



รายงานประจำปี 2557
ANNUAL REPORT 2014

WORLD CLASS
INDUSTRIAL ESTATES
UTILITIES AND
PROPERTY
SOLUTIONS

บริษัท เหมราชพัฒนาที่ดิน จำกัด (มหาชน)
HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED

สารบัญ

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CORPORATE VISION

To create long-term shareholder value in a controlled way achieved through focused appropriate strategic, business, financial, environmental, community and governance disciplines.

MISSION

To Develop World Class Industrial Estates, Utilities, Power and Property Customer Solutions.

STRATEGY

Hemaraj Land And Development Plc defines its business directions and strategies as :

- ▶ Developing industrial estate, utility, power, and property solutions that have predictable growing revenue and superior profit opportunities in order to optimize shareholder value.
- ▶ Leveraging complementary management expertise, customer relationship, infrastructure and environmental competence to expand opportunities in industrial estates, utilities, power, and property.
- ▶ Utilizing sound company human and financial resources selectively for competing investment opportunities.
- ▶ Contributing positively to neighbors, society and to our stakeholders with sustainable programs in education, community and the environment.

FINANCIAL HIGHLIGHTS

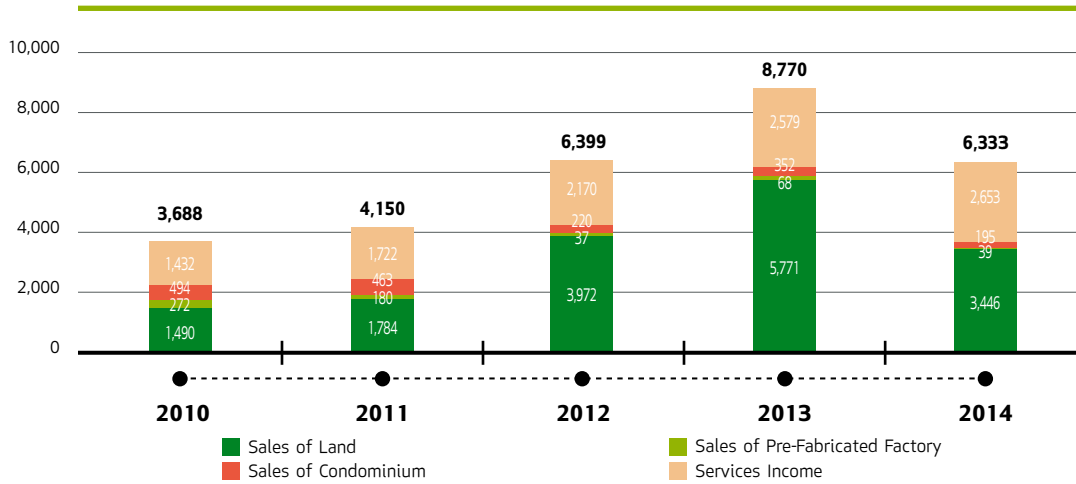
KEY FINANCIAL FIGURES (Million Baht)

	2010	2011	2012	2013	2014
Total Revenue	3,688	4,150	6,399	8,770	6,333
Sales of land	1,490	1,784	3,972	5,771	3,446
Sales of pre-fabricated factory	272	180	37	68	39
Sales of condominium	494	463	220	352	195
Services income	1,432	1,722	2,170	2,579	2,653
Net Income	1,216	537	2,285	4,339	2,961
Cash and cash equivalent	3,517	3,718	1,694	4,780	2,087
Total Assets	18,715	20,010	26,357	33,434	33,682
Total Debts/Loans	8,011	8,462	10,741	13,928	15,304
Total Liabilities	9,577	10,881	15,277	18,778	18,653
Total Shareholder's Equity	9,139	9,129	11,080	14,657	15,029
Earning Per Share (Baht)	0.13	0.06	0.24	0.45	0.31
Par (Baht)	0.40	0.40	0.40	0.40	0.40

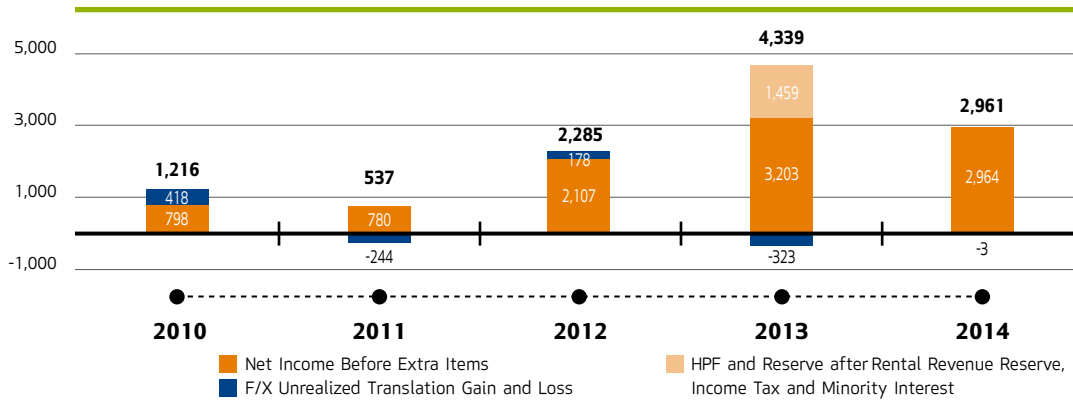
KEY FINANCIAL RATIOS

	2010	2011	2012	2013	2014
Current Ratio (Times)	5.80	4.95	2.34	3.51	3.63
Net Debt to Equity (Times)	0.66	0.78	1.23	0.95	1.10
Return on Assets	7.5%	2.8%	9.9%	14.5%	8.8%
Return on Equity	13.8%	5.9%	23.7%	36.2%	20.9%
Net Profit Margin	31.4%	12.5%	34.6%	37.6%	45.0%
Earnings per Share (Baht)	0.13	0.06	0.24	0.45	0.31
Book Value per Share (Baht)	0.94	0.94	1.14	1.51	1.55
No. of Shares Issued and Paid (Million Shares)	9,705	9,705	9,705	9,705	9,705

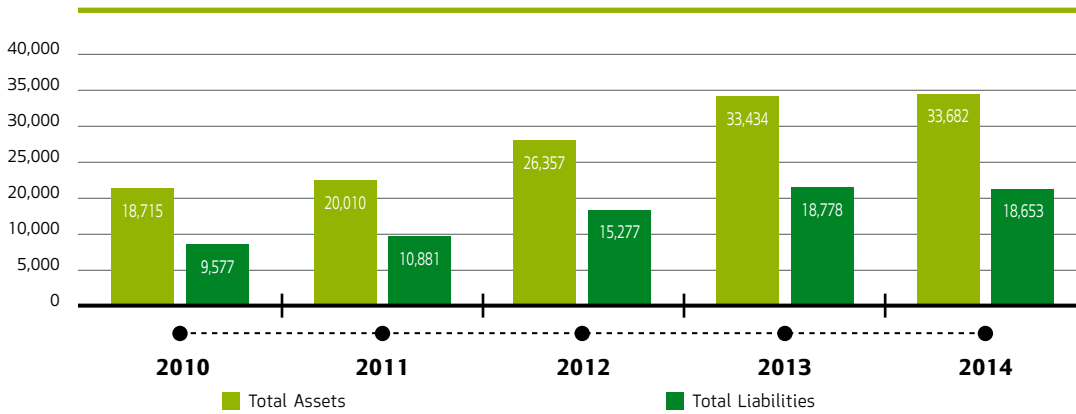
REVENUE (Million Baht)



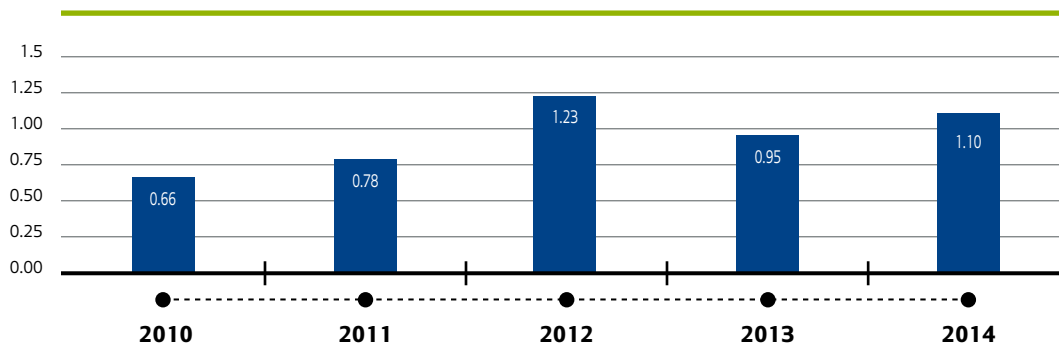
TOTAL NET INCOME (Million Baht)



TOTAL ASSETS AND TOTAL LIABILITIES (Million Baht)



NET DEBT TO EQUITY (Times)



MESSAGE FROM THE BOARD OF DIRECTORS



Hemaraj Land And Development Public Company Limited announced its operating and financial results for the year 2014 as summarized below.

For the year of 2014, Hemaraj Total Revenue was Baht 6,333.1 million compared with Baht 8,769.6 million for the same period of 2013, representing a 28% decrease. Hemaraj reported Total Net Income of Baht 2,960.6 million, and earnings per-share was Baht 0.305 per share, or a decrease of 32% compared with the same period of 2013. For the year of 2014, Hemaraj recognized share of profit from power/utility associates (excluding foreign exchange unrealized translation gain/loss) at Baht 1,583.4 million, or an increase of 79% from the same period of 2013. There was an unrealized foreign exchange translation loss from Power Investment (Gheco-One and GJP NLL) of Baht 3 million compared to an unrealized foreign exchange translation loss of Baht 323.4 million in the same period of 2013. Therefore, Normalized Net Income (NNI) for year of 2014 was Baht 2,963.6 million, or a decrease of 36%.

At 31st December 2014, Hemaraj reported Total Assets of Baht 33,682 million, Total Liabilities of Baht 18,653 million and Total Shareholders' Equity of Baht 15,029 million. The Net Debt to Equity ratio was 1.10 to 1 with Cash and Deposits on Hand of Baht 2,087 million.

Industrial Estate land sales for 2014 were 665 rai (266 acres or 106 hectares), with 42 contracts, 31 new customers and 11 project expansions from existing customers. Seventy percent of the contracts in 2014 were non automotive.

The industrial estate land sales exhibit the continued weakness in the domestic automotive market with total automotive OEM production volume down 23% through 2014. Export auto OEM growth was flat in volume, however inclusive of auto parts increased 6.4% in value. There continues to be longer term new product launch or technology intensive automotive investments. Increasingly Hemaraj is the choice of leading multinational investment. The ECO Car 2 program applications were approved for five (5) Hemaraj automotive OEM manufacturers.

2014 Investment Approval projects by the Board of Investment (BOI) were Baht 729 billion, a decrease of 18% compared to the same period of 2013. BOI 2014 net applications submitted, reflecting revised privileges in 2015, were 3,469 projects and a value of Baht 2,192.7 billion. This increased 73% in terms of project numbers and 117% in terms of value, being the highest ever.

In 2014, Ready Built Factories increased net 8,522 square meters, totaling 302,070 square meters under rent inclusive of the Hemaraj Property Fund. Hemaraj Logistics Parks for Rent increased net 10,290 square meters or 14% from 2013 cumulative balance.

Revenue from industrial estate utilities (non power) increased by 9% from the same period of 2013 due to pricing, product mix and volume growth. Industrial Estate Utilities volume demand increased 4% by volume in comparison from the average 2013 volume.



TRIS Rating upgraded the company from “A-” to “A”, highlighting the shift in Hemaraj’s earning structure towards more predictable revenues.



In Power, Gheco-One, a 660 MW IPP (Independent Power Producer) coal project with Hemaraj 35% shareholding and Glow Energy 65% (GDF Suez group), operated at 95% commercial dispatch availability in 2014, exceeding our operating and financial expectations. Hemaraj is investing in another seven (7) 126 MW SPP (Small Power Producer) projects with 25.01% equity in the first quarter of 2015.

Hemaraj’s financial status remains strong. In November 2014, TRIS Rating upgraded the company from “A-” to “A”, highlighting the shift in Hemaraj’s earning structure towards more predictable revenues.

In summary, Hemaraj Land And Development Public Company Limited finished the year of 2014 with strong earnings. This is in consideration that revenue was lower being impacted from political disruptions, Board of Investment (BOI) delayed investment in early to mid 2014, the continued weakness in Thailand GDP and the domestic automotive market, and moderate export performance

At Hemaraj, we believe that being socially and environmentally responsible to all stakeholders and the community, is also essential to the long-term sustainability of our business. This is reflected in our corporate strategy, focusing on balancing between operational excellence, social and educational development, and the best practices in environmental management via various programs and activities throughout the year.

MR. DAVID R. NARDONE
President & Chief Executive Officer
10 March 2015

Hemaraj received the ‘Very Good’ corporate governance recognition level in the Corporate Governance Report of Thai listed Companies in 2014 (CGR) from Thai Institute of Directors. Hemaraj received the “Excellent” and “Very Good” corporate governance recognition level for the last 6 years from 2009-2014.

Hemaraj has broad based revenue in core business areas: - industrial estates, utilities, power, ready-built factories and logistics parks. Our 2014 operating and financial results with the increasingly predictable Hemaraj earnings, despite a difficult economic environment, demonstrate the leverage from these investments. Our strategy remains to provide superior long term returns to shareholders. On behalf of the Management and the Board of Directors of Hemaraj Land And Development Public Company Limited, we would like to express our appreciation to our stakeholders for entrusting us with this responsibility.

Sincerely,

MR. CHAVALIT SETHAMETEEKUL
Chairman of the Board of Directors
10 March 2015

INFORMATION OF BOARD OF DIRECTORS AND MANAGEMENT

Hemaraj Land and Development Public Company



MR. CHAVALIT SETHAMETEEKUL

Director 29 April 2008
Chairman of the Board of Directors
29 April 2008

Age : 68 Years

EDUCATION / IOD TRAINING :

- ▶ M.B.S. (Political Science), Thammasart University, Bangkok
- ▶ Certificate class 40, National Defence College of Thailand
- ▶ Barrister at Law, Institute of Legal Education of Thai BAR
- ▶ LL.B..(Hons), Thammasart University, Bangkok
- ▶ DAP 6/2003 and DCP 74/2006, Thai Institute of Directors Association (IOD)
- ▶ Kellogg School of Management, "Strategic Thinking and Executive Action" (Kellogg School of Management, Evanston, Illinois, Campus of Northwestern University, USA)

PRESENT POSITIONS :

- ▶ Public Company None
- ▶ Other Companies
- ▶ Chief Executive Officer, Sriracha Harbour PCL.

PREVIOUS POSITIONS :

- ▶ Director General, The Customs Department, Ministry of Finance
- ▶ Deputy Permanent Secretary, Ministry of Finance
- ▶ Inspectors General, Ministry of Finance
- ▶ Deputy Director General, The Excise Department, Ministry of Finance
- ▶ Chairman, The Board of Small Business Credit Guarantee Corporation
- ▶ Vice Chairmen, The Board of Metropolitan Electricity Authority
- ▶ Vice President, The Board of Airports of Thailand Public Company Limited
- ▶ Vice President, The Board of TOT Public Company Limited
- ▶ Director, Office of The Council of State
- ▶ Director, The Thai BAR

% HEMARAJ STOCK HELD

AS OF 31/12/2014 : 0.00%



MR. SUDHIPAN CHARUMANI

Independent Director 13 May 1993
Chairman of the Audit Committee
13 May 1993
Chairman of the Nomination
Committee 28 February 2013

Age : 71 Years

EDUCATION / IOD TRAINING :

- ▶ Institute of Chartered Accountants in England and Wales
- ▶ ACP 6/2005, DAP 2/2003, DCP 57/2005, MIA 3/2008, MIR 4/2008, QFR 3/2006, RCC 8/2009,
- ▶ DCP Re 2/2009, Thai Institute of Directors Association (IOD)

PRESENT POSITIONS :

- ▶ Public Company None
- ▶ Other Companies
 - ▶ Director, Vasupak Associates Co., Ltd.

