also approved related transactions to issue the short-term bill of exchange to Country Group Securities Public Company Limited and MFC Asset Management Public Company Limited, with total amount not exceeding Baht 220 million and authorized the Chief Executive Office to be a negotiator related to the issuance of the bill of exchange.

Later, the directors' meeting No. 2/2014 of the Company held on January 17, 2014 approved to extend the credit to issue the short-term bill of exchange from not exceeding Baht 650 million to not exceeding Baht 1,000 million to be used as working capital, investment and debt repayment (if any).

As at March 31, 2014 and December 31, 2013, the Company has issued and offered the short-term bills of exchange through private placement. These bills of exchange specify the name of the holders, unsubordinated and unsecured, as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS				
As at March 31, 2014				
"Unaudited"				
Date of issuance	Remaining value (Baht)	Interest rate (%)	Aged (day)	Maturity Date
December 11, 2013 - March 17, 2014	720,000,000	7.00 - 9.25	159 - 218	September 5, 2014 - November 3, 2014

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS				
As at December 31, 2013				
Date of issuance	Remaining value (Baht)	Interest rate (%)	Aged (day)	Maturity Date
September 18, 2013 - December 20, 2013	490,000,000	7.00 - 9.25	77 - 260	March 17, 2014 - September 16, 2014

On the issuance date of bill of exchange, the Company has been deducted advance interest expenses which will be recognized as finance cost over the period of bill of exchange.

18. SHORT-TERM LOAN FROM OTHER COMPANY

On February 25, 2014, the Company entered into a loan agreement with a company in the amount of not to exceed Baht 100 million to be used for operate the business. The Company is entitled to request to drawdown the loan within the end of March 2014. The loan is unsecured and has interest rate at 9.00% per annum of drawdown loan and repayable within 180 days from each drawdown. As at March 31, 2014, the Company has drawn the loan in the amount of Baht 50 million.

19. LONG-TERM LOANS

Long-term loans consist of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2014	2013	2014	2013
Long-term loans from a domestic financial institution	146,398,646	221,729,353	146,398,646	221,729,353
Long-term loans from a foreign financial institution	612,409,517	-	-	-
Total long-term loans	<u>758,808,163</u>	<u>221,729,353</u>	<u>146,398,646</u>	<u>221,729,353</u>

19.1 Long-term loans from a domestic financial institution

On August 1, 2012, the Company entered into a long-term loans agreement with a domestic financial institution as follows:

Type	Amount	Terms of repayment	Interest rate	Collateral
Long-term loans	<p>Baht 868 million divided into</p> <ul style="list-style-type: none"> - Credit limit of land in the amount of Baht 80 million drawn on the already implementation of the security within October 5, 2012 which was drawn up on August 6, 2012. - Credit limit of the development, construction and decoration of Baht 788 million, with the withdrawal of the four terms in the contract. Time limit of five years from the first installment of the loan amount. 	<p>- Non-secured 65 percent of the sales price. Repayment schedule and the minimum per square meter of apartment units is not less than Baht 34,775.</p>	MLR per annum	<ul style="list-style-type: none"> - Mortgage of land and buildings in the future of The Element Project, The right of mortgage capital is Baht 883 million. (see Note 11) - Guaranteed by the directors of the Company in the amount of Baht 883 million credit lines throughout the period of loans.
LG, LC, DLC	Baht 15 million			

As at March 31, 2014 and December 31, 2013, the remaining credit line of long-term loans are Baht 516.40 million and Baht 564.90 million, respectively.

19.2 Long-term loans from a foreign financial institution

On February 28, 2014, APUK Company Limited (“the subsidiary”) has entered into a long-term loans agreement with a financial institution in United Kingdom as follows:

Type	Amount	Terms of repayment	Interest rate	Collateral
Long-term loans	GBP 11.275 million	- Principle repayment schedule within 3 years from February 28, 2014 (Borrowing date)	LIBOR plus 2.35% per annum	- Mortgage of land and Data Center building located in United Kingdom.

20. POST-EMPLOYMENT BENEFITS OBLIGATION

The Company and its subsidiaries have post-employment benefits plans under the Thai Labor Protection Act, which is the benefit plans for a specific purpose.

