

CGD58/0012

26 February 2015

Subject: Report on the operating results of Country Group Development PCL

To: The President

The Stock Exchange of Thailand

Country Group Development Public Company Limited and its subsidiaries (“the Group”) would like to report the operating results of the Company, and its subsidiaries for the year ended 31 December 2014 as follows:

1. Revenues

The Group reported total revenues of Baht 834.4 million in 2014, or improved 523 percent compared to total revenues of Baht 133.9 million in 2013. The increase of 146 percent driven primarily by following reasons:

- **Revenues from sale condominium** Increase in revenues from transfer units of Elements Srinakarin project to Baht 546.4 million in 2014 from Baht 118.8 million in 2013, a growth of 360 percent Year on Year (YoY).
- **Rental income from investment properties** Rental income from investment properties of Baht 79.3 million from Data Center project in United Kingdom, representing operating results throughout 10 months after it was acquired in the first quarter of 2014.
- **Gain on remeasuring fair value of investment properties** As at December 31, 2014, investment properties were revalued by independent professional appraiser, thus the subsidiary recorded gain on remeasuring fair value in the statement of comprehensive income for the year ended December 31, 2014 amount of Baht 166.7 million.

2. Expenses

Increase in consolidated total expenses from Baht 195.6 million in 2013 to Baht 632.7 million in 2014. An increase of 223 percent was mainly due to increasing cost of condominium sale to amount of Baht 410.9 million and other cost related to sales and administration from projects undertaken. Moreover, the Company's management believes that there is uncertainty for repayment of short-term loans to other company in form of promissory notes in amount of Baht 27.6 million. Such loans are due during the year ended December 31, 2014; the Company has not been paid though.

3. Net Profit

The Group achieved a net profit of Baht 64.9 million, or turnaround from a net loss of Baht 82.9 million in 2013. This change was driven mainly by increase in the Group's operating results dramatically as stated in No.1, which resulted in a growth of basic earnings per share to be Baht 0.009 per share.

As at December 31, 2014, the Group had condominium backlog from Elements Srinakarin project of Baht 615.2 million. It is expected to transfer units of this backlog over the year 2015. The backlog means total value of condominium sold but awaiting to be transferred, thus the Group could recognize the revenue in full when ownership is transferred according to the Thai Accounting Standard.

Please be informed accordingly.

Yours sincerely,

Ben Taechaubol

Director