PREVIOUS POSITIONS :

- ▶ Director, Union Textile Industries Co.,Ltd .
- ▶ Director, Union Thread Industries Co.,Ltd

% HEMARAJ STOCK HELD

AS OF 31/12/2014 : 0.00%



MR.SAWASDI HORRURGRUANG

Director 29 April 2013
Chairman of the Executive Committee
Dec. 2013
Chairman of Risk Management
Committee 28 Feb. 2013

Age : 74 Years

EDUCATION / IOD TRAINING :

- ▶ An Honorary Doctorate Degree (Business Administration) : Faculty of Humanities and Social Science (Burapha University)
- ▶ An Honorary Degree : Faculty of Engineering (Rajamangala University of Technology Thanyaburi)
- ▶ DAP 35/2005

PRESENT POSITIONS :

- ▶ Subsidiary Companies
 - ▶ Chairman & Director in 16 Subsidiary Companies of Non-Listed SET Companies
- ▶ Public Company None
- ▶ Other Companies
 - ▶ Director, CA-Post (Thailand) Co.,Ltd

PREVIOUS POSITIONS :

- ▶ Chairman, Hemaraj Land and Development Plc. (from 1988 to 2008)
- ▶ Chairman, N.T.S. Steel Group Plc.
- ▶ Chairman, Nakornthai Strip Mill Plc.
- ▶ Chairman, Millennium Steel Plc.
- ▶ Chairman of Ececutive Committee, Sun Tech Group Plc.
- ▶ Chairman, Sriracha Harbour Plc.
- ▶ Chairman, NCC Management & Development Co.,Ltd
- ▶ Chairman, CA Post (Thailand) Co.,Ltd
- ▶ Chairman, Glow Hemaraj Energy Co.,Ltd
- ▶ Chairman, Gheco-One Co.,Ltd
- ▶ Director, Bangkok Expressway Plc.
- ▶ President, Thai Industrial Estate Association
- ▶ President, The Association of Thailand Steel Industries
- ▶ The Member, The Trade Association of Condominium
- ▶ The Board, Iron and Steel Institute of Thailand
- ▶ Advisor, Deputy Minister of Transport and Communication
- ▶ Advisor, Minister of Agriculture and Cooperatives
- ▶ Advisor, Minister of Foreign Affairs
- ▶ Advisor, Minister of Interior
- ▶ Advisor, Minister of Foreign Affairs

% HEMARAJ STOCK HELD

AS OF 31/12/2014 : 0.67%



**MR. THONGCHAI
SRISOMBURANANONT**

Director 27 April 2006
Vice Chairman of the Executive Committee Dec. 2013
Member of Nomination Committee 27 Feb. 2007
Member of Risk Management Committee 28 Feb. 2013

Age : 62 Years

EDUCATION / IOD TRAINING :

- ▶ Junior High School, Rojseri-Anusorn School
- ▶ DAP 77/2009, Thai Institute of Directors Association (IOD)

PRESENT POSITIONS :

- ▶ Subsidiary Companies
 - ▶ Director in 17 Subsidiary Companies of Non-Listed SET Companies
- ▶ Public Company None
- ▶ Other Companies
 - ▶ Director, Live Smart Co., Ltd.
 - ▶ Director, Ruamruedee Capital Co.,Ltd

PREVIOUS POSITIONS :

- ▶ Director, Pan Sanitary Co.,Ltd.
- ▶ Director, Private Business

% HEMARAJ STOCK HELD

AS OF 31/12/2014 : 0.02%



MR. THAVORN ANANKUSRI

Director 29 April 2011
Executive Director 29 April 2011
Member of Risk Management Committee 28 Feb. 2013

Age : 73 Years

EDUCATION :

- ▶ Primary School, Wattanasuksa School

PRESENT POSITIONS :

- ▶ Consultant Private Sector
- ▶ Subsidiary Companies
 - ▶ Director in 15 Subsidiary Companies of Non-Listed SET Companies, Million Island Pattaya Co.,Ltd
- ▶ Public Company None
- ▶ Other Companies None

% HEMARAJ STOCK HELD

AS OF 31/12/2014 : 0.002%



MR. DAVID RICHARD NARDONE

Director 27 April 1994
Executive Director
Managing Director and President 7 May 1998
Member of Risk Management Committee 28 Feb. 2013

Age : 59 Years

EDUCATION / IOD TRAINING :

- ▶ MBA, Northeastern University, Boston, USA
- ▶ DCP 57/2005, Thai Institute of Directors Association (IOD)

PRESENT POSITIONS :

- ▶ Subsidiary Companies
 - ▶ Chairman & Director in 19 Subsidiary Companies of Non-Listed SET Companies
- ▶ Associated Companies
 - ▶ Vice Chairman, GHECO-One Co., Ltd.
 - ▶ Director, Houay Ho Thai Co., Ltd.
 - ▶ Director, Houay Ho Power Co., Ltd.
 - ▶ Director, Glow Hemaraj Wind Co., Ltd.
 - ▶ Director, Gulf JP NLL Co.,Ltd.
 - ▶ Director, Gulf Solar Co.,Ltd.
- ▶ Public Company None
- ▶ Other companies None

% HEMARAJ STOCK HELD

AS OF 31/12/2014 : 0.28%


MR. VIVAT JIRATIKARNSAKUL

Director 27 April 1994

Age : 59 Years

EDUCATION / IOD TRAINING :

- ▶ Bachelor of Sanitary, Faculty of Engineering, Chulalongkorn University
- ▶ DAP 2/2003 and DCP 38/2003, Thai Institute of Directors Association (IOD)
- ▶ IOD Luncheon briefing 1/2013 : Thailand Economic Outlook 2013

PRESENT POSITIONS :

- ▶ Subsidiary Companies
 - ▶ Director in 2 Subsidiary Companies of Non-Listed SET Companies
- ▶ Associated Companies
 - ▶ Director, GHECO-One Co., Ltd.
 - ▶ Director, Houay Ho Power Co., Ltd.
- ▶ Public Company None
- ▶ Other Companies None

% HEMARAJ STOCK HELD
AS OF 31/12/2014 : 0.09%

MR. PETER JOHN EDMONDSON

 Independent Director 15 Nov. 1999
 Member of the Audit Committee
 15 Nov. 1999

Age : 65 Years

EDUCATION :

- ▶ Bachelor of Science in Chemistry (Honor), University of Sheffield, England
- ▶ DCP 95/2012, Thai Institute of Directors Association (IOD)

PRESENT POSITIONS :

- ▶ Investor Consultant Private Sector
- ▶ Public Company None
- ▶ Other Companies None

PREVIOUS POSITIONS :

- ▶ Manager, West Merchant Bank Singapore
- ▶ Director, Standard Charter Merchant Bank Singapore
- ▶ Senior Manager, The Arab Investment Company, Riyadh and Bahrain
- ▶ Manager, Williams & Glyn's Bank

% HEMARAJ STOCK HELD
AS OF 31/12/2014 : 0.03%

MRS. PUNNEE WORAWUTHICHONGSATHIT

 Independent Director 2 Nov. 2000
 Member of the Audit Committee 3 Nov. 2000
 Member of the Corporate Governance Committee 27 Feb. 2007
 Member of the Nomination Committee 28 Feb. 2013

Age : 63 Years

EDUCATION / IOD TRAINING:

- ▶ Master in Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University
- ▶ ACP 2/2004, DAP 2/2003, DCP 38/2003, MFM 1/2009, MFR 5/2007, MIA 1/2007, MIR 2/2008, QFR 1/2006,
- ▶ RCC 7/2008, DCP Re 2/2009, Thai Institute of Directors Association (IOD)
- ▶ CPA Certificate, Thailand
- ▶ CIA Certificate, The Institute of Internal Auditors of USA
- ▶ CPIA, QIA Certificates, The Institute of Internal Auditors of Thailand
- ▶ Chartered Director

PRESENT POSITIONS :

- ▶ Public Company
 - ▶ Independent Director/Member of the Audit Committee, The Brooker Group PCL.
 - ▶ Independent Director/Member of the Audit Committee, Thai Wacoal Public Co.,Ltd
- ▶ Other Companies
 - ▶ Independent Director/Member of the Audit Committee, Monotechnology Co.,Ltd
 - ▶ Director, Boon-Korn Co.,Ltd
 - ▶ Director - Tax Accounting, Federation of Accounting Professions, under The Royal Patronage of His Majesty the King
 - ▶ Director - Tax Department Board of Trade of Thailand

PREVIOUS POSITIONS :

- ▶ Independent Director/Member of the Audit Committee, GM Multimedia Public Co.,Ltd

% HEMARAJ STOCK HELD
AS OF 31/12/2014 : 0.00%



MS. PATTAMA HORRUNGRUANG

Director 1 January 2003
 Executive Director 1 Jan. 2003
 Senior Vice President and Chief
 Financial Officer 1 Jan. 2003
 Member of the Corporate Governance
 Committee 27 Feb. 2007
 Member of the Risk Management
 Committee 28 Feb. 2013

Age : 53 Years

EDUCATION / IOD TRAINING :

- ▶ MBA, Thammasat University
- ▶ DAP 1/2003, DCP 55/2005, RCC 9/2009,
Thai Institute of Directors Association (IOD)
- ▶ IOD Luncheon briefing 1/2013 : Thailand
Economic Outlook 2013

PRESENT POSITIONS :

- ▶ Subsidiary Companies
 - ▶ Director in 17 Subsidiary Companies of
Non-Listed SET Companies
- ▶ Associated Companies
 - ▶ Director, GHECO-One Co., Ltd.
 - ▶ Director, Houay Ho Thai Co., Ltd.
 - ▶ Director, Glow Hemaraj Wind Co., Ltd.
 - ▶ Director, Gulf JP NLL Co.,Ltd.
 - ▶ Director, Gulf Solar Co.,Ltd
 - ▶ Director, Gulf Solar BV Co.,Ltd
 - ▶ Director, Gulf Solar TS1 Co.,Ltd
 - ▶ Director, Gulf Solar TS2 Co.,Ltd
 - ▶ Director, Gulf Solar KKS Co.,Ltd
- ▶ Public Company None
- ▶ Other Companies
 - ▶ Director, CA-Post (Thailand) Co.,Ltd

% HEMARAJ STOCK HELD

AS OF 31/12/2014 : 0.00%



MR. SOMPHONG WANAPHA

Independent Director 29 April 2008
 Chairman of the Corporate
 Governance Committee 27 Feb. 2007

Age : 71 Years

EDUCATION / IOD TRAINING :

- ▶ MBA, Finance, Michigan State University,
USA (Royal Thai Government Scholarship)
- ▶ ACP 13/2006, DCP 62/2005, MFM 1/2009,
MFR 9/2009, MIA 5/2009, MIR 6/2009, RCP
17/2007,
- ▶ DCP Re 2/2009, Thai Institute of Directors
Association (IOD)
- ▶ IOD Luncheon briefing 1/2013 : Thailand
Economic Outlook 2013

PRESENT POSITIONS :

- ▶ Public Company
 - ▶ Chairman of the Audit committee, Prasit
Patana PCL.
 - ▶ Chairman of the Audit committee,
Thaisecom Pitakkij Co.,Ltd
- ▶ Other Companies
 - ▶ Chairman, Erawan Textile Co.,Ltd
 - ▶ Chairman of the Audit committee, SECOM
Co.,Ltd

PREVIOUS POSITION :

- ▶ Chairman of the Audit committee,
Government Savings Bank
- ▶ Chairman, Executive Board on M.B.A.
Program, Thammasat University
- ▶ Chairman, Public Warehouse Organization,
Ministry of Commerce
- ▶ Director, State Enterprise Performance
agreement Evaluation Committee, Ministry
of Finance
- ▶ Director, Sahapatana Interholding PCL.
- ▶ Secretary General, Thailand Board of
Investment

% HEMARAJ STOCK HELD

AS OF 31/12/2014 : 0.00%



MR. VIKIT HORRUNGRUANG

Director 6 June 2008

Age : 43 Years

EDUCATION / IOD TRAINING :

- ▶ MBA, Finance, Northeastern University, USA
- ▶ DCP 64/2005, DCP Re 2/2009, Thai Institute
of Directors Association (IOD)

PRESENT POSITIONS :

- ▶ Public Company None
- ▶ Other Companies
 - ▶ Managing Director, Sriracha Harbour PCL.
 - ▶ Deputy Managing Director, T.C.Exhibition
Co.,Ltd.
 - ▶ Director, Suntec Metal Co.,Ltd.
 - ▶ Director, Flaming Property Co.,Ltd.
 - ▶ Director, Eastern Enterprise Co.,Ltd.
 - ▶ Director, CA-Post (Thailand) Co.,Ltd

PREVIOUS POSITION :

- ▶ Director, Phromnares Co.,Ltd.
- ▶ Executive Vice President, Neo Step Co.,Ltd.

% HEMARAJ STOCK HELD

AS OF 31/12/2014 : 1.12%

MANAGEMENT



- 1. MR. DAVID RICHARD NARDONE** Age 59
EDUCATION MBA, Northeastern University, Boston, USA
POSITION AT HEMARAJ Director / Executive Director / President / Chief Executive Officer
YEAR JOINED HEMARAJ 1993
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.28%
- 2. MS. PATTAMA HORRUNGRUANG** Age 53
EDUCATION MBA, Thammasat University
POSITION AT HEMARAJ Director / Executive Director / Senior Vice President / Chief Financial Officer
YEAR JOINED HEMARAJ 2003
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 3. MR. TANIN SUBBOONRUENG** Age 51
EDUCATION MBA, Business Administration, Assumption University
POSITION AT HEMARAJ Vice President - Industrial Estate Operations
YEAR JOINED HEMARAJ 1996
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 4. MR. PREEPREM MALASITT** Age 62
EDUCATION MBA, Northern Illinois University, USA
POSITION AT HEMARAJ Director - IE Training Center and New Projects
YEAR JOINED HEMARAJ 2007
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 5. MR. SIRISAK KIJRAKSA** Age 54
EDUCATION Bachelor of Accounting, Bangkok University
POSITION AT HEMARAJ Director - Accounting and Legal, Company Secretary
YEAR JOINED HEMARAJ 1990
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 6. MS. LADDA ROJANAVILAIVUDH** Age 48
EDUCATION MBA, Bangkok University and MA, Nara Women University, Nara, Japan
POSITION AT HEMARAJ Director - Industrial Customer Development
YEAR JOINED HEMARAJ 2001
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 7. MS. ANCHALEE PARSERTCHAND** Age 45
EDUCATION MBA, Assumption University and MA, Japanese, Keio University, Tokyo, Japan
POSITION AT HEMARAJ Director - Industrial Customer Development
YEAR JOINED HEMARAJ 2001
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 8. MS. SOMJAI WACHIRAHA** Age 54
EDUCATION Bachelor of Business Administration, General Affairs, Ramkhamhaeng University
POSITION AT HEMARAJ Director - Finance
YEAR JOINED HEMARAJ 1990
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%

- 9. MS. SIYAPHAS CHANTACHAIROJ** Age 45
EDUCATION MBA, Economic & Administration, Chulalongkorn University
POSITION AT HEMARAJ Director - Corporate Marketing & Residential Customer Development
YEAR JOINED HEMARAJ 1993
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 10. MR. APICHAH TRONGSUKSON** Age 49
EDUCATION MBA, Nida University and MS (Computer), Mahidol University
POSITION AT HEMARAJ Assistant Director - Information System & Services
YEAR JOINED HEMARAJ 1994
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 11. MR. PAOPITAYA SMUTRAKALIN** Age 44
EDUCATION MS, Finance, Drexel University, Philadelphia, USA
POSITION AT HEMARAJ Director - Corporate Planning & Investor Relations
YEAR JOINED HEMARAJ 1996
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 12. MR. NIPHONE HARNPATANAPANICH** Age 58
EDUCATION MBA, Chulalongkorn University
POSITION AT HEMARAJ Director - Residential Project Planning
YEAR JOINED HEMARAJ 2003
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 13. MS. PRATTANA KIJJANON** Age 51
EDUCATION MBA, Thammasat University
POSITION AT HEMARAJ Director - Procurement
YEAR JOINED HEMARAJ 2008
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 14. MR. RAKPHOL KANGNOY** Age 39
EDUCATION Bachelor of Science Environmental Engineering, Burapha University
POSITION AT HEMARAJ Director - Industrial Estate Operations
YEAR JOINED HEMARAJ 2008
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 15. MR. SUWAT THITATHANAKIT** Age 44
EDUCATION MBA, Thammasat University
POSITION AT HEMARAJ Director - Industrial Estate Development
YEAR JOINED HEMARAJ 2003
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%
- 16. MR. BORDIN HARNVANICH** Age 43
EDUCATION MBA, Chulalongkorn University
POSITION AT HEMARAJ Director - Industrial Factories and Logistics Parks Development
YEAR JOINED HEMARAJ 2003
HEMARAJ STOCK HELD AS OF 31/12/2014 : 0.00%

THE COMPANY'S BUSINESS PROFILE



Hemaraj Land And Development Public Company Limited ("Hemaraj") has continued to be Thailand's leading developer of Industrial Estates, Utilities, and Property Customer Solutions since 1988. The "Detroit of the East" Automotive Cluster in the Eastern Seaboard and Hemaraj Eastern Seaboard is the most significant automotive cluster in Thailand where Ford, Mazda, General Motors, Suzuki, Auto Alliance (a joint venture between Ford and Mazda), SAIC/CP-MG and over 224 automotive manufacturers from all over the world have selected Hemaraj's Industrial Estates as their strategic locations for their investment in Thailand. Situated at the prime location to the National Petrochemical Complex, Map Ta Phut Deep Sea Port in Rayong and Laem Chabang Deep Sea Port in Chonburi, Hemaraj's Industrial Estates have become clusters for Petrochemical and other Industrial as well for over 20 years.

Apart from industrial estate land, utility services, rental factories and logistics warehouses, Hemaraj also provided other services such as logistics system and supply chain management in all 7 industrial estates and industrial land which located mostly at the Eastern Seaboard area of Thailand. In addition, Hemaraj also focused on environmental management by setting up policies and plans to ensure high standard of environmental management. The achievement can be seen from the setting up of E:MC^2 (Environmental Monitoring and Control Awards) and from ISO 14001:2004, ISO 9001:2008 and EIA Monitoring Awards that Hemaraj received. In 2010, Hemaraj was chosen as the model for Eco Industrial Estate from IEAT. Hemaraj is aware of the importance of good corporate governance, thus, has adopted the Good Corporate Governance as practical guidelines and tries to continuously improve those perfect practices as reflected by achieving the 5 logos "Excellent" and 4 logos "Very Good" corporate governance recognition rating from Thai Institute of Directors (IOD) the last 6 years consecutively from 2009 to 2014.