Amounts recognized in the statement of comprehensive income in respect of the defined benefit plans are as follows:

	(Unit : Baht)	
	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	For the three-month periods ended	
	March 31,	
	2014	2013
Current service cost	356,445	384,971
Interest cost	77,709	28,045
Total	<u>434,154</u>	<u>413,016</u>

Changing in the present value of the defined benefit obligation are as follows:

	(Unit : Baht)	
	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”	
	As at	As at
	March 31,	December 31,
	2014	2013
Beginning balance of present value of post-employment benefits obligation	5,148,365	2,492,848
Current service costs	356,445	1,137,652
Interest costs	77,709	112,178
	<u>5,582,519</u>	<u>3,742,678</u>
Add Actuarial loss from actuarial assumptions	-	1,405,687
Ending balance of present value of post-employment benefits obligation	<u>5,582,519</u>	<u>5,148,365</u>

The principle actuarial assumption used to calculate the defined benefit obligation are as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at March 31, 2014	As at December 31, 2013
Financial assumptions		
Discount rate	4.00%	4.00%
Turnover rate	1.50%	1.50%
Expected rate of salary increase	5.85%	5.85%

21. WARRANTS

Details of the warrants of the Company which were changed during the three-month period ended March 31, 2013 are as follows:

	Outstanding of warrants as at December 31, 2012	Outstanding of warrants issuance in year	Exercise for the period	Outstanding of warrants as at March 31, 2013
Warrants				
CGD - W2	842,995,832	-	42,634,000	800,361,832
	<u>842,995,832</u>	<u>-</u>	<u>42,634,000</u>	<u>800,361,832</u>

The Company issued and allotted warrants to purchase ordinary shares (CGD-W2) to existing shareholders as well as the existing shareholders who subscribe new shares. The warrants are registered with indicate name's type and transferable subscription without offer price. The exercise ratio and price are detailed below:

Warrants	Issued date	Issued units (Million units)	Exercise price Baht/unit	Exercise period	
				Start	End
CGD-W2	June 22, 2010	843	0.50	September 30, 2010	June 21, 2013

22. DIRECTORS AND MANAGERMENTS' REMUNERATION

- 22.1 Director's remuneration represents the benefit paid to the Company's directors under section 90 of the Public Company Act, which is not include the salary and related benefits paid to the Company's directors, who are executive managements of the Company.
- 22.2 The management's benefits in cash are salary, bonus, and provident funds which paid to the Company's management under Notification of the Capital Market Commission No. Tor Jor 24/2009 "Requirement about directors and managements remuneration of the Company issued securities" dated July 20, 2009.

- 22.3 The management's benefits paid to management according to the TAS 24 (revised 2012) "Related Party Disclosures" are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the three-month period March 31,		For the three-month period March 31,	
	2014	2013	2014	2013
Directors' remuneration	1,072,140	1,760,000	990,000	990,000
Management's benefits				
Short-term employee benefit	5,795,677	8,191,642	5,795,677	4,963,246
Post retirement benefits	206,716	244,012	206,716	169,849
Total	<u>7,074,533</u>	<u>10,195,654</u>	<u>6,992,393</u>	<u>6,123,095</u>

23. LOSS PER SHARE

23.1 Basic loss per share

Basic loss per share are calculated by dividing the net loss attributable to shareholders by the weighted average number of ordinary shares held by third parties during the period, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the three-month period ended March 31,		For the three-month period ended March 31,	
	2014	2013	2014	2013
Net loss for the period of owners of the parent (Baht)	(5,982,269)	(27,506,574)	(10,703,840)	(30,522,433)
Weighted average number of ordinary shares (shares)	6,982,294,461	2,444,820,629	6,982,294,461	2,444,820,629
Basic loss per share	(0.001)	(0.011)	(0.002)	(0.012)

23.2 Diluted loss per share

Diluted loss per share are calculated by dividing the net loss attributable to shareholders by the diluted number of ordinary shares for the three-month period ended March 31, 2013, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
	2013	2013
Net loss for the period of owners of the parent (Baht)	(27,506,574)	(30,522,433)
Weighted average number of ordinary shares (shares)	2,444,820,629	2,444,820,629
Diluted number of ordinary shares (shares)	295,595,941	295,595,941
Total ordinary shares (shares)	<u>2,740,416,570</u>	<u>2,740,416,570</u>
Diluted loss per share (Baht)	(0.010)	(0.011)

Diluted number of ordinary shares for the three-month period ended March 31, 2013 was 295,595,941 shares based on the assumption that there is the exercise of CGD-W2 warrant holders. As at March 31, 2013, the Company has CGD-W2 800,361,832 warrants (see Note 21) which have an exercise price of Baht 0.50 per share of 1 warrant per 1 ordinary share. The fair value of the common stock, which the Company is based on the assumption that there is the exercise, is calculated by weighted average of purchase and selling price to statement of financial position date as at March 31, 2013, equal Baht 0.77.

