

CGD59/0006

24 February 2016

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 2015 as follows:

Consolidated Financial Statements (“the Group”)

- 1. Continued Operations** In 2015, the Group reported a net loss of Baht 515.72 million or increased loss of Baht 375.89 million compared to a net loss of Baht 139.83 million in 2014. Details are as follow:
 - **Revenues** The Group reported total revenue of Baht 516.04 million in 2015, or decreased 12 percent compared to that of Baht 588.36 million in 2014. The majority of the Group’s revenue came from the unit transferred of Elements Srinakarin project of Baht 479.37 million and other incomes of Baht 36.67 million.
 - **Expenses** The Group reported total expenses of Baht 867.45 million in 2015, or increased 39 percent compared to total expenses of Baht 624.27 million in 2014. This was mainly from the increase in selling and administrative expenses spent toward Four Seasons Private Residences Bangkok at Chao Phraya River, which increased to amount of Baht 271.95 million. However, these expenses incurred within the budget that the company planned, and had driven revenue backlog for this project up to Baht 6,279 million.
 - **Finance Costs** In 2015, the Group reported financial costs of Baht 165.03 million or increased 50 percent compared to Baht 109.86 million in 2014. The incremental was mainly due to additional issuance of debenture amount of Baht 1,150 million in 2015. Proceeds

from debenture were mainly contributed for construction cost of projects under development. In addition, construction of the Chao Phraya Estate project had significant progress toward the plan, as well as, construction of the Elements Srinakarin project that completed in 2015.

- 2. Discontinued Operations** On August 21, 2015, the Extraordinary General Meeting of Shareholders No. 1/2015 approved to divest all of investment in APUK Limited (registered in Guernsey) (“the subsidiary”), which the Company invests in through its wholly owned subsidiary CGD Digital Partners Limited, to MFC Industrial Real Estate Investment Trust (REIT). Later, on December 14, 2015, CGD Digital Partners Limited sold its entire investment in APUK Limited. Therefore, the Company has no control over the subsidiary since that date.

In addition, according to sale and purchase agreement between CGD Digital Partners Limited (“the subsidiary”) and the REIT, the subsidiary has the right to receive dividend income from APUK Limited some amount which it depend on the result of audit of financial information of APUK Limited as at December 14, 2015. The result will be known within 6 months from the selling date of investment. As at December 31, 2015 there is on the auditing process. Therefore, the subsidiary did not record such dividend income in the statement of profit or loss and other comprehensive income for the year ended December 31, 2015.

The Group reported a profit from discontinued operations of Baht 35.87 million or decreased 82 percent compared to that of Baht 204.75 million in 2014.

Separate Financial Statements (“the Company”)

In 2015, the Company reported a net loss of Baht 129.97 million, or decreased 49 percent compared to a net loss in 2014 amount of Baht 87.18 million. The Company reported revenues in 2015 of Baht 616.77 million, or decreased 1 percent compared to Baht 624.48 million in 2014. Revenue contribution of the Company was primarily from the units transferred of Elements Srinakarin project amount of Baht 479.37 million. Moreover, the Company also had interest income of Baht 88.72 million from short-term loans to related parties. However, the Company reported a total expense of Baht 582.44 million or decreased 4 percent compared to total expenses of Baht 607.7 million in 2014. In addition, finance costs increased marginally from

year 2014 which was mainly due to additional issuance of debenture in 2015. The proceeds from debenture were mainly contributed for construction cost of projects under development, especially for construction of the Elements Srinakarin project that completed in 2015.

As at December 31, 2015, the Company had condominium backlog from the Elements Srinakarin project of Baht 198.6 million.

Please be informed accordingly.

Yours sincerely,

Ben Taechaubol

Director