INDUSTRIAL ESTATES

Hemaraj has developed and managed 5 Industrial Estates, 2 Industrial Lands with a combined land area of 44,988 rai (17,995 acres) and under development of 850,000 square meters of Ready Built Factories and Logistics parks. Hemaraj has 646 distinct customers from 975 contracts including 224 automotive customers with 342 automotive contracts with the total investment estimate more than US\$ 26 billion and over 120,000 employees.

1. Hemaraj Eastern Seaboard Industrial Estate (Hemaraj-ESIE)
2. Eastern Seaboard Industrial Estate (ESIE)
3. Hemaraj Eastern Industrial Estate (Hemaraj EIE)
4. Hemaraj Chonburi Industrial Estate (Hemaraj CIE)
5. Hemaraj Chonburi Industrial Estate 2 (Hemaraj CIE 2)
6. Hemaraj Rayong Industrial Land (Hemaraj RIL)
7. Hemaraj Saraburi Industrial Land (Hemaraj SIL)

LOCATION		BOI ZONES	TOTAL AREA (RAI)	KEY ESTATE SPECIALIZATION
H-ESIE	Pluak Daeng District, Rayong	II, III, Free Zone	8,112	Auto Manufacturing, Auto Parts
ESIE	Pluak Daeng District, Rayong	III, Free Zone	9,726	Auto Manufacturing, Auto Parts
HEIE	Map Ta Phut District, Rayong	III	3,546	Chemical, Petrochemical, Steel, Cogeneration Power
HCIE	Sriracha District, Chonburi	II, Free Zone	3,901	Electronics, Steel, Power
HCIE II	Sriracha District, Chonburi	II, Free Zone	632	Auto Manufacturing, Auto Parts
HRIL	Ban Khai District, Rayong	III	3,438	Light Chemical, Consumer, Building Material
HSIL	Nong Khae District, Saraburi	II	3,619	Building Material, Electronics, Cogeneration Power

UTILITIES

Industrial Estate: the largest private supplier of clarified and treated potable water to industrial users with the current capacity of 245,000 cubic meters per day and 131,000 cubic meters per day for waste water treatment. Hemaraj provides dependable utility solutions to industrial customers and manages the industrial estate property and private utilities to allow customers to optimize their efforts in manufacturing. Hemaraj has received EIA Monitoring Awards in 2011 for Hemaraj CIE and ESIE from the Ministry of Natural Resources and Environment and all Hemaraj's industrial estates are ISO 14001:2004, ISO9001:2008 certified.



WATER :

► **Hemaraj Water Company Limited** : a 100% indirect subsidiary company to develop and manage Water Resources and to provide treated water to industrial factories.

► **Hemaraj Clean Water Company Limited** : a 100% subsidiary company to produce and distribute the industrial water to supply the industrial factories in the Industrial Estates.

OTHER UTILITIES AND SERVICES :

Utilities and Industrial Services assist the customers in benefiting from the shared resources and utility expertise of Hemaraj and its global partners. These capabilities extend beyond Hemaraj's industrial estates and leverage technical resources.

► **Eastern Pipeline Services Company Limited** : a 100% subsidiary company to provide piping distribution for Chemical, Steam and Industrial Gas for Heavy Industrial Users with a total investment of Baht 300 million.

► **H-Construction Management and Engineering Company Limited** : a 100% subsidiary company to provide design, construction supervision, project and construction management services.

POWER :



► **GHECO-One Company Limited**, a 35/65 Joint Venture in a 660 MW IPP with Glow Energy to supply power to Electricity Generating Authority of Thailand (EGAT). The Gheco-One Project has started its commercial operation since 19 August 2012.

► **Hemaraj holds 5% equity in Glow IPP**, the 713 MW IPP Power Project locating in Hemaraj Chonburi Industrial Estate in operation since 2001.

► **Hemaraj holds 12.75% indirectly in Hydro Power Plant Project, Houay Ho Power** in Laos People's Democratic Republic through the holding of shares in Houay Ho Thai Company Limited, a Joint Venture between Hemaraj and Glow group. Houay Ho Power is a company operating a 152 megawatt Hydro Power Plant business in Laos People's Democratic Republic under a 30 years concession from the Laos Government.

► **Hemaraj Energy Company Limited (Hemaraj Energy)**, a subsidiary of Hemaraj Land And Development Public Company Limited signed an agreement with Gulf JP Company Limited to jointly invest in Gulf JP NLL Company Limited (GNLL). With a total investment of 5.5 billion baht, GNLL developed 126 megawatt SPP Project to supply power to the Electricity Generating Authority of Thailand (EGAT) and industrial estates customers. Under the joint venture agreement, Hemaraj Energy holds 25.01 percent share in GNLL and the project has its commercial operation since 1 May 2013.

► **Hemaraj Energy Company Limited ("Hemaraj Energy")**, a subsidiary of Hemaraj invested in Gulf Solar Company Limited ("Gulf Solar") with Gulf Energy Development Company Limited, a company in Gulf group, a major power developer in Thailand, for the launch of six solar rooftop projects. Hemaraj Energy holds 25.01 percent share in Gulf Solar from September 2014.

The total capacity of the projects by Gulf Solar will reach 598.25 kilowatt at Hemaraj Chonburi Industrial Estate (Hemaraj CIE) and Hemaraj Industrial Estate Group. The electricity produced will be sold to the Provincial Electricity Authority (PEA).

PROPERTY

READY BUILT FACTORIES FOR RENT :

Hemaraj designs and develops turnkey RBF factories, with clear span layout, no column in the middle, and expandable options sizing from 450 square meters to 10,000 square meters for rent located in both General Industrial Zone and Duty Free Zone in multiple industrial estates/zones of Hemaraj. Ready Built Factories provides customers flexibility on investment and financing as well as a growth path to larger buildings or developed land as their business expands. Hemaraj also manages the utility and fit-out requirements to fit customers' needs. Hemaraj has built 345 units with over 688,296 square meters to date in its multiple industrial estate locations.



LOGISTICS PARK FOR RENT :

Hemaraj Logistics Park is comprising high quality logistics distribution warehouse buildings. With the growing demand for logistic services and storage which has become more specific and sophisticated, Hemaraj sees a great potential in the development of logistics parks to serve all aspects of customers' requirements. Located in strategically location, Hemaraj Logistics Park develops the top quality international standard ready-built logistics warehouses with various sizes from 1,500 to 12,000 square meters. Now are available in 4 selected locations with over 180,000 square meters being developed. Besides, the customers will experience Hemaraj's world class utilities, facilities, and after-rent services.

SELECTIVE PROPERTY :

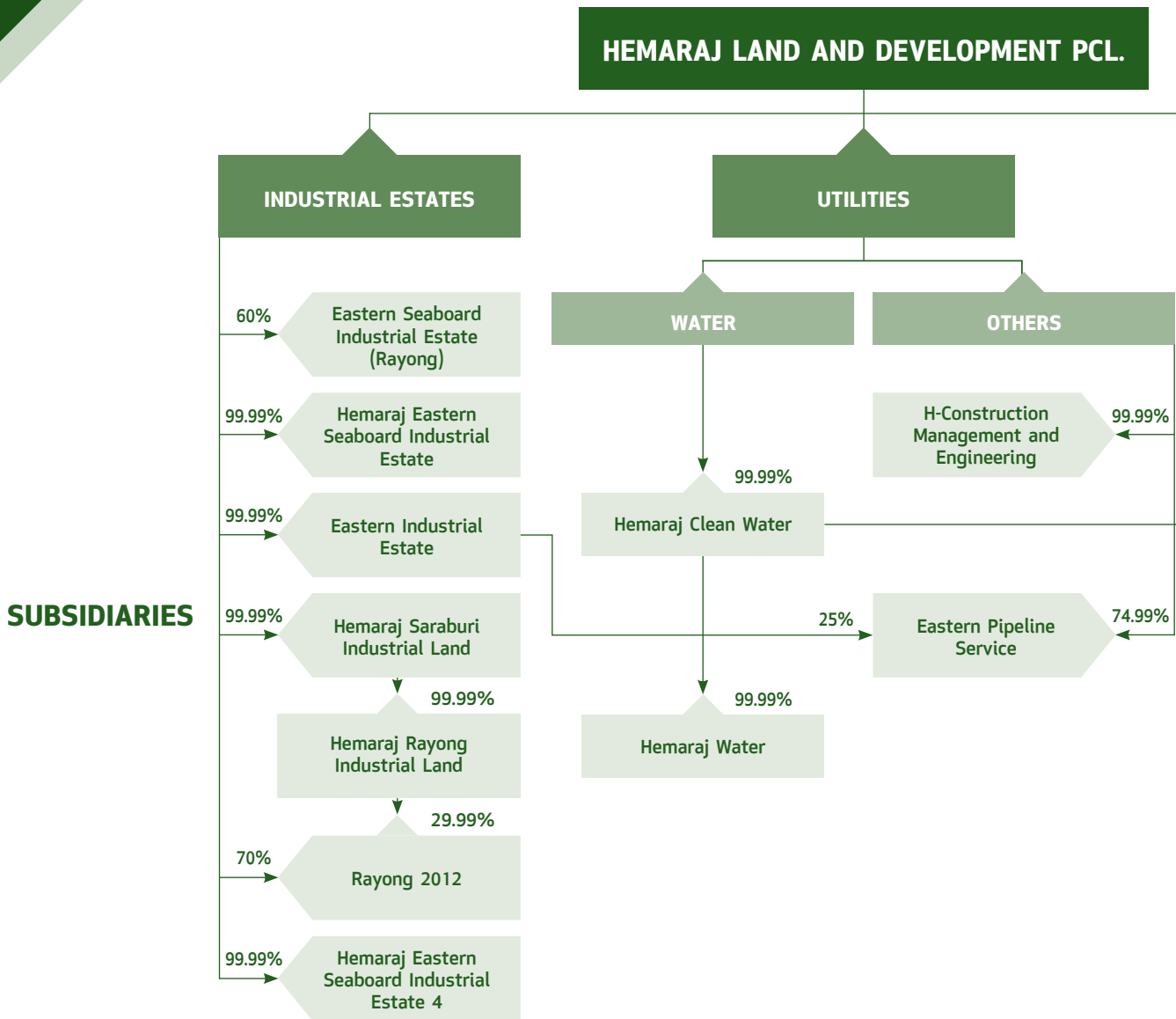
► **H-Phoenix Property Company Limited** : a 100% subsidiary company for commercial property lease or sale and management with a registered capital and paid-up of Baht 480 million. H-Phoenix has acquired the majority ownership of office units in UM Tower and additional adjacent freehold land areas of 2 rai 3 ngan 55.2 square wah (1,155.2 square wah or 4,620.8 square meters). UM Tower is a 31-storey juristic office building, set on two rai of land with a total net lettable or salable area of 35,500 square meters. The building is located at 9 Ramkhamhaeng Road, which is close to the expressway, airport, linking the Eastern Seaboard, and downtown as well as next to the Airport Express Station which started operating in 2010. The adjacent land will provide Hemaraj with future property development opportunities.



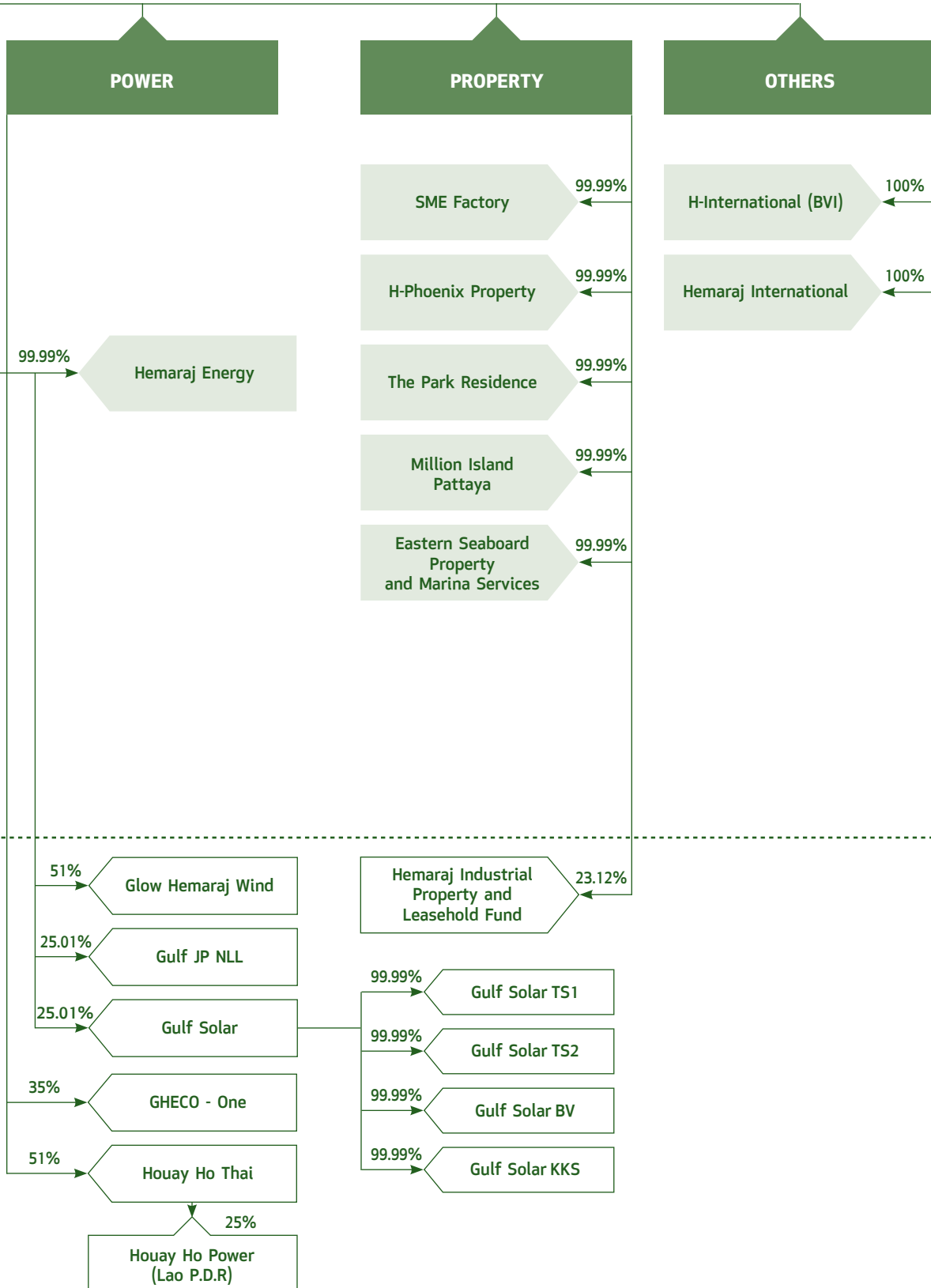
► **“The Park Chidlom”**, an exclusive Bangkok luxury high-rise condominium residence under the lifestyle concept of “a symphony in living’ with the highest international standards in the most convenient Bangkok city location. The Park Chidlom, set on five and one half rai, has two residential towers: the 35-storey Somkid Tower and the 28-storey Chidlom Tower, with a total of 218 units comprising 87,000 gross square meters and 53,000 net square meters. In 2008, The Park Chidlom won the Best High Rise Development Thailand-Five Star Award of the prestigious CNBC Asia Pacific Property Awards 2008 held in Singapore.

► **“Integrated Real Estate at Koh Lan Pattaya”** Hemaraj set up Million Island Pattaya to acquire the land at Koh Lan Pattaya Thailand 253 Rai (404,800 square meters). The project integrates clustered themed retail dining entertainment and leisure activities within beach resort hotels and condominiums. The development will be attractive to both Thai and foreign residents and Pattaya’s growing accessibility with 10 million tourists already.

BUSINESS STRUCTURE



ASSOCIATES



MAJOR/SIGNIFICANT EVENTS IN 2014



OVERALL BUSINESS OPERATION

Hemaraj Land And Development Public Company Limited announced an impressive overall business performance for 2014 with the Industrial Estate Sales of 665 rai (266 acres or 106 hectares) with 42 contracts, 31 new customers and 11 project expansions from existing customers, with accelerated investment from overseas and expansion of sites in Thailand. Total industrial customers stand at 646 distinct new customers with 975 contracts. This includes 224 automotive customers with 342 automotive contracts.

Ready Built Factories in Year 2014 net increased 8,522 square meters or a 2% increase from the Year 2013 cumulative balance excluding 2,412 square meters pre-leased. Hemaraj Logistics Park for rent new of 82,435 square meters. Industrial Estate Utilities Volume Demand increased by 14% from the prior year.

The 2014 investment policy of Hemaraj continues to focus on core business areas - industrial estate, utilities, power, and properties. With Thailand's economic outlook improving, and the continued relocation and consolidation of automotive investment, the company expects its business to grow in all areas.

HEMARAJ ISSUED BAHT 2,500 MILLION BONDS

On 23 April 2014, Hemaraj Land And Development Public Company Limited has issued 10-year Bonds at 5.75% interest rate with Asia Plus as the underwriter of Hemaraj debentures worth a total of Baht 2,500 million.

HEMARAJ SET UP NEW SUBSIDIARY COMPANY

On 30 April 2014, Hemaraj Land and Development Public Company Limited has set up Hemaraj Eastern Seaboard Industrial Estate 4 Company Limited a new subsidiary company in order to be development of industrial property.

HEMARAJ JOIN THE INVESTMENT IN SHARE OF GULF SOLAR FOR SOLAR ROOFTOP PROJECTS

On 23 September 2014, Hemaraj Energy Company Limited ("Hemaraj Energy"), a subsidiary of Hemaraj, and Gulf Energy Development Company Limited, a company in Gulf group, a major power developer in Thailand, invested in six solar rooftop projects. Hemaraj Energy holds 25.01 percent share in Gulf Solar in September.