For the three-month period ended March 31, 2014, there were no warrants impact to diluted earnings per share because the warrants were expired.

24. TRANSACTIONS WITH RELATED PARTIES

24.1 Investment in subsidiaries

(Unit : Baht)

Company	Type of business	Location	SEPARATE FINANCIAL STATEMENTS							
			Paid up capital (Baht)	Paid up capital (Baht)	Percentage of holding (%)		Cost method		Dividend income	
			“Unaudited”		“Unaudited”		“Unaudited”			
			As at	As at	As at	As at	As at	As at	For the three-month	
			March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013	periods ended March 31, 2014 2013	
Subsidiaries										
Landmark Waterfront Residences Co., Ltd.	Real estate business	Thailand	50,000,000	50,000,000	99.99	99.99	-	49,999,900	-	-
Landmark Waterfront Hotel Co., Ltd.	Hotel	Thailand	50,000,000	50,000,000	99.99	99.99	-	49,999,900	-	-
Landmark Urban Resort Hotel Co., Ltd.	Hotel	Thailand	50,000,000	50,000,000	99.99	99.99	-	49,999,900	-	-
Landmark Holding Limited	Trading, rent and real estate operation	Thailand	1,000,000	1,000,000	99.99	99.99	146,999,970	999,970	-	-
BCEG Country Group Engineering Co., Ltd.	Construction	Thailand	1,000,000	1,000,000	99.99	99.99	999,970	999,970	-	-
CGD Data Limited	Holding company	Hong Kong	583,137,484	4	100.00	100.00	583,137,484	4	-	-
Total investment in subsidiaries							731,137,424	151,999,644	-	-

24.2 Short-term loans to related companies

(Unit : Baht)						
SEPARATE FINANCIAL STATEMENTS						
“Unaudited”						
	Nature of relationship	Balance as at December 31, 2013	Paid loans	Received loans	Balance as at March 31, 2014	Cost of related loans policy
Subsidiaries						
Landmark Holding Limited	Shareholder and common director	-	24,158,704	-	24,158,704	9.25% p.a.
Landmark Waterfront Residences Co., Ltd.	Shareholder and common director	2,223,690	3,312,110	-	5,535,800	9.25% p.a.
APUK Co., Ltd.	Indirect subsidiary	117,494,080	-	(117,494,080)	-	-
Total		<u>119,717,770</u>	<u>27,470,814</u>	<u>(117,494,080)</u>	<u>29,694,504</u>	

(Unit : Baht)						
SEPARATE FINANCIAL STATEMENTS						
	Nature of relationship	Balance as at December 31, 2012	Paid loans	Received loans	Balance as at December 31, 2013	Cost of related loans policy
Subsidiaries						
Landmark Waterfront Residences Co., Ltd.	Shareholder and common director	-	2,223,690	-	2,223,690	9.25% p.a.
APUK Co., Ltd.	Indirect subsidiary	-	117,494,080	-	117,494,080	-
Total		<u>-</u>	<u>119,717,770</u>	<u>-</u>	<u>119,717,770</u>	

On December 17, 2013, the Company entered into a loan agreement with Landmark Waterfront Residence Company Limited in the amount of Baht 10 million, duration of the loan within 12 months from signing date the loan agreement. The loans are unsecured and have interest rate at 9.25% per annum and repayable within 12 months from the first drawdown.

On February 17, 2014, the Company entered into a loan agreement with Landmark Holding Limited in the amount of Baht 100 million, duration of the drawdown loan within 12 months from signing date the loan agreement. The loans are unsecured and have interest rate at 9.25% per annum and repayable within 12 months from the first drawdown.