The total capacity of the projects by Gulf Solar will reach 598.25 kilowatt at Hemaraj Chonburi Industrial Estate (Hemaraj CIE) and Hemaraj Industrial Estate Group. The electricity produced will be sold to the Provincial Electricity Authority (PEA).

TRIS RATING UPGRADES COMPANY RATING AT “A” AND REVISED OUTLOOK TO “DEVELOPING”

On 19 November 2014, TRIS Rating upgrades the company and the senior unsecured debenture ratings of Hemaraj Land and Development PLC (HEMRAJ) to “A” from “A-”. The upgrade is due to a fundamental shift of HEMRAJ’s earning structure towards predictable cash flows from utility and power businesses. The recurring income from the utility services, rental income, and dividends now comprise more than 50% of HEMRAJ’s earnings. At the same time, TRIS Rating revises the rating outlook of HEMRAJ to “developing”. The “developing” outlook reflects the uncertainty surrounding a potential change in HEMRAJ’s major shareholders after WHA Corporation PLC (WHA) announces its plan to acquire majority shares of HEMRAJ.

HEMARAJ PURCHASING OF ADDITIONAL SHARES IN MILLION ISLAND PATTAYA COMPANY LIMITED

On 23 December 2014, Hemaraj has purchased the additional shares from the other shareholders 6% of total MIP’s shares or equivalent to 10,500,000 shares as par value. Hemaraj has now after purchase held 174,999,997 shares or 99.99% of all MIP’s shares.

HEMARAJ RECEIVED “VERY GOOD” FROM THAI INSTITUTE OF DIRECTORS AND “EXCELLENT” FROM THAI INVESTORS ASSOCIATION

Hemaraj receives the ‘Very Good’ corporate governance recognition level in the Corporate Governance Report of Thai listed Companies in 2014 (CGR) from Thai Institute of Directors. Hemaraj achieves the ‘Excellent’ recognition level in Assessment Program of Listed Companies by Thai Investors Association from AGM 2014. Hemaraj received the “Excellent” and “Very Good” corporate governance recognition level for the last 6 years from 2009-2014

MAJOR CUSTOMER DEVELOPMENT IN 2014



SEKISUI CHEMICAL PURCHASES MORE LAND AT HEMARAJ EIE

Sekisui Chemical Co., Ltd. - a Japan-based leading manufacturer of high-performance materials used in automotive, medical, construction for housing and IT sectors - recently closed the deal to purchase an additional 12 rai of land in Hemaraj Eastern Industrial Estate (Map Ta Phut). This latest purchase builds upon Sekisui’s previous acquisition of a 16-rai plot in the same industrial estate and further augments the company’s capability to satisfy client demands and expand its global customer base



THAI ESCORP SECURES LAND IN HEMARAJ CIE

Thai Escorp Ltd., a local affiliate of Shinsho Corporation under Kobe Steel Group, recently signed a purchasing contract to secure a plot of land in Hemaraj Chonburi Industrial Estate. The land will be developed, as a new facility that supplies non-ferrous metals, products based on steel, welding materials, and various products - all tailored to meet the specific needs of each customer.



QUALITY REPORT TO EXPAND WITH FACTORY LEASING DEAL AT HEMARAJ'S INDUSTRIAL ESTATE

Quality Report, widely recognized for calibration, measurement and testing equipment services for the automotive industry, has signed a contract to lease a ready-built factory at the Eastern Seaboard Industrial Estate (Rayong), developed by Hemaraj Land And Development Plc. Specializing in testing and measuring equipment, Quality Report is the exclusive distributor of Olympus microscopes in Thailand. The new plant will enhance Quality Report's capacity services to satisfy the demand of its customers.



SANYO ENGINEERING LEASES FACTORY IN ESIE

Sanyo Engineering Co., Ltd, manufacturer and supplier of high-quality pressed parts using new technology for the automotive industry, recently signed a lease contract for a ready-built factory in Eastern Seaboard Industrial Estate (Rayong), developed by Hemaraj Land And Development Plc. The new facility will use the latest in engineering technology to accelerate the company's production capacity and satisfy the growing demands of customers.



SHIN GI KEN LEASES FACTORY IN HEMARAJ SIL

Shin Gi Ken Co., Ltd., a camera aluminium parts manufacturer and supplier, recently signed a contract to lease a ready-built-factory in Hemaraj Saraburi Industrial Land developed by Hemaraj Land And Development Plc. The manufacturing facilities will serve as Shin Gi Ken's production base in Thailand.



ASAHI SEIKEI (THAILAND) FINALIZES READY BUILT FACTORY LEASE AT HEMARAJ SIL

Asahi Seikei (Thailand) Co., Ltd., specializing in producing rubber mold, recently signed a deal with Hemaraj Land And Development Plc. for a ready built factory located at Hemaraj Saraburi Industrial Land. The new factory will serve as a key element in Asahi Seikei's business expansion in Thailand.



SIAM METAL RECYCLE CO., LTD. CLOSSES HEMARAJ CIE LAND DEAL

Siam Metal Recycle Co., Ltd., recently signed a contract to secure a plot of land at Hemaraj Chonburi Industrial Estate (Hemaraj CIE), which will be the site of Thailand's first steel-dust recycling facility. Utilizing the latest technology, the plant will have the capacity to recycle between 8,000-12,000 tons of zinc oxide and iron silicate per year, during the first phase of its operations



HISAKA WORKS (THAILAND) SIGNS RBF LEASE AGREEMENT AT ESIE

Hisaka Works (Thailand) Co., Ltd., a world-leading producer and supplier of plate heat exchangers, used in a wide range of industries such as food & beverages, chemical, automobile, metal, oil refinery, and pharmaceuticals, recently signed a lease agreement for a ready-built factory at Eastern Seaboard Industrial Estate (Rayong), developed by Hemaraj Land And Development Plc. The comprehensive utilities and infrastructure of the new factory will ensure the efficient production and distribution of the company's products



TRELLEBORG VIBRACOUSTIC EXPANDS GLOBAL PRESENCE WITH NEW PRODUCTION SITE AT HEMARAJ ESIE

TrelleborgVibracoustic GmbH, the leading provider of anti-vibration solutions for the international automotive market, signed the lease for a ready-built factory in Hemaraj Eastern Seaboard Industrial Estate (Rayong), developed by Hemaraj Land And Development Plc. Scheduled for completion in the second quarter of 2015, the new plant will produce chassis components, engine mounts, and dampers to serve its customers in the region.



J-T TOOLING SIGNS HEMARAJ FACTORY LEASING DEAL

J-T Tooling Co., Ltd, a joint venture between Fine Tec Co., Ltd., AAP Technic Parts Ltd. and Nawaphol Engineering and Supply Co., Ltd, has signed a lease for a ready-built factory at Eastern Seaboard Industrial Estate (Rayong) developed by Hemaraj Land And Development Plc. Once completed, the plant will enable J-T Tooling to satisfy the growing demand from its world-class customers in various industries.



S.O. TANK CLEANING TERMINAL ACQUIRES HEMARAJ CIE LAND

S.O. Tank Cleaning Terminal Co., Ltd., a highly-respected specialist in Iso tank logistics, recently signed a contract to purchase a plot of land at Hemaraj Chonburi Industrial Estate (Hemaraj CIE). This expansion will enable the company to offer innovative solutions and to deliver unsurpassed quality service to its customers.



JJ-MUNTONS (THAILAND) SIGNS LAND DEAL AT HEMARAJ CIE

JJ-Muntions (Thailand) Ltd, a joint venture between Muntions, UK and Jebsen & Jessen Ingredients, recently signed a purchase agreement for a 5 rai property at the Hemaraj Chonburi Industrial Estate (Hemaraj CIE). The company will build a state-of-the-art factory, representing a total investment of US\$17.5 million, to produce specialty malted food ingredients for the region's food and beverage industries. It is scheduled for completion by the end of 2015.



HEMARAJ CIE WELCOMES KONITZ ASIA CO LTD

Konitz Asia Co., Ltd, a subsidiary of Konitz Porzellan from Germany, recently signed a lease contract with Hemaraj Land And Development for a Ready Built Factory at Hemaraj Chonburi Industrial Estate (Hemaraj CIE). The new 3,000 square meter production facility will enable Konitz to develop and manufacture a wide assortment of eye-catching high-quality coffee & tea mugs and cups for the domestic and international markets. Konitz has established a strong name for itself for porcelain mugs of the highest quality, for the best prices, and delivered in the shortest amount of time.

2014 EXCELLENCE RECOGNITION TO COMMUNITIES

EDUCATION



HEMARAJ BRINGS ENGLISH TO SCHOOL CHILDREN THROUGH TEACHERS SCHOLARSHIP PROJECT

Hemaraj Land And Development Plc. recently granted scholarships program through the Wall Street English (WSE) program to five Thai primary school teachers from the Eastern Seaboard. This education project aims to improve the language skills of the teachers and to give them confidence to communicate clearly, so they can pass this on to their students. WSE graciously donated an additional scholarship to a sixth teacher. This project is part of the Adopt-a-School Program in collaboration with the American Chamber of Commerce (AMCHAM) and Hemaraj Land And Development Plc.



HEMARAJ DONATES FUNDS FROM CHARITY GOLF EVENT TO BAAN KHAO HIN SCHOOL

Hemaraj Land And Development Plc. recently contributed a cash donation of 258,500 baht to support canteen expansion and renovation works at Baan Khao Hin School in Chonburi province. The fund was raised through the annual Hemaraj Investor Club Charity Golf 2013 event, which saw Hemaraj match the total donations from participants.



HEMARAJ SUPPORTS EDUCATION THROUGH ADOPT-A-SCHOOL PROJECT

Hemaraj Land And Development Plc. recently presented a donation to fund salary payment for temporary teachers at Baan Khao Hin School in Chonburi province. The contribution, part of the Adopt-A-School: Teacher Fellowship Program, was presented in collaboration with AMCHAM Thailand Charitable Foundation and East Water Group with the goal of generating sustainable community development through educational support.



HEMARAJ AWARDS SCHOLARSHIPS FOR DESERVING YOUTH

Hemaraj Land And Development Plc., in collaboration with companies located in Hemaraj Saraburi Industrial Land (Hemaraj SIL), spearheaded a project to identify the most deserving students from 16 schools in the province. Twenty-eight scholarships were granted to students with outstanding academic records, while another 16 were awarded based on financial needs.



HEMARAJ 2014 ANNUAL CONTRIBUTION TO 53 SCHOOLS IN EASTERN SEABOARD AREA

Hemaraj Land And Development Plc, in cooperation with customers and alliances of its industrial estates, recently distributed school kits and sport equipment to over 14,500 students in 53 schools in Rayong and Chonburi provinces under its Annual School Contribution Program. The project is part of Hemaraj's social contribution activities, which have been continuously implemented for over 18th year.



HEMARAJ HOLDS ART CAMP FOR TEACHERS

Hemaraj Land And Development Plc. recently organized the Teaching Art at Hometown workshop for teachers from schools near Hemaraj's industrial estates in Rayong and Chonburi provinces. Over 30 teachers attended the 4-day event conducted by a team from Inspiresight Art and Culture Center to learn basic art concepts and techniques and to gain a better understanding of how art can enhance the creativity, confidence and emotional development of their students.



HEMARAJ ART CAMP ENHANCES CREATIVITY OF THAI YOUTH

Hemaraj Land And Development Plc. recently organized an Art Camp for primary students from 14 schools in the provinces of Rayong and Chonburi, to develop their interest in the arts and to encourage self-expression. Throughout the workshop, the children were taught basic art principles and were encouraged to use their creativity and imagination while drawing inspiration from their culture and history. The Art Camp provided a platform for artistic expression and skills development for underprivileged children.



HEMARAJ HOLDS 3-DAY ART CAMP FOR EASTERN SEABOARD STUDENTS

Hemaraj Land And Development Plc. recently held an Art Camp for 32 children from eight schools in Rayong and Chonburi. During the fun-filled weekend held in collaboration with teachers from the Inspire Sight Art & Culture Center, the young participants developed their imagination and creative expression through local culture and the natural environment. Led by Ms Siyaphas Chantachairoj, Director, Corporate Marketing & Residential Customer Development, Hemaraj Land And Development Plc., the group visited Hemaraj Eastern Seaboard Industrial Estate, the Khodtamtaram Temple and Nong Plalai Reservoir in Rayong, where they had the chance to practice their artistic skills.



HEMARAJ HOLDS 'TRAIN THE TRAINERS' WORKSHOP FOR ENGLISH TEACHERS IN RAYONG AND CHONBURI

Hemaraj Land And Development Plc., in cooperation with the AMCHAM Thailand Charitable Foundation, recently held a "Train the Trainers" workshop under the Adopt-A-School Program. An English camp for English teachers in Rayong and Chonburi provinces was held at the Eastern Seaboard Industrial Estate (Rayong). While the course focused on developing teachers' listening and speaking skills, the project's main objective was to raise the standard of education in these areas.



HEMARAJ BRINGS ENGLISH TO SCHOOL CHILDREN THROUGH TEACHERS SCHOLARSHIP PROJECT

Hemaraj Land And Development Plc. recently granted scholarships program through the Wall Street English (WSE) program to five Thai primary school teachers from the Eastern Seaboard. This education project aims to improve the language skills of the teachers and to give them confidence to communicate clearly, so they can pass this on to their students. WSE graciously donated an additional scholarship to a sixth teacher. This project is part of the Adopt-a-School Program in collaboration with the American Chamber of Commerce (AMCHAM) and Hemaraj Land And Development Plc.

COMMUNITY



HEMARAJ JOINS THAI ISPA IN CONVEYING BEST WISHES TO THE KING

Hemaraj Land And Development Plc executives, together with members of the Thai Industrial Estate and Strategic Partner Association (ISPA), recently visited Siriraj Hospital to wish His Majesty the King good health. The group expressed their gratitude to the King for his great contributions to the wellbeing of the Thai people.



HEMARAJ PROMOTES HEALTHY, ATHLETIC LIFESTYLE THROUGH SPORTS WITH CHONBURI FC SPONSORSHIP

Hemaraj Land And Development Plc., Thailand's world-class industrial estate developer, continues its support for sporting development with Chonburi Football Club (Chonburi FC). Mr. Preeprem Malasitt, Hemaraj's Director - IE Training Center & New Projects, joined club officials in announcing the deal, which takes Hemaraj's support for the club into its seventh year, at the Chonburi Stadium.



HEMARAJ DELIVERS FREE EYES-GLASSES

Hemaraj Land And Development Plc. handed over 200 pairs of eye-glasses following the recent free optical check-up services to communities in Chom Phon Chao Phraya Subdistrict Municipality, Pluakdaeng district, Rayong Province. Mr. Somchai Lerditviriyakul, Chief Executive of Chom Phon Chao Phraya Subdistrict Administrative Organization is seen receiving the eye-glasses from Ms. Siyaphas Chantachairoj, Director-Corporate Marketing and Residential Customer Development of Hemaraj.



HEMARAJ DELIVERS FREE HEALTH CHECK-UPS FOR LOCALS IN KHAO KUNSONG

Hemaraj Land And Development Plc. recently arranged a mobile unit to provide free basic medical check-ups as well as advice in health and hygiene matters for residents of Khao Kunsong sub-district in Chonburi province. 150 members of the local community were present at local sub-district administration office to take advantage of the services, which were offered as part of Hemaraj's ongoing CSR efforts to improve the quality of life for communities around its industrial estates.



HEMARAJ PROMOTES THAI SOCCER WITH 3 MILLION BAHT SUPPORT TO RAYONG FC

Hemaraj Land And Development Plc., Thailand's world-class industrial estate developer, reinforces its support for sports by contributing 3 Million Baht to the Rayong Football Club (Rayong FC) team. This donation will help the development of the local sporting community and encourage social progress through sports initiatives.



DRUG-FREE INDUSTRIAL ESTATE AWARDS FOR HEMARAJ'S INDUSTRIAL ESTATES

Eastern Seaboard Industrial State (Rayong) and Hemaraj Eastern Seaboard Industrial Estate, developed by Hemaraj Land And Development Plc, were recently honored with the 2014 Drug-Free Industrial Estate Award. The certificates were handed over by the former Governor of Rayong province. This recognition is given to drug-free workplaces that encourage employees to participate in drug-use prevention.



HEMARAJ'S INDUSTRIAL ESTATES AWARDED DRUG-FREE INDUSTRIAL ESTATE CERTIFICATES

Hemaraj Eastern Seaboard Industrial Estate (Hemaraj ESIE) and Eastern Seaboard Industrial Estate (ESIE) developed by Hemaraj Land And Development Plc., have been awarded Drug-Free Industrial Estate certificates for 2014 by the Department of Labour Protection and Welfare and The Narcotics Control Board, Rayong Provincial Office, in cooperation with the Industrial Estate Authority of Thailand (IEAT).



HEMARAJ LAUNCHES VOLUNTARY BLOOD DONATION AT ESIE

The Eastern Seaboard Industrial Estate (Rayong), developed by Hemaraj Land And Development Plc., recently held a blood donation campaign to replenish the supplies of safe blood for patients in need and emergency situations. Over 200 employees and customers of Hemaraj came to support the cause by participating in this activity. The blood donations were handed over to the Thai Red Cross Society, Rayong Province.



HEMARAJ LEADS COMMUNITY LEADERS TO VISIT TISTR

Hemaraj Land and Development Plc., recently organized a study tour to the Thailand Institute of Scientific and Technological Research (TISTR), Pathumtani province, under the Ministry of Science and Technology. Joining this visit were over 200 community leaders, officers, agriculturists and local residents from Hemaraj's neighboring communities, including members of the subdistrict municipalities and the Subdistrict Administrative Organizations (SAO) in the Eastern Seaboard. The tour, accompanied by Hemaraj executives and staff, covered several areas such as agri-product processing, research and development on bio-fertilizers and agri-industrial waste management and value-added products.



HEMARAJ CELEBRATES SONGKRAN IN MAP TA PHUT

The Safety And Environmental Club (ESEC) of Hemaraj Eastern Industrial Estate (HEIE) participated in the traditional Thai New Year festivities organized by the Mab Chalood and Chak Klang communities in Rayong province. Hemaraj marked the joyful celebration by offering scholarship grants to deserving children from local schools.



HEMARAJ DONATES MOTORCYCLES TO PLUAKDAENG POLICE STATION

Mr. Tanin Subboonrueng, Vice President of Hemaraj Land And Development Plc., recently delivered 5 motorcycles to the Pluakdaeng Police Station, to maintain safety and security in the community. Pol. Col. Somthai Khamwat, Deputy Commander, and Pol. Col. Pornchai Kanpetch, Pluakdaeng Station Superintendent, accepted the donation on behalf of the Rayong Provincial Police.



HEMARAJ PROVIDES FREE MOBILE EYE EXAMS AND FREE GLASSES TO COMMUNITY IN RAYONG

Hemaraj Land And Development Plc., recently brought a mobile eye care mission to the Chompol Chaophraya sub-district of Rayong to provide free eye exams and free glasses to over 200 residents. Hemaraj showed its commitment to neighboring communities by responding to the vision needs of individuals.

ENVIRONMENTAL CARE



FIVE HEMARAJ INDUSTRIAL ESTATES RECEIVE EIA MONITORING AWARDS 2014

Hemaraj Land And Development Plc. recently received the EIA Monitoring Award from the Office of Natural Resources and Environmental Policy (ONEP), Ministry of Natural Resources and Environment (MNRE), for five of its industrial estates, which ESIE (Rayong) and Hemaraj SIL received Outstanding Awards, while Hemaraj CIE, Hemaraj ESIE and Hemaraj RIL were presented Complimentary Awards.



HEMARAJ RECEIVES AMCHAM CSR EXCELLENCE RECOGNITION GOLD AWARD 2014

Hemaraj Land And Development Plc. recently received the AMCHAM CSR Excellence Gold Award for its exemplary activities to improve neighboring communities and its practices to promote a sustainable society. The Gold Award is designated to companies receiving the distinction for the fifth consecutive year. Mr. David Nardone, President & CEO, Hemaraj Land And Development Plc and Ms. Siyaphas Chantachairoj, Director, Corporate Marketing & Residential Customer Development, accepted the award on behalf of the company, at the ceremony presided over by Mr. Patrick Murphy, Deputy Chief of Mission, United States Embassy.



HEMARAJ RECEIVES CSR RECOGNITION 2014 AWARD

Hemaraj Land And Development Plc. receives the CSR Recognition 2014 Award in acknowledgement of the SET-listed company's significant efforts for social responsibility, environmental protection and good governance. Mr. David Nardone, President & CEO of Hemaraj Land And Development Plc., accepts the coveted award from Miss Katesara Munchusri, Managing Director of the Stock Exchange of Thailand.



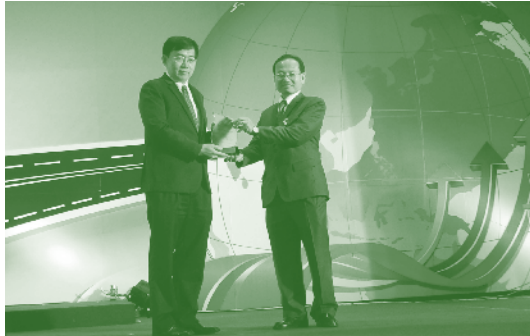
HEMARAJ SIGNS MOU FOR 2014 CSR-DIW CONTINUOUS AWARD

Hemaraj Rayong Industrial Land (Hemaraj RIL) and Hemaraj Saraburi Industrial Land (Hemaraj SIL) developed by Hemaraj Land And Development Plc., have recently signed the Memorandum of Understanding with the Department of Industrial Works (DIW), Ministry of Industry, for the 2014 CSR-DIW Continuous Award. This prestigious recognition is awarded to companies that have introduced sustainable social responsibility and have made significant contributions to improve the lives of others.



HEMARAJ SIL PROMOTES ENVIRONMENTAL PROTECTION AT 17TH ANNUAL YOUTH CAMP

Hemaraj Saraburi Industrial Land (Hemaraj SIL), in cooperation with its clients and 16 schools in the subdistricts of Nong Pling, Bua Loi, Nong Pla Mo and Khotchasit, held the 17th Annual Youth Camp at the Central Botanical Garden (Phu Khae) in Saraburi Province. A total of 86 children between the ages of 9 to 12 attended the camp whose main purpose was to educate them on environmental protection, drug abuse prevention and the importance of discipline in everyday life. Hemaraj SIL executives joined the activities which included a field trip to Narai Ratchaniwet Palace and Phrabatnampu Temple.



HEMARAJ SIL AND HEMARAJ RIL WIN CSR-DIW CONTINUOUS AWARDS 2014

Hemaraj Saraburi Industrial Land (Hemaraj SIL) and Hemaraj Rayong Industrial Land (Hemaraj RIL) developed by Hemaraj Land And Development Plc., received the CSR-DIW Continuous Award from the Department of Industrial Works (DIW), Ministry of Industry. This award commends distinguished players in the industrial sector that have contributed to the environment and have shown social responsibility for sustainable development.



HEMARAJ RIL JOINS ECO INDUSTRIAL TOWN PROJECT

Hemaraj Rayong Industrial Land (Hemaraj RIL) developed by Hemaraj Land And Development Plc., recently participated in the grand opening of the Eco Industrial Town 2014 organized by the Ministry of Industry's Department of Industrial Works. This cooperation among the five industrial estates located in Rayong and Prachinburi aims to promote joint efforts to protect the environment in and around the industrial estates.

TRAINING

In 2014, the company arranged internal training programs by selecting the programs that appropriate for each department. The programs include emergency and insurgency response program, fire fighting drills, services training, marketing and sales techniques, technical skills such as computer and English etc., work ethics, accounting practices and new accounting standards, energy saving and several environmental programs.

For external training, the programs mainly aim for supporting duties as well as developing experiences and skills to its employees. In 2014, the company provided the trainings both internally and externally for its employee totaling 8,273 hours, average 24.77 hours/person.



CHEMICAL SPILL PREVENTION TRAINING

Hemaraj arranged training program about chemical spill prevention training to related officers on March 25, 2014 at Eastern Seaboard Industrial Estate (Rayong)



TRAFFIC ACCIDENT PREVENTION TRAINING

Hemaraj arranged training program about traffic accident prevention training to related officers on May 23, 2014 at Eastern Seaboard Industrial Estate (Rayong).



ENERGY CONSERVATION AWARENESS

Hemaraj arranged training program about energy conservation awareness to related officers on July 17, 2014 at Eastern Seaboard Industrial Estate (Rayong).



FIRE FIGHTING DRILL

Hemaraj arranged training program about fire fighting drill training to related officers on July 25, 2014 at Eastern Seaboard Industrial Estate (Rayong).



BASIC FIRE FIGHTING TRAINING

Hemaraj arranged training program about basic fire fighting training to related officers on September 25, 2014 at Eastern Seaboard Industrial Estate (Rayong).

SAFEGUARDING THE ENVIRONMENT

From the start, Hemaraj has continuously focused on integrating environmental management together with the development of the industrial estates by applying the standard system of environmental management, or ISO 14001, in all organizational management aspects. The company has set up an environment management policy, implement and continuously improve it. By living up to its commitment to Corporate Social Responsibility (CSR), Hemaraj shows its dedication to society, concern for neighboring communities, and respect for the environment.

Through development of its industrial estates, Hemaraj has studied, designed and developed the utility system with high engineering standard such as the industrial water production and distribution system, which is a power saving and environmental friendly system.

For wastewater treatment system, Hemaraj has adopted HM King Bhumibol's wetland project involving biological wastewater treatment at the Hemaraj Eastern Seaboard Industrial Estate and the Eastern Seaboard Industrial Estate (Rayong). Environment-friendly and nature-based, this system uses treated wastewater efficiently and helps reduce energy consumption better comparing with other systems.

Hemaraj is confident that the treated wastewater from the constructed wetland project leaves no environmental impact on nearby public water resources. Moreover, this treated water can be used as second grade water for gardening in the green areas and for dust control within development areas.

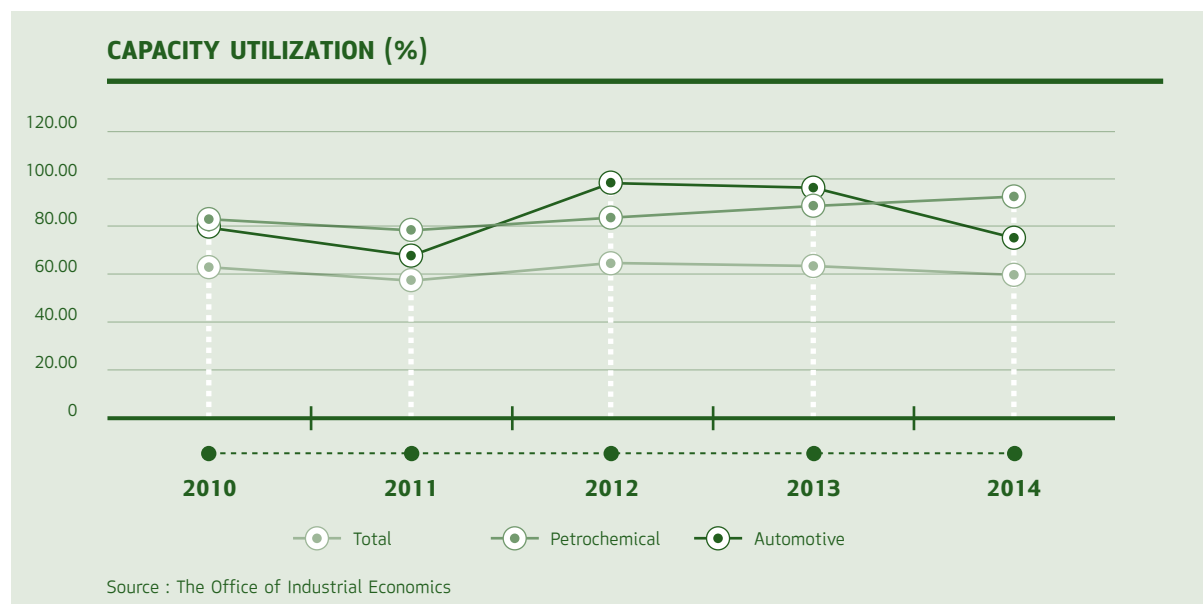
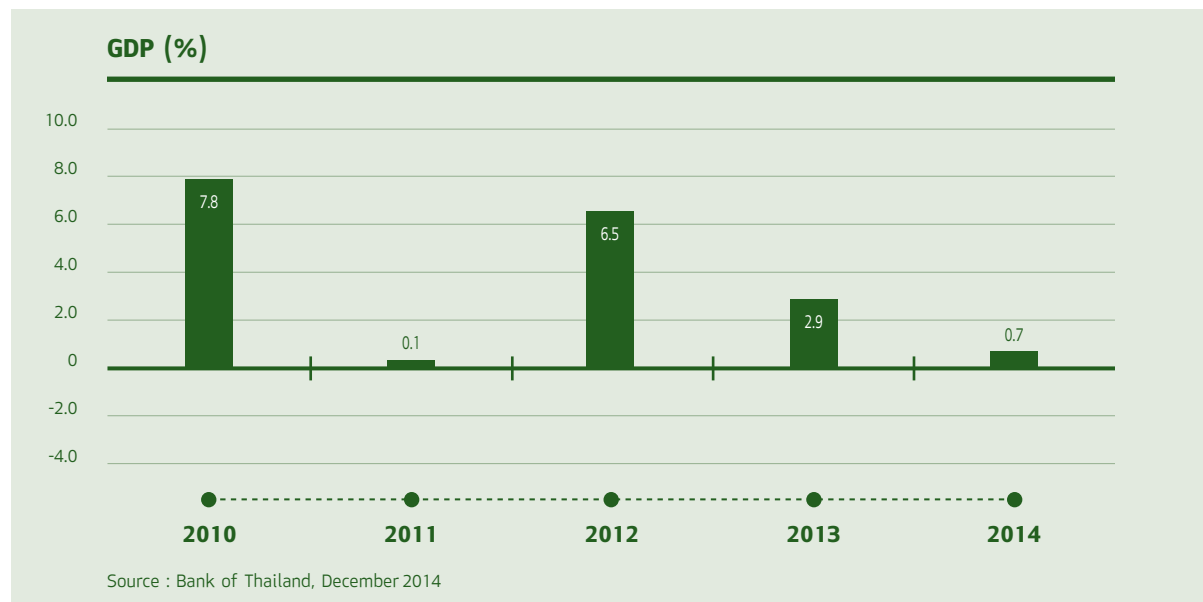
Furthermore, Hemaraj has established the Environmental Monitoring & Control Center or Air Quality Monitoring Station (AQMS) and waste water automatic testing tool or COD online offering a real-time processing of environmental reports to the environment's quality control center(E:mc^2) at the Eastern Seaboard Industrial Estate (Rayong). The company can easily monitor the quality of air and waste water through Hemaraj' website.

In 2014, Hemaraj has actively participated in two initiatives organized by the Industrial Estate Authority of Thailand (IEAT), namely the Eco Industrial Town - Eco Champion level and Eco for Life projects. With all environment management activities mentioned above, many of Hemaraj's industrial estates have continuously been winning the EIA Monitoring Awards, with the latest recognition received in 2014. This distinction is given to manufacturers that strictly implement the environmental measures as required by the EIA report and with outstanding environmental management. Hemaraj will continue to focus on sustainable development together with social responsibility and environmental management.

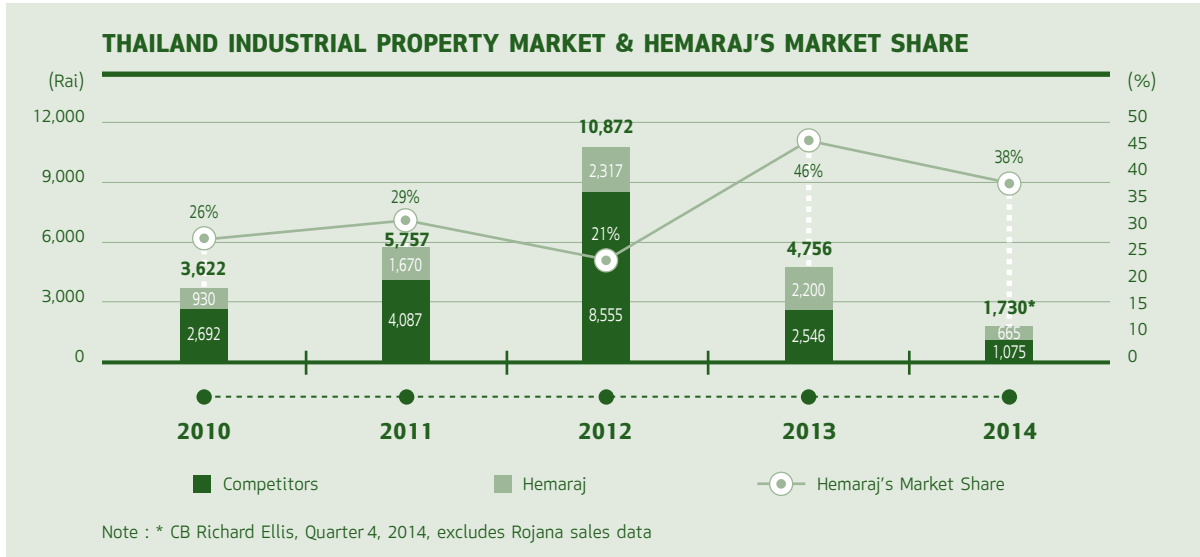
ECONOMIC & COMPETITIVE CONDITION

The 2014 Thai economy grew only by 0.7% compared to 2.9% in 2013 due to the restrictions on growth of both domestic and external factors. In the first half of the year, Thailand's economy contracted as the political situation had affected some parts of government operation, business household confidence, and tourism sector. Household debt was also at high level, making consumers more cautious on spending while financial institutions became more careful in loan granting. In addition, merchandise exports recovered slowly following foreign demand that expanded gradually.