24.3 Short-term loans from related person and companies

(Unit : Baht)						
CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
	Nature of relationship	Balance as at December 31, 2013	Received loans	Paid loans	Balance as at March 31, 2014	Cost of related loans policy
Related persons						
Mr. Sadawut Taechaubol	Shareholder and director	-	40,000,000	-	40,000,000	7% p.a.
Mr. Tommy Taechaubol	Shareholder and director	-	30,000,000	-	30,000,000	7% p.a.
Total		<u>-</u>	<u>70,000,000</u>	<u>-</u>	<u>70,000,000</u>	

(Unit : Baht)

SEPARATE FINANCIAL STATEMENTS						
		“Unaudited”				
	Nature of relationship	Balance as at December 31, 2013	Increase	Decrease	Balance as at March 31, 2014	Cost of related loans policy
Related persons						
Mr. Sadawut Taechaubol	Shareholder and director	-	40,000,000	-	40,000,000	7% p.a.
Mr. Tommy Taechaubol	Shareholder and director	-	30,000,000	-	30,000,000	7% p.a.
Subsidiaries						
Landmark Waterfront Hotel Co., Ltd.	Shareholder and common director	8,043,098	-	(1,259,080)	6,784,018	0.25% p.a.
Landmark Urban Resort Hotel Co., Ltd.	Shareholder and common director	13,203,804	-	(362,947)	12,840,857	0.25% p.a.
Total		<u>21,246,902</u>	<u>70,000,000</u>	<u>(1,622,027)</u>	<u>89,624,875</u>	

(Unit : Baht)

CONSOLIDATED FINANCIAL STATEMENTS						
	Nature of relationship	Balance as at December 31, 2012	Received loans	Paid loans	Balance as at December 31, 2013	Cost of related loans policy
Related persons						
Mr. Sadawut Taechaubol	Shareholder and director	261,978,746	3,009,660	(264,988,406)	-	-

(Unit : Baht)

SEPARATE FINANCIAL STATEMENTS						
	Nature of relationship	Balance as at December 31, 2012	Increase	Decrease	Balance as at December 31, 2013	Cost of related loans policy
Related persons						
Mr. Sadawut Taechaubol	Shareholder and director	-	264,988,406	(264,988,406)	-	-
Subsidiaries						
Landmark Waterfront Residences Co., Ltd.	Shareholder and common director	-	10,037,876	(10,037,876)	-	0.25% p.a.
Landmark Waterfront Hotel Co., Ltd.	Shareholder and common director	-	11,247,484	(3,204,386)	8,043,098	0.25% p.a.
Landmark Urban Resort Hotel Co., Ltd.	Shareholder And common director	-	19,016,372	(5,812,568)	13,203,804	25% p.a.
Total		<u>-</u>	<u>305,290,138</u>	<u>(284,043,236)</u>	<u>21,246,902</u>	

The Company had loan from a director with no collateral and repayable on demand.

On May 15, 2013, the loan from related person and subsidiaries were transferred to the company due to entire business transfer. The loans are unsecured and repayable on demand.

24.4 Balances and transactions with related parties

A portion of the Company and subsidiaries' asset, liabilities, revenues and expenses arose from transactions with related parties. These companies are related through common shareholders and directors both direct and indirect. These transactions are in line with transfer pricing policy which can be described as follows:

Transaction	Transfer pricing policy
Brokerage fees for purchase securities	At market price which is the same rate as general client
Fees and services income	Mutually agreed in accordance with the contract which is comparable to market price

Significant transactions with related parties consist of:

		(Unit : Baht)			
	Nature of relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at March 31, 2014	As at December 31, 2013	As at March 31, 2014	As at December 31, 2013
Outstanding balance					
Subsidiaries					
Landmark Holding Limited	Shareholder and common director				
Receivable from sale of investments		-	-	149,999,700	-
Receivable from sale of assets		-	-	93,442,143	-
Accrued interest income		-	-	349,888	-
Landmark Waterfront Residences Co., Ltd	Shareholder and common director				
Accrued interest income		-	-	117,993	8,453
Landmark Waterfront Hotel Co., Ltd	Shareholder and common director				
Accrued interest expenses		-	-	114,265	109,152
Landmark Urban Resort Hotel Co., Ltd.	Shareholder and common director				
Accrued interest expenses		-	-	179,023	171,011
Related company					
Country Group Securities Pcl.	Common shareholder and director				
Cash at financial institute		26,709	26,622	26,709	26,622
Bill of exchange		80,000,000	80,000,000	80,000,000	80,000,000
Prepaid interest expenses		2,329,149	3,625,404	2,329,149	3,625,404
MF Holding Co., Ltd.	Common director				
Bill of exchange		200,000,000	100,000,000	200,000,000	100,000,000
Prepaid interest expenses		4,742,179	5,906,866	4,742,179	5,906,866
Related persons					
Mr. Ben Taechaubol	Shareholder and director				
Deposit		120,000	180,000	120,000	180,000
Advance received		345,898	468,804	345,898	468,804
Mr. Sadawut Taechaubol	Shareholder and director				
Deposit		540,000	780,000	540,000	780,000
Advance received		1,400,952	2,034,858	1,400,952	2,034,858
Accrued interest expenses		383,562	-	383,562	-
Mr. Tommy Taechaubol	Shareholder and director				
Accrued interest expenses		310,685	-	310,685	-