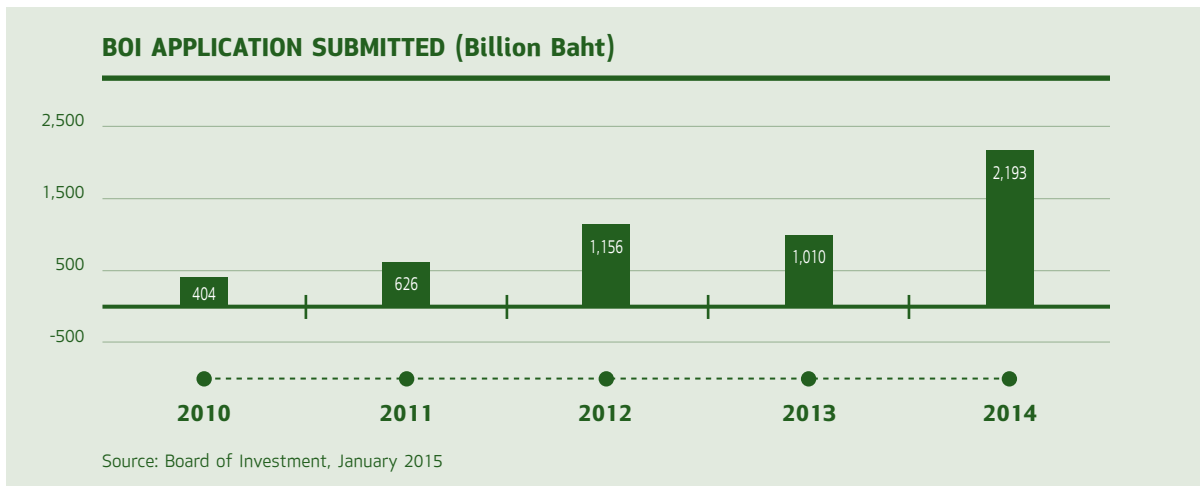
In 2014, the Private Consumption Index decreased by 0.6%. Manufacturing Production Index decreased by 4.6% and the capacity utilization rate also decreased to 60.5%. For the year 2014, the Private Investment Index increase by 1.2%. Export volumes for Thailand were US\$ 224.8 billion, a 0.3% decrease, whereas Imports decreased by 8.5% to US\$ 200.2 billion. In addition, Import of Raw Materials and Intermediate Goods decreased by 4.8% and Capital Goods decreased by 5.5%. Current account ended the year with a deficit of US\$ 14.2 billion. The balance of payments was a deficit of US\$ 1.2 billion.



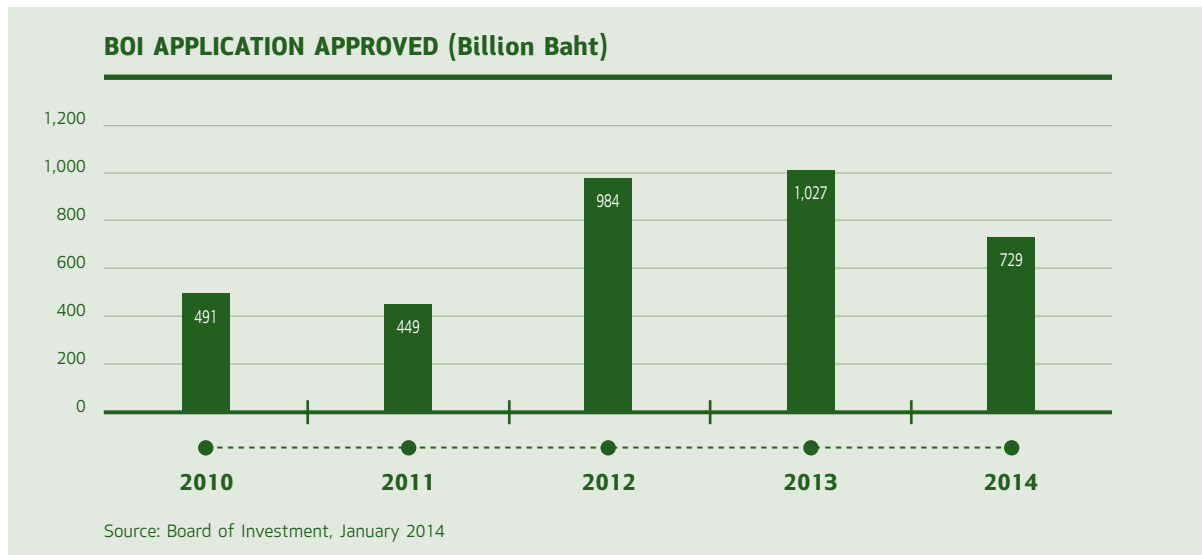
Land sales of Thailand's industrial property market sector decreased 64% from 4,746 rai in 2013 to 1,730* rai in 2014. In 2014, Hemaraj sold 665 rai of industrial land, or equivalent to 38% of total market share.



Thailand had best year in almost 50 for investment promotion in year 2014. There were a total of 3,496 projects worth nearly 2,192,700 million Baht, representing an increase of 73% and 117% respectively from 2013. Investments were highest in the public utilities industry followed by the chemical, paper and plastics industry, the automotive, auto parts, engines and metal products industry, and the agricultural and agricultural products industry.



The Board of Investment (BOI) project approval in 2014 decreased significantly to Baht 729 billion compared with Baht 1,026 billion in 2013, or a 29% increase. The number of projects approved was 1,662 projects, a 17% decrease from 2013.



Thailand still remains a regional production hub in the ASEAN automotive industry, particularly for one-ton pickups and small passenger cars. In 2013, the vehicle production was 1,880,587 vehicles (#12 Global). Domestic vehicle sale in 2014 was 881,883 vehicles and 1,126,081 vehicles for export. In 2014, automotive export was 13.9% of total export value.

1 Rai = 1,600 Square Meters or 0.4 Acres

Source : Bank of Thailand, December 2014 and Automotive Intellegent Unit

RISK FACTORS & OTHERS

EXTERNAL RISKS

The company faces investment and management risks associated with Thai government, Bank of Thailand, and government agency policies as well as others such as town planning, environmental law, investment promotion act and economic environment in neighboring and other countries. In addition Foreign Direct Investment, inflation, oil price, interest rates, land cost, construction cost, announced the minimum wage to 300 baht nationwide, and shortages of skilled labor are factors that could affect the company business.

As of end of 2014, the government had announced that the BOI privilege will be changed to suit with the current and future situation, the direction of country's development plan, agricultural sector, industrial sector and service sector. New BOI policy will be official applied in 2015. However, the company is aware of the risks and effects of this changing. To reduce impacts of the risk, the company had already applied the last BOI privilege at the end of 2014 for the existing and future industrial estate to ensure that there are available lands with BOI privilege to supply the expansion of industrial sector.

The company is aware of the risks and effects associating with such factors and tries to have a systematic monitoring and analytical measurement to prevent and to minimize such risks at the acceptable level when comparing to the expected investment return. The Board of Directors and Management have also implemented the business strategy with appropriate adjustments based on the situation as witnessed from broadened operating revenue and improved profit margins. Increases in revenue from industrial estates utilities and rental, which are recurring and predictable, have balanced our revenue structure. Our multiple-locations industrial estates with a high percentage of repeat customers and the niche selective property projects have also reduced our risk profile.

However, as industrial development is in place, the broad revenue cushions this impact, and strong balance sheet minimizes disruptions.

FINANCIAL RISKS

The operating performance, financial status, economic environment in Thailand and other countries, access to financial and capital market, foreign exchange and interest rates are risk factors to the company's financial management.

The operating performance, financial status, economic environment in Thailand and other countries, access to financial and capital markets, foreign exchange and interest rates are risk factors to the company's financial management. Since the financial crisis in 1998, the company has consistently improved its financial position by having an appropriate and sufficient source of funds with a reasonable cost of capital and appropriate financial structure to support the company's competitiveness. As of end of 2014, the Company's net debt to equity ratio was 0.95 to 1 times with cash balance of Baht 4,780 million. The company has a strong balance sheet and a lower debt level, moderate level of cash on hands, no foreign currency debts, and broader lending sources. These will provide the company more flexibility to grow the business expansion, yet to minimize the financial risks.

RISK FROM AUTOMOTIVE AND PETROCHEMICAL CUSTOMERS

The company has 285 customers from automotive (224) and petrochemical (61) sectors out of 615 customers, or 44% of total customers. The company will be affected from the slowdown of investment from these sectors both revenue from land sales and other related revenue.

The company is aware of such factors and has benefited from these clusters, but it is also expanding our customer base in different sectors such as electronic, energy, steel, construction materials, logistics, food, etc. so that the company will not entirely depend on one or two sectors. The company now has 7 industrial estates under development. The company also tracks and analyzes the customer mix and demographic on a regular basis and adjusts our strategy accordingly. In 2014, Industrial Estate Land Sales were 665 rai of which 455 rai or 70% were from non-automotive/petrochemical sectors.

RISK FROM INVESTING IN INDEPENDENT POWER PRODUCER (IPP)

The company has invested in Independent Power Producer (IPP) project in Gheco-One Company limited with Glow Energy. This is in line with our strategy to broaden our revenue by selectively pursuing superior profit opportunities from complementary businesses to increase the predictability and sustainability of the longer-term revenue stream. Risk from investment, risk from changes of rules, regulations, and government policy, delay of construction, financing risk, risk from environmental impact, risk from raw material sourcing, risk from operations regularly and continuously, risk from sole customer, foreign exchange risk, and interest rate risk are risks involved the project and the material change in such factors could materially affect the project's performance as well as the company's.

The company is aware of the risk from such factors by having a feasibility study as well as the sensitivity analysis cover all areas and considering together with the attractiveness of the project, including the return which is recurring and predictable throughout the project life after the commercial operation regularly. This project was developed and managed by Glow Energy (GDF Suez), Thailand's leading private power producer. In addition, Gheco-One signed the foreign exchange rate swap, interest swap, coal cost forward contract, and various contracts on matching currency of lending with costs and revenue streams and interest rate swaps in order to minimize those risks.

Gheco-One has commercially operated since 19 August 2012.

RISK FROM ACCIDENTS, FIRES AND CHEMICAL SPILLS

Hemaraj regards risks posed by accidents - such as fires, chemical spills, and traffic incidents - as a high-priority matter in its industrial estates and industrial lands. In compliance with the National Fire Protection Agency's (NFPA) standards, Hemaraj has installed fire extinguishing systems to cover all areas in its projects. Moreover, the company employs emergency response teams that are stationed 24/7 and equipped with fire engines and other necessary equipment to tackle any unexpected event with minimal delay. Hemaraj has also prepared effective emergency response plans for various situations in each industrial estate, providing training programs for businesses and government agencies to help minimize the impact of accidents.

RISKS FROM FLOODING

Flooding incidents in many areas around the country, especially during the rainy season of 2011, have inflicted damages on many business sectors as well as the confidence of investors seeking to engage in new ventures or expansions of existing operations. These investors have become more selective in choosing a development site in order to minimize flood-related risks.

In selecting new sites, Hemaraj considered various factors - including infrastructure readiness, land size, as well as flooding risks. Currently, Hemaraj operates a total of 6 industrial estates and industrial lands, all situated in the Eastern Region of the country. These industrial estates and industrial lands are located high above sea level and close to public water sources, both of which serve as deterrents against the threat of flooding and help carry rainwater discharged from retention ponds. Hemaraj Saraburi Industrial Land is the only industrial land located in the central river basin, an area facing flooding risks from heavy rainfall and uncontrollable natural water flow from the North. In recognition of this risk, Hemaraj assigned specialists to study the area's geological characteristics to develop a model based on historical rainfall data. The resulting model has been used to evaluate the effectiveness of existing flood prevention systems. Moreover, Hemaraj improved its earth dykes to prevent flooding, while drainage systems in bottleneck areas were improved and expanded. Hemaraj also improved pumping systems in retention ponds to drain excess water from the industrial land. All equipment and machinery are regularly inspected and maintained to ensure high efficiency at all times.

Due to constant changes within and without the industrial estates, Hemaraj carries out thorough monitoring and assessment of these areas both before and after the rainy season to ensure the optimal effectiveness of all systems. In addition, Hemaraj developed measures to cope with unforeseen consequences of rain storms, and an on-site emergency response team is available 24 hours a day.

RISKS FROM DROUGHT

Hemaraj Industrial Estates and Industrial Lands, located in Eastern part of Thailand or Eastern Seaboard, are situated close to large holding ponds - namely Dok Kray, Nong Pla Lai, and Klong Yai holding ponds. These three detention basins have a maximum capacity of up to 275 million cubic meters. However, in order to maintain an adequate water supply to support future demand, East Water Public Company Limited has already set up water plumbing systems to draw water from Prasae Reservoir to Klong Yai and Nong Pla Lai holding ponds. This system will help stabilize and sustain the water supply in Eastern Thailand to cope with various.

In 2014, the El Niño phenomenon triggered a sharp decline in rainfall volume in the area, resulting in lower water inflow than expected at the three holding ponds. However, heavy rainfall from the end of October to early November 2014 increased the water supply level, reducing the risk of draught in 2015. East Water Public Company Limited remains hard at work to further address the water situation, and the company is confident that both completed and ongoing projects will help ensure an adequate water supply to cope with increasing demand and potential draughts in the year to come.

RISK FROM POLITICAL INSTABILITY AND THAI GOVERNMENT INSTABILITY

The political instability within the country which has been occurring from time to time for the last decade. During the year 2014, the government has declared the martial law applied for the whole country. This incident may adversely impact negatively on Thailand's image, the interest and confidence of customers, investors or tourists.

In addition, the business might be affected from a change of Government team or relevant working group that often cause intermittent and uncertain of the policy especially the policy regarding to investment promotion, industrial estates development and fundamental utility and foundation that is essential for developing countries. However, from the past events, political instability was affecting the economy only in a short period. After political issues have been resolved, the consumption, the spending, the business and foreign's investments will come back as normal.

The company is aware of this risk and continues to monitor and analyze the impact of this ongoing political unrest. In the short term, the company has seen some direct impact to our industrial customers' operation. The foreign investment has slowed down. The company has already adjusted the work plan including the operation, the investment and the financing to properly accommodate this uncertainty.

STOCK INFORMATION AND SHAREHOLDING

SHAREHOLDING

Top ten of Hemaraj Land And Development's Shareholders as at 20 October 2014

NO.	MAJOR SHAREHOLDERS	NO. OF SHARES	% OF TOTAL ISSUED SHARE
1	Ms.Phenpunnee Horrungruang	1,068,725,770	11.01
2	Credit Agricole (Suisse) SA, Singapore Branch	844,906,389	8.71
3	Thai NVDR Co., Ltd.	795,169,724	8.19
4	Chase Nominees Limited 28	722,153,095	7.44
5	Nomura Singapore Limited-Customer Segregated Account	651,534,500	6.71
6	Miss Chawantorn Srisoomburanaanonta	463,568,800	4.78
7	EFG Bank AG	425,162,000	4.38
8	Quam Securities Company Limited A/C Client	346,482,200	3.57
9	Mrs.Kanokkan Sliratanapan	316,911,100	3.27
10	State Street Bank Europe Limited	311,160,300	3.21
	Total	5,945,773,878	61.27

OTHER INSURANCE SECURITIES

During the years 2010-2014, the company has issued unsubordinated and unsecured of Baht 14,500 million at Baht 1,000 per share with duration 3-10 years and pay interest every three months. In 2014, 1 bond, namely HEMRAJ144A, became due and fully repaid. As at December 31, 2014, the outstanding amount of the bonds were Baht 12,938 million.

UNSUBORDINATED AND UNSECURED DEBENTURES

DEBENTURES	AMOUNT (MB)	INTEREST RATE PER ANNUM		YEAR/ MATURITY DATE
HEMRAJ144A*	400	4.90%		4 Year, Maturity Date 2014
HEMRAJ155A	1,500	Year 1-3	4.90%	5 Year, Maturity Date 2015
		Year 4	5.80%	
		Year 5	6.50%	
HEMRAJ177A	2,300	Year 1 - 3	4.90%	7 Year, Maturity Date 2017
		Year 4 - 6	6.00%	
		Year 7	6.50%	
HEMRAJ190A	638	Year 1 - 3	4.90%	9 Year, Maturity Date 2019
		Year 4 - 6	6.00%	
		Year 7	6.50%	
		Year 8 - 9	6.75%	
HEMRAJ160A	1,500	Year 1 - 3	5.15%	5 Year, Maturity Date 2016
		Year 4	5.50%	
		Year 5	5.60%	
HEMRAJ217A	2,000	5.65%		9 Year, Maturity Date 2021
HEMRAJ231A	2,500	5.50%		10 Year, Maturity Date 2023
HEMRAJ244A**	2,500	5.75%		10 Year, Maturity Date 2024

NOTE : * HEMRAJ144A Maturity Date on 8 April 2014

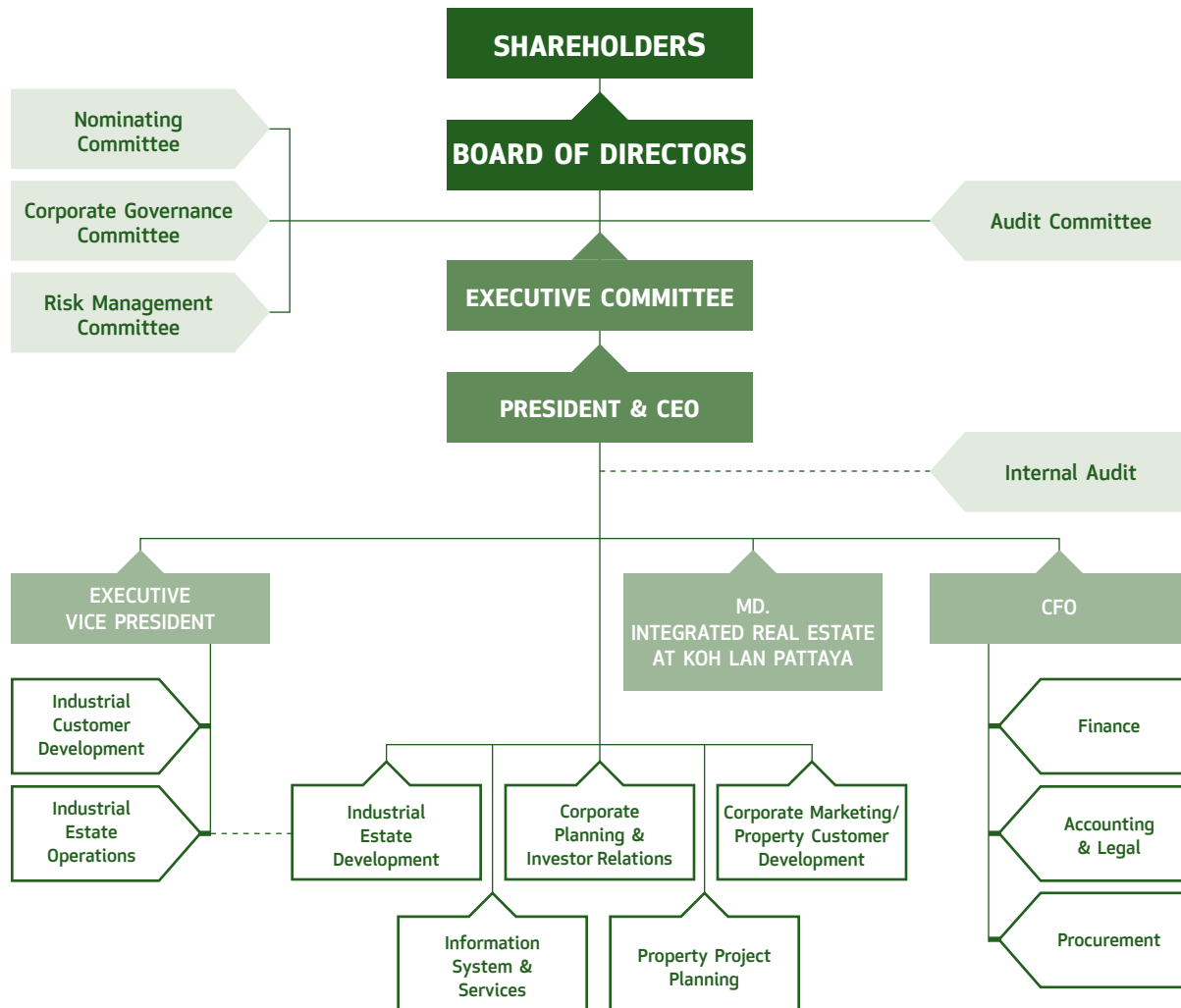
** HEMRAJ244A issued on 30 April 2014

DIVIDEND POLICY

The Company shall pay dividend at the rate of not less than 50% of net profit of the Company's separated financial statement after all deductions as required by law or by the company, subject to Hemaraj and its affiliate's cash flow, liquidity, contract's obligations and commitments and future investment plans, including justifications and other future consideration as deem appropriate.

MANAGEMENT STRUCTURE

MANAGEMENT STRUCTURE AS OF 31 DECEMBER 2014



BOARD OF DIRECTORS

As of December 31, 2014, Board of Directors consists of 12 members as follows:

- | | |
|------------------------------------|---|
| 1. Mr. Chavalit Sethameteekul | Chairman of the Board of Directors / Director |
| 2. Mr. Sawasdi Horrungruang | Director / Chairman of the Executive Committee
Chairman of Risk Management Committee |
| 3. Mr. Thongchai Srisomburananonta | Director/ Vice Chairman of the Executive Committee/
Nomination and Remuneration Committee/
Risk Management Committee Member |
| 4. Mr. Thavorn Anankusri | Director/ Executive Director/ Risk Management Committee Member |
| 5. Mr. David Richard Nardone | Managing Director/ Executive Director/
Risk Management Committee Member |

6. Mr. Sudhipan Charumani	Independent Director/ Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee
7. Mr. Peter John Edmondson	Independent Director/ Audit Committee
8. Mrs. Punnee Worawuthichongsathit	Independent Director/ Audit Committee/ Corporate Governance Committee/ Nomination and Remuneration Committee
9. Mr. Vivat Jiratikarnsakul *	Director
10. Ms. Pattama Horrurunguang	Director/ Executive Director/Corporate Governance Committee/ Risk Management Committee Member
11. Mr. Somphong Wanapha	Independent Director/ Chairman of the Corporate Governance Committee
12. Mr. Vikit Horrurunguang	Director

* Mr.Vivat Jiratikarnsakul has resigned from the Executive Committee and Risk Management Committee member since September 1, 2014

The Company's Board of Directors consists of 4 Independent Directors who have qualifications according to such prescribed in regulation of SET and SEC as follows:

(1) holding shares not exceeding 0.50 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, including the shares held by related persons of the independent director.

(2) neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the company, its parent company, subsidiary, affiliate, same-level subsidiary or juristic person who may have conflicts of interest unless the foregoing status has ended not less than two years prior to the date of application filing with the Offices.

(3) not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the company or its subsidiary.

(4) not having a business relationship with the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgement, and neither being nor having been a major shareholder, non-independent director or executive of any person having business relationship with the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years prior to the date of application filing with the Office.

The term "business relationship" includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the applicant or his counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the applicant or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions mutatis mutandis. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.

(5) neither being nor having been an auditor of the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and not being a major shareholder, non-independent director, executive or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years from the date of application filing with the Office.

(6) neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and neither being nor having been a major shareholder, non-independent director, executive or partner of the professional advisor unless the foregoing relationship has ended not less than two years from the date of application filing with the Office;

(7) not being a director who has been appointed as a representative of the company's director, major shareholder or shareholders who are related to the company's major shareholder;

(8) not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

BASIC SCOPE OF BOARD OF DIRECTORS' RESPONSIBILITY

The Board of Directors' prime responsibility is to formulate corporate visions, overall policies and major strategies with ability, integrity and care, so as to achieve continuous and long lasting benefits to the company and Shareholders. This responsibility includes effective control and supervision of the Management to assure that Board instructions are put into practice with efficiency and in line with relevant rules of law and supervising authorities' regulations, with the Company's own requirements, as well as with good corporate governance principles. In discharging its responsibility, the Board may appoint or assign one or more specific directors or any other persons to act on its behalf, and can revoke such appointments or assignments, as it considers necessary or appropriate.

TERM OF THE BOARD OF DIRECTORS

In every Annual Ordinary Meetings, 1/3 of the board of directors shall be resigned. In case it is undividable, the resigned director must be as close to 1/3 and such resigned director may be re-elected to assume the same position.

EXECUTIVE COMMITTEE

As of December 31, 2014, Executive Committee consists of 6 members as follows:

- | | |
|------------------------------------|--|
| 1. Mr Sawasdi Horrunguang | Chairman of the Executive Committee |
| 2. Mr. Thongchai Srisomburananonta | Vice Chairman of the Executive Committee |
| 3. Mr. Thavorn Anankusri | Executive Committee Member |
| 4. Mr. David Richard Nardone | Executive Committee Member |
| 5. Ms. Pattama Horrunguang | Executive Committee Member |

The Executive Committee has been assigned by the Board of Directors to help formulate the Company's operation policy and strategies, to supervise and to ensure that such approved policy and strategies are followed through with responsibilities, integrity and care, and in line with relevant rules of law, the Company's rules, as well as the Board of Directors and Shareholders approval.

SCOPE OF THE EXECUTIVE COMMITTEE'S AUTHORITY AND RESPONSIBILITY

1. To screen and review business plans, investment plans, together with the relevant budgets, as prepared by the Management, prior to submitting the said data to the Board of Directors for consideration and approval.

2. To monitor, supervise and control the Company's work progress, in order to ensure that the Company's operations are in line with what the authorizing or assigning Board would expect.

3. To consider granting permission to commence important activities, as well as to authorize payments in excess of Management authority, in accordance with the Company's authorization rules and the approved budgets.

4. To set the Company's organization chart, authority of the Management, the remuneration policy and salary structure of the Company.

5. To assign one or more specific persons to act on behalf of the Executive Committee, or to revoke such assignments as the Executive Committee may consider appropriate.

6. To perform any other tasks, as assigned by the Board of Directors.

The above-stated scope of authority would not apply where a vested interest or a conflict of interest concerning a related-party transaction under SEC regulations is at issue. In such a case, the Executive Committee would need to refer the matter to the Board of Director or to a Shareholders's Meeting, as the case may be, for consideration and approval, unless appropriate pre-set permission is already in evidence.

AUDIT COMMITTEE

As of December 31,2014, Audit Committee consists of 3 members as follows:

- | | | |
|----|----------------------------------|--|
| 1. | Mr. Sudhipan Charumani | Audit Committee Chairman who has knowledge and experiences to audit Company's financial statements |
| 2. | Mr. Peter John Edmondson | Audit Committee Member |
| 3. | Mrs. Punnee Worawuthichongsathit | Audit Committee Member who has knowledge, and experiences to audit Company's financial statements |

The Audit Committee Charter endows the Audit Committee with the following duties and responsibilities to the Company's Board of Directors:

1. To review that the Company's financial reports are correct and sufficient.
2. To review that the Company has appropriate and efficient internal control and internal audit system; to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
3. To review that the Company complies with laws relating to securities and securities markets, as well as with SET's rules and regulations and any other laws relating to the Company's business.
4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information.
 - ▶ An opinion on the accuracy, completeness and creditability of the Company's financial report
 - ▶ An opinion on the adequacy of the Company's internal control system.
 - ▶ An opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business.
 - ▶ An opinion on the suitability of an auditor.
 - ▶ An opinion on the transactions that may lead to conflicts of interests.
 - ▶ The number of the audit committee meeting, and the attendance of such meeting by each committee member,
 - ▶ An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
 - ▶ Other transactions which, according to the audit committee's opinion, should be know to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
7. To report the Audit Committee's performance to the Company's Board of Directors at least on a quarterly basis.
8. To perform any other work that the Audit Committee agrees to, as may be assigned by the Company's Board of Directors.

The Audit Committee has 3 years period and may be re-elected to assume the same position.

THE AUDIT COMMITTEE/ INDEPENDENT DIRECTOR SHALL BE APPOINTED BY THE BOARD OF DIRECTORS AND SHAREHOLDERS.

The audit committee / independent director shall assume their positions for 3 years and at least one member shall have financial and accounting knowledge and be able to review the accuracy and completeness of the financial statements of the company.

CORPORATE GOVERNANCE COMMITTEE

As of December 31, 2014, the Corporate Governance Committee consists of 3 members as follows:

- | | |
|-------------------------------------|-------------------------------|
| 1. Mr. Somphong Wanapha | Corporate Governance Chairman |
| 2. Mrs. Punnee Worawuthichongsathit | Corporate Governance Member |
| 3. Ms. Pattama Horrnuang | Corporate Governance Member |

The Corporate Governance Committee shall consider and propose practical guidelines and advices of Good Corporate Governance according to the SET and SEC's regulations including other institutions. The Company has set the Corporate Governance Policies including business ethics according to the advices from the Corporate Governance Committee who has considered, edited and proposed to the Board of Directors. The company's Corporate Governance Policy and Business Ethics has been approved by The Board of Directors and become effective already. The Corporate Governance Committee has 3 years period and may be re-elected to assume the same position.

NOMINATION AND REMUNERATION COMMITTEE

As of December 31, 2014, the Nomination and Remuneration Committee consists of 3 members as follows:

- | | |
|-------------------------------------|--|
| 1. Mr. Sudhipan Charumani | Nomination and Remuneration Committee Chairman |
| 2. Mr. Thongchai Srisomburananta | Nomination and Remuneration Committee Member |
| 3. Mrs. Punnee Worawuthichongsathit | Nomination and Remuneration Committee Member |

In February 2011, Mr. Chavalit Sethameteekul resigned from Nomination and Remuneration Committee Member and the Board of Director's Meeting approved Mrs. Punnee Worawuthichongsathit, who is Independent Director, to be Nomination and Remuneration Committee Member for the replacement.

The Nomination and Remuneration Committee handles preliminary selections, as well as to compile relevant data, of suitable candidates for Board's formal consideration. A short list of suitable Director candidates, together with relevant background information, would be submitted in advance by current directors and/or shareholders for formal consideration in the Board meeting. Such a meeting would first concentrate on the Company's specific requirements, before proceeding to discuss each candidate in depth on issues of reputation, experience, reliability, known ability and vision, as well as other relevant aspects. Those chosen by the Board would have their names proposed to the forthcoming Shareholders' Meeting for consideration and approval.

The Nomination and Remuneration Committee shall determine the compensation of the Board of Directors and Directors in Sub-Committees for the Board of Directors and the Annual General Meeting of Shareholder's consideration and approval. Such compensation proposal would be based on the general market trend, information obtained from the Stock Exchange of Thailand, individual responsibility levels and work results, as well as on the Company's actual performance and prevailing financial strength. The Nomination and Remuneration Committee has 3 years period and may be re-elected to assume the same position.

RISK MANAGEMENT COMMITTEE

In 2014, the Board of directors Meeting appointed new risk management committee members as follows:

- | | |
|---------------------------------|------------------------------------|
| 1. Mr. Sawasdi Horrungruang | Risk Management Committee Chairman |
| 2. Mr. Thongchai Srisomburanant | Risk Management Committee Member |
| 3. Ms. Pattama Horrungruang | Risk Management Committee Member |
| 4. Mr. David Richard Nardone | Risk Management Committee Member |
| 5. Ms. Pattama Horrungruang | Risk Management Committee Member |

Responsibilities of risk management committee :

1. Determine risk management policies
2. Determine risk management strategies in order to maintain acceptable risk level under appropriate cost which yields acceptable return
3. Reports the results of the risk assessment to the committee
4. To make the decisions and recommend to the problem related to risk management
5. Act accordingly to the work assigned by the committee

After 3 years the risk committee is able to remain at the same position

COMPANY MANAGEMENT

The Company Management consists of

- | | |
|---------------------------------|---|
| 1. Mr. David Richard Nardone | President & Chief Executive Officer |
| 2. Ms. Pattama Horrungruang | Senior Vice President & Chief Financial Officer |
| 3. Mr. Tanin Subboonrueng | Vice President - Industrial Estate Operations |
| 4. Mr. Sirisak Kijraksa | Director - Accounting and Legal |
| 5. Ms. Somjai Wachiraha | Director - Finance |
| 6. Mr. Niphone Harnpatanapanich | Director - Property Project Planning |
| 7. Mr. Suwat Thitathanakit | Director - Industrial Estate Development |
| 8. Mr. Bordin Harnvanich | Director - Industrial Factories and Logistics Parks Development |
| 9. Mr. Rakphol Kangnoy | Director - Industrial Estate Operations |
| 10. Mr. Paopitaya Smutrakalin | Director - Corporate Planning and Investor Relations |
| 11. Ms. Siyaphas Chantachairoj | Director - Corporate Marketing & Property Customer Development |
| 12. Ms. Ladda Rojanavilaivudh | Director - Industrial Customer Development |
| 13. Ms. Anchalee Parsertchand | Director - Industrial Customer Development |
| 14. Mr. Preeprem Malasitt | Director - IE Training Center and New Projects |
| 15. Ms. Prattana Kijjanon | Director - Procurement |
| 16. Mr. Apichat Trongasukson | Assistant Director - Information System & Services |

The President & CEO has the responsibility in assigning each management member with appropriate duties and authority in order to enable the Company to implement its policy and strategies, together with its business plans, in an efficiently effective manner and in accordance with the targets and budgets as determined or approved by the Board and/or the Executive Committee.

COMPANY SECRETARY

The Company has appointed Mr. Sirisak Kijraksa as of company secretary since February 29, 2008. The qualification of company secretary appear in section of good corporate governance.

REMUNERATION FOR DIRECTORS AND MANAGEMENT

1. In 2014, the total remuneration for the 12 Directors, as approved by the Shareholders, was Baht 25,795,000 (Baht 20,201,700 in 2013), being consisted of Meeting Fees and quarterly remuneration as per following details:

NAME	POSITION	DIRECTORS' REMUNERATION (BAHT)			TOTAL
		MEETING FEES	COMPENSATIONS	BONUS	
1. Mr. Chavalit Sethameteekul	Director /Chairman of Board of Directors	400,000	1,500,000	350,000	2,250,000
2. Mr. Sawasdi Horrungruang	Director/ Chairman of Executive Committee / Chairman of Risk Management Committee	280,000	2,000,000	350,000	2,630,000
3. Mr. Thongchai Srisomburananonta	Director / Vice Chairman of Executive Committee / Nomination and Remuneration Committee /Risk Management Committee Member	320,000	1,850,000	350,000	2,520,000
4. Mr.Thavorn Anankusri	Director/ Executive Committee / Risk Management Committee Member	280,000	1,750,000	350,000	2,380,000
5. Mr. Sudhipan Charumani	Independent Director/Chairman of Audit Committee/ Chairman of Nomination and Remuneration Committee	630,000	1,000,000	350,000	1,980,000
6. Mr. David Richard Nardone	Director/ Executive Committee / Risk Management Committee Member	280,000	1,750,000	350,000	2,380,000
7. Mr. Peter John Edmondson	Independent Director/ Audit Committee	485,000	1,000,000	350,000	1,835,000
8. Mrs. Punnee Worawuthichongsathit	Independent Director/ Audit Committee Member /Corporate Governance Committee / Nomination and Remuneration Committee	600,000	1,000,000	350,000	1,950,000

NAME	POSITION	DIRECTORS' REMUNERATION (BAHT)			TOTAL
		MEETING FEES	COMPENSATIONS	BONUS	
9. Mr. Vivat Jiratikarnsakul	Director	280,000	1,500,000	350,000	2,130,000
10. Ms. Pattama Horrungruang	Director/ Executive Committee and CG Committees /Risk Management Committee Member	320,000	1,750,000	350,000	2,420,000
11. Mr. Somphong Wanapha	Director/ Chairman of CG Committee	340,000	1,000,000	350,000	1,690,000
12. Mr. Vikit Horrungruang	Director	280,000	1,000,000	350,000	1,630,000
Total		4,495,000	17,100,000	4,200,000	25,795,000

No other privilege revenue to directors

2. In 2014, the total remuneration for the Company's Executives and Management in the forms of salaries, bonuses, and provident fund for 22 persons in 2014 was Baht 208.8 million.