		(Unit : Baht)			
	Nature of relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the three-month period ended March 31,			
		2014	2013	2014	2013
Revenues and expenses					
Related company					
Country Group Securities Pcl.	Common shareholder and director				
Interest income		87	113	87	113
Interest expenses		1,296,255	929,803	1,296,255	929,803
MF Holding Co., Ltd.	Common director				
Interest expenses		3,335,687	-	3,335,687	-

25. SEGMENT INFORMATION

The Company and subsidiaries' operations involve a various business segment, which are holding company, real estate business and to provide rendering service related to computer software. For the three-month period ended March 31, 2014 and 2013, the Company has revenues from real estate business and rendering service related to computer software business. The segment information are as follows:

(Unit : Baht)				
CONSOLIDATED FINANCIAL STATEMENTS				
For the three-month period ended March 31, 2014				
	Real estate business		Elimination	Total
	Real estate development Domestic	Investment property Foreign		
Revenues				
Revenue from external customers	188,653,265	12,877,457	-	201,530,722
Inter - segment revenues	-	-	-	-
	<u>188,653,265</u>	<u>12,877,457</u>	<u>-</u>	<u>201,530,722</u>
Expenses				
Cost of sales	140,918,804	-	-	140,918,804
Direct operating expense arising from investment property	-	2,860,890	-	2,860,890
Selling expenses	11,172,689	-	-	11,172,689
Administrative expenses	24,689,859	616,796	-	25,306,655
Directors and managements' remuneration	6,992,393	82,140	-	7,074,533
Loss on exchange rate	2,348,665	-	-	2,348,665
Total expenses	<u>186,122,410</u>	<u>3,559,826</u>	<u>-</u>	<u>189,682,236</u>
Income (loss) before finance cost and income tax expense	(2,530,855)	9,317,631	-	11,848,486
Finance cost	16,373,732	1,543,854	-	17,917,586
Income (loss) before income tax expense	<u>(13,842,877)</u>	<u>7,773,777</u>	<u>-</u>	<u>(6,069,100)</u>
Income tax revenue (expense)	86,831	-	-	86,831
Net income (loss) for the period	<u>(13,756,046)</u>	<u>7,773,777</u>	<u>-</u>	<u>(5,982,269)</u>

(Unit : Baht)

CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended March 31, 2013

	Real estate development Domestic	Rendering service related to computer software Domestic	Elimination	Total
Revenues				
Revenue from external customers	659,807	140,060,272	-	140,720,079
Inter - segment revenues	-	-	-	-
	659,807	140,060,272	-	140,720,079
Expenses				
Cost of sales	-	98,240,400	-	98,240,400
Cost of services	-	17,031,296	-	17,031,296
Selling expenses	9,807,202	7,544,628	-	17,351,830
Administrative expenses	12,013,483	7,459,828	-	19,473,311
Directors and managements' remuneration	6,123,095	4,072,559	-	10,195,654
Total expenses	27,943,780	134,348,711	-	162,292,491
Income (loss) before finance cost and income tax expense	(27,283,973)	5,711,561	-	(21,572,412)
Finance cost	3,321,063	103,490	-	3,424,553
Income (loss) before income tax expense	(30,605,036)	5,608,071	-	(24,996,965)
Income tax revenue (expense)	82,603	(811,099)	-	(728,496)
Net income (loss) for the period	(30,522,433)	4,796,972	-	(25,725,461)

(Unit : Baht)

CONSOLIDATED FINANCIAL STATEMENTS

	Real estate business Real estate development Domestic	Investment property Foreign	Elimination	Total
Total assets				
As at March 31, 2014	4,928,117,061	1,254,825,898	-	6,182,942,959
As at December 31, 2013	5,285,386,372	-	-	5,285,386,372

26. LITIGATIONS

- 26.1 On September 1, 2011, the Company entered into a contract with Project Alliance Co., Ltd., (“the consulting firm”), a project management advisor of Element Srinakarin Project, fees for project management and construction inspection for a period of 2 years and 11 months starting from October 2011 to August 2014, in the amount of Baht 17.14 million. The consulting firm provided service as specified in contract, and invoice of service charges in the amount of Baht 2.76 million were recorded as account payable. However, this amount has not been paid because the consulting firm did not comply with the contract.

On August 8, 2012, the consulting firm sent the letter to the Company asking for the payment and informing that they would stop their services on September 1, 2011.

Later, on January 25, 2013, the consulting firm (“the plaintiff”) sued the Company on the default of payment. On October 28, 2013, the Civil Court ordered the Company to pay amount of Baht 2.89 million and to pay interest rate at 7.5% per annum of the principal amount of Baht 2.76 million, calculated from the date of filing until the payment is made to the plaintiff.

On January 9, 2014, an appeal was made by the Company requesting to prolong the legal procedure to the Civil Court and currently awaiting judicial ruling. Whilst awaiting the judicial ruling, the consulting firm sanctioned a Legal advisor to seize assets from the Company in the amount of Baht 3.3 million on March 19, 2014. The aforementioned assets were confiscated and transferred to Legal Execution Department on March 31, 2014 which were recorded as confiscated cash by the court in other non-current assets. Following the disputes, the Company has requested the Civil Court of the South of Bangkok on April 21, 2014 to withhold payments to the consulting firm. The Civil Court of the South of Bangkok has thus ruled a sanctioning to the seizing of funds. On May 2, 2014, the Company also filed a preliminary request to the Legal Execution Department, to reinforce the seizing of payments to the consulting firm. The sanctioning has thus been accepted. Currently, this case is upheld with the Court of Appeal. However, the Company’s managements are confident that the Company will not be held liable for any of these issues.

- 26.2 On March 25, 2014, the Company was sued by the Fish Marketing Organization (“the plaintiff”) to the Civil Court of the South of Bangkok; for charges of violation and evacuation at the capital sum of Baht 27.16 million. A following request was made from the plaintiff to the Civil Court of the South of Bangkok, to a hearing between both parties, on a petition to temporarily protect the rights of ownership over the property on land. Currently, this case is under proceed of the Civil Court of the South of Bangkok. However, the Company’s managements are confident that the Company will not be held liable for any of the aforementioned issues.

27. COMMITMENT AND LETTER OF GUARANTEE

- 27.1 As at March 31, 2014 and December 31, 2013, the Company has commitment in project development and construction in the amount of Baht 916.15 million and Baht 705.72 million, respectively.
- 27.2 On January 19, 2014, Landmark Holding Limited (“the Company’s subsidiary) entered into a contract with BCEG Thailand International Limited who is the contractor of Landmark Waterfront Project. The value of the contract approximately USD 441 million.
- 27.3 The Company and its subsidiaries have commitments in land rental agreement used for office space and parking lot for the Element Srinakarin Project and land rental agreement for Landmark Waterfront Project development. The Company and its subsidiaries have commitments in office space lease and facilities agreement, car rental agreements and computer hardware hire-purchase agreements. The Company and its subsidiaries had commitments to pay as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at March 31, 2014	As at December 31, 2013	As at March 31, 2014	As at December 31, 2013
Within 1 year	11,576,102	18,067,277	11,576,102	8,781,602
Over 1 year but not over 5 years	30,701,175	26,095,125	30,701,175	14,829,048
Over 5 years	326,745,832	-	326,745,832	-

28. RECLASSIFICATIONS

Consolidated financial statement

Certain reclassifications have been made to the consolidated statement of financial position as at December 31, 2013 to conform to the classifications used in the consolidated statement of financial position as at March 31, 2014 as follows:

Account	Amount (Baht)	Previous classifications	Current classifications	Amount (Baht)
Property for sale	367,895,071	Property for sale	- Property, plant and equipment	216,752,909
			- Land and cost of under project construction and utilities	151,142,162
Advance interest expense on bill of exchange	23,803,373	Advance interest expense	- Bill of exchange	(23,803,373)

The Company and its subsidiaries have not prepared the retrospective adjustment to the brought forward balance of the previous period for comparative information because there is no such balance on that date.

Separate financial statement

Certain reclassifications have been made to the separate statement of financial position as at December 31, 2013 to conform to the classifications used in the separate statement of financial position as at March 31, 2014 as follows:

Account	Amount (Baht)	Previous classifications	Current classifications	Amount (Baht)
Advance interest expense on bill of exchange	23,803,373	Advance interest expense	- Bill of exchange	(23,803,373)

The Company has not prepared the retrospective adjustment to the brought forward balance of the previous period for comparative information because there is no such balance on that date.

29. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements were approved for issuing by the authorized directors of the Company on May 15, 2014.