PERSONNEL

Total number of employees and its subsidiaries which includes full time employees, directors, and advisers is 360 employees.

Total remuneration of executives and employees of the company and subsidiaries for the year 2014 which included salaries, bonuses, provident fund and the other benefits, the total amount was 367.67 Million Baht.

The company believes that the success of organization can be achieved through the quality, competency, and the commitment of the employees of all level. The company realized that employees are the company's valuable resource by providing them with fair and appropriate compensation. Creating a good and safe working environment and also disclosing the policy and welfare that they are entitle. In the employee handbook which covers on regulations, group health insurance, provident fund, etc. The company also focusing on continued developing knowledge and skills of employees by providing necessary training both internal and external the company.

The company has an annual budget for human resources development program for its employee in developing skill which is essential to their works including IT, management, and others. Such program also covers the quality assurance and environmental management in compliance with the standard of environment management system (ISO 14001) and the quality management system (ISO 9001).

INTERNAL CONTROL AND RISK MANAGEMENT

The company emphasizes on the important of internal control and risk management by focusing on arranging sufficient and appropriate system for the business. Since 2000, the Board of Directors has hired an independent auditing office to serve as internal auditor. Under the coordination with Company Secretary, internal audit is obligated to report quarterly to the Audit Committee and the Management which follows the annual audit plan agreed by the Audit Committee and the Management. The report is aim at the assessment of efficiency, effectiveness and also the adequacy of internal control and risk management for an individual task as well as overall business operations. The report also includes the assessment of employees' attention to internal control, corporate governance principles, operational monitoring, asset protection and fraud prevention.

The company has implemented risk management by established risk management policy .The risk management policy involves the considerate operational strategy which consider each risk factor. The company also try to minimize those risk factors to be at an acceptable level compared to the required return.The company will follow the risk management policy under the supervision of the risk management committee by reporting to them on a regular basis.

The Board of Directors acknowledged and approved the report of the Audit Committee in the 5 assessment areas: internal control, risk management, operational monitoring, information and communication, and tracking system of the company and its subsidiary that the efficiency, effectiveness and adequacy of the internal control were at the same level as they were in the previous year and without any significant flaw and also in line with the external auditor's report. The summary of the report was presented in 2014 Annual Report to both the Board of Directors and shareholders. All notes and recommendations from the said report conducted by both internal and external auditor are taken into account for continuing improvement in such areas.

The Board of Directors also has a role in assessing the adequacy of internal control according to an annual assessment form that the company prepared in accordance with the guidelines of the Stock Exchange of Thailand. The key objective is to allow the Board of Directors to recognize and monitor closely pleasant and unpleasant works for the maximum benefit of the company in every aspect.

The company operates under a system of good governance with the assistance of sub-committee, for example, the Audit Committee, the Board of Directors, the Governance Committee and etc., in order to present ideas to the Board of Directors. The system also includes business consultants legal advisor, internal auditors and certified public consultant.

According to the Audit Committee Meeting No.1/2012 on February 28, 2012, C.S.E Company Limited was selected to be company's internal auditor effective from 2013 to 2014. C.S.E Company Limited assigned Mrs. Wimollak Phanrattanapong, the Director, to be the main responsible person acting as company's internal auditor.

The Audit Committee has considered the qualification of C.S.E Company Limited and Mrs. Wimollak Phanrattanapong and agreed that they are appropriate and adequate to perform the duties since they are independent and have experiences in auditing in various businesses for over 20 years. Moreover, they involved in training courses related to auditing with Federation of Accounting Professions and other organizations.

The consideration and approval, appointment, transfer and dismissal of the head of internal auditor of the company must be approved by the Audit Committee. The qualification of the head of internal auditor is presented in the appendix.

INTERNAL AUDITOR - EXTERNAL ENTITY

Company Name	: C.E.S. Company Limited
Address	: 92/18 Floor 9 Sathornthani 2 North Sathorn Road Silom Bangrak Bangkok 10500
Telephone	: 02 - 2668423
Fax	: 02 - 2367877
Head of Internal Auditor	: Mrs. Wimollak Phanrattanapong CPA : 4102
Training Course in 2014	: Federation of Accounting Professions Training course and consultancy 8

GOOD CORPORATE GOVERNANCE

GOOD CORPORATE GOVERNANCE POLICY

Hemaraj Land and Development Plc., subject to the awareness on the importance of good corporate governance, have thus adopted Good Corporate Governance of the Stock Exchange of Thailand (SET) as practical guidelines and tried to continuously improve those perfect practices to achieve good standards, efficiency and transparency in our business operation and enhance confidence to all shareholders, investors and other related parties based on important contents as follows:

1. RIGHTS OF THE SHAREHOLDERS

The company has well realized to safeguard rights and benefits of the shareholders by effectively operating our business to build permanent growth and provide suitable remuneration to the shareholders including to encourage the shareholders to exercise their rights in the Shareholders' Meeting and shall not infringe nor prejudice the shareholders' rights whatsoever.

All shareholders shall be invited to join in Annual Ordinary Meeting or Extraordinary Meeting (if any) as the company shall serve invitation letter and related agendas for consideration prior to all Meetings. The shareholders, as the investors are entitled to vote according to the number of shares holding and each of them shall exercise all votes to conclude the resolution and maintain their benefits and comment toward important decisions, such as, profit allocation and dividend payment, appointment of auditor, prescription of compensation and election the Board of Directors, amendment of Articles of Association and increasing of capital, etc. All shareholders are entitled to receive correct, open, sufficient and update information. The shareholder can appoint any person as its proxy to join in the meeting as deemed appropriate or may appoint Chairman of Audit Committee who is an independent director according to the instruction of the Securities and Exchange Commission (SEC). In such meeting, the company shall provide the shareholders an equal opportunity to inquire company-related business as deemed reasonable.

It is the duties and responsibilities of Board of Directors and related senior Managements to join in each Shareholders' Meeting to jointly clarify related details of the agendas and answer all inquiries of the shareholders. In case of it is necessary and unable to join in the meeting, notice must be given to the Chairman of the Board or Office of the Secretary of the company in advance.

2. EQUITABLE TREATMENT OF SHAREHOLDERS

The company have emphasized and overseen to maintain equitable treatment of shareholders.

2.1 To ensure a clear and transparent process while enabling the Company to tangibly observe corporate governance, allowing minor shareholders to propose in advance the agenda items for the AGM and nominate directors, criteria were established for proposals made by minor shareholders to identify items that are truly beneficial to the Company and choose qualified individuals as directors who efficiently perform their roles for the best interest of the Company and stakeholders and also through the Company's web site.

2.2 All shareholders shall be invited to join in all Ordinary or Extraordinary Meetings. The company shall serve the shareholders invitation letter and related agendas for consideration in advance especially before the Ordinary Shareholders' Meeting which shall be held once a year within April. The company shall not add any important agenda without advance notice to the shareholders to enable the shareholders to study supporting information before making any decision.

2.3 Any shareholder unable to personally join in the meeting, the company shall deliver Power of Attorney according to the form prescribed by Ministry of Commerce to such shareholder along with invitation letter to enable such shareholder to assign its proxy to join in the meeting on its behalf. In this regard, the company shall propose name and information of at least one independent director of the company as additional option of the shareholder.

2.4 The shareholder is entitled to vote according to the number of share holding and each of them must exercise all votes to conclude resolution and maintain benefit of the investor for transparency and traceability. For voting in important agenda, the company shall give voting cards equal to the number of agendas to the shareholders upon registration. After the question is satisfactorily answered, the shareholder shall vote on the card of such agenda, the cards shall be gathered and counted by the independent person for transparency.

2.5 The company has correctly, adequately and clearly recorded Minutes of Meeting for material content and after submitting to SET and SEC sent to the shareholder after 14 days of the Meeting and further publicized such minutes on company's website.

2.6 The company has prescribed written guidelines to maintain and safeguard internal information related to the good corporate governance for fairness to the shareholders and to prevent the directors, employees and related persons, such as, spouse, under legal age child and nominee from using internal information which is an important content on changing of share price and still undisclosed to the public to sell and purchase share. In this regard, pursuant to the Securities and Exchange Act, B.E. 2535, the directors and Managements must report the possession of company's securities upon first admission and further report all securities transaction to SEC within 3 working days and the company shall compile such report as agendas to regularly inform the Board of Directors' Meeting.

3. ROLES OF THE STAKEHOLDERS

The company have realized to the rights of all groups of stakeholders, i.e. from shareholder, employee, customer, debtor, supplier and competitor, environment and society and government agencies to receive appropriate care of rights and free from any infringement according to related laws or agreements by prescribing rules on treatment of stakeholders in each group as follows:

Shareholders

Disclosure of important information both related to financial and non-financial to the shareholder correctly, adequately, equally and in time via several channels, such as, company's website, newspaper advertising or written letter, etc.

Employees

The company value every of its employees with its consideration that they are worthy resource without discrimination, from their knowledge, capacity, the employees' qualification and the suitable achievement according to the performance evaluation, the company's performance and survey of salary level in the market of both same business and other business, providing a good safety working environment, provide them to know policy and their entitled welfare by producing employee manual to prescribe working rules and regulations, group health insurance manual, group life insurance, life provident fund, etc. Moreover, it also emphasizes on development of knowledge, ability and skill of employee by providing of annual budget for them to attend training and seminars in order to enhance their efficiency and develop their skill, expertise and ability to perform their duties effectively.

Customers

Concern on the customer's satisfaction and strictly comply with contract or agreed conditions and attentively solve all problems claimed or suggested by the customers. The Company will explore the customer satisfaction with the products and services of the company at least one year, then the result is used to rectify the defects.

Creditor, Supplier and Competitor

Treat creditors with fairness and not violate the rights of creditors by strictly complying with the terms of contracts and financial obligations regarding repayment, assets safeguarding, and other conditions including the misuse of loan as agreed with the creditors, the use of dishonest procedure and the concealing of facts that will cause damages to the creditors.

Comply with good competition rules, such as, comply with terms and conditions of the contract, do not take any trading advantage nor exploit benefit by giving false or untrue information nor use dishonest method to destroy the competitor. In addition, the company has the rule and regulation for the supplier and/or contractor selection, provided that the assessment for supplier and/or contractor selection is separated according to the activity or work responsibility in a format as specified by the company. In other words, the score is separated into 3 groups as follows; Group A shall be registered as the addition for the procurement; Group B shall be considered in the next time by the additional assessment; and Group C shall not be considered for the procurement for 3 years. Nevertheless, such regulation shall be revised once a year.

The company gives priority to good quality local suppliers/contractors. From the 2014 supplier/contractor evaluation result, 32 contractors received A rating (scored 80 points or more), 2 contractors received B rating (scored 61-79 points) and 18 suppliers received A rating.

Environment and Society

The company has environmental policy to develop industrial estate which is the company's major business simultaneously with environmental conservation according to the environmental management standard ISO 14001. In social respect, the company has policy to promote participation with other social organizations, communities and neighboring establishments in education, safety, fire prevention and others, such as, to establish scholarship project to the community schools, company visitation program and establishment of security center and fire prevention for group of companies.

Government agencies

Comply with related laws, rules, regulations and official stipulations including also good cooperation with government agencies. The company cooperates and supports the measure of government and private in relation to the anti-corruption and unreasonable expense.

The company emphasized to strictly comply with environmental laws and standards by prescribing all managements and employees to strictly observe and perform their duties according to the rules, regulations, laws, policies, requirements and standards related to the quality, safety, occupational health and environment. In addition, the company also publicized to build knowledge and understanding on procedures and precautions for correct practice, free from danger to the health, property and environment. Moreover, the company also developed, reviewed and corrected thereof, strongly and continuously shared the responsibility to the safety, occupational health and environment of the society by arranging both internal and external training schemes that consist of legal knowledge, environmental operation management including cultivating sense of duty on environmental conservation every year for all employees of the Company, using natural resources for optimal benefit i.e. re-using copy paper, turning off air-conditioner during the lunchtime and watering the plants with treated water at the industrial estates, with awareness to the environmental importance and safety of related stakeholders including to promote social activities to conserve environment and sustainably develop living quality.

Accident statistics or Absenteeism rate or Morbidity rate of the operation

The company does not have statistic for accident statistics or absenteeism rate or morbidity rate of the operation in 2014

The company has a policy of non-infringement any intellectual property or copyright, including investigating of the third party's information for avoiding the intellectual property infringement of other person such as non-exploiting business plan of other person and employees are responsible for maintaining the company's confidential trade information. The usage of internet is permitted for work related purpose only. Employees will not disclose/publish any information that will risk the company's reputations. All company's computer programs contain valid license. In 2014 , the company did not violate any intellectual property.

The company shall strictly comply with the rules of human rights, treat to labors fairness, learns and understands the principle of human right, provided that such principle of human right shall be applied as the part of business operation. In addition, the company opposes the activity which may violate the principle of international human right, not hire the child or illegal labors. In addition, the Company also has the guideline to promote to employee to respect for the human rights and dignity of the individual human.

1. The company agrees to equally accept stakeholders' complaints on inappropriate behavior or behaviors that conflict to the law, company's ethic and corruption committed by the committee, executive and employees. The company will handle all complaints with equality, transparency and fairness under an appropriate period of time. All information obtained will be confidential in order to prevent and conflicts to the informant. The person in charge of handling all complaints must gather facts, processing, filtering and report to the committee. The followings are where stakeholder can send their complaints to the Company Secretary's office .

1.1 Telephone number 02-719-9555

1.2 Facsimile number 02-719-95646-47

1.3 E-mail : secretarycompany@hemaraj.com

2. Direct E-mail the Chairman of the Audit Committee

E-mail: auditcommittee@hemaraj.com

The company concerns of informant's security. The company will not reveal name, last name, address, photo or any information which can identify the informant. The person who suffers from the wrong-doing will receive a proper action as fair and appropriate.

4. DISCLOSURE OF INFORMATION AND TRANSPARENCY

The company has disclosed financial information and other information related to business and operating result in correct, sufficient, regular, update and credible manner via the Stock Exchange in the Annual Information Form (Form 56-1) and Annual Report (56-2) and on www.hemaraj.com and invest@hemaraj.com both in update Thai and English version to enable the investor to clearly know and/or study about the company. In addition, the senior management also held seminar between senior management and investment facilitator, analyst and economic reporter both domestic and abroad regularly and invite all interesting parties from several important sectors to visit industrial estate of the company.

In addition, the company also established "Investor Facilitation" unit to directly publicize information beneficial to the investors, shareholders, related parties, general publish, financial institute and securities analysts, provided that the company shall provide the information of company which is beneficial to the investors and join the Opportunity day as organized by the Stock Exchange of Thailand.

Important information of the company is consisted of financial and non-financial information, particularly, the financial statements of the company has been reviewed/audited from the auditor that it is correct in according to the general certified accounting principles and duly approved from the Audit Committee/Board of Directors before disclosing to the shareholders. The Board of Directors has disclosed their responsibilities toward such financial report in the annual report. For the disclosure of non-financial information, the company has disclosed interrelated items, discussion of management and risk management including good corporate governance report in annual report and Form 56-1 and company's website.

The company has disclosed details of roles and responsibilities of Board of Director, sub-committee, frequency of the Meeting and frequency of participation of each director, comment of the Board on business operation and also disclosed compensation payment policy for directors and senior managements in the annual disclosure form (form 56-1) and annual report of the company.

5. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

5.1 Structure of the Board of Directors

The Board of Directors can be grouped according to the characteristic as follows:

- ▶ Directors who are management groups. .
- ▶ Directors who are not management.
- ▶ Directors who are independent.

At least 1/3, but not less than 3 members, of the Board of Directors must be independent directors. Presently, the company has 12 directors, consisted of the directors who are not management 6 persons of which 4 persons are independent directors.

Chairman of the Board of Director is not a independent director because the company believes that Chairman of the Board of Director shall be involved and have expertise in the business.

The Board has set the qualification of board members to be diversified and also consider from the skills that needed in the board as well as their expertise and gender. In 2014, there was one female independent member. The Board of Directors shall assume their positions for 3 years whereby 1/3 directors shall be resigned in every Annual Ordinary Meetings. In case it is undividable, the resigned director must be as close to 1/3 and such resigned director may be re-elect to assume the same position.

The Company has prescribed qualification of independent director who have well knowledge in Finance, Economic, Accounting, public administration and other field of businesses suitable as standard factors to safeguard benefit of the shareholders and others. Additionally, to have qualification according to such prescribed in regulation of SET and SEC as follows :

1. holding share not exceeding 0.5% of paid up capital of the company, subsidiaries, associates or related companies or juristic persons with potential conflict of interest including also share held by related persons.
2. uninvolvement in management, not being an employee, staff, consultant earning permanent salary in the company or the company's management, its subsidiaries, associates, related companies or other persons with potential conflict of interest except in the case that such interests finished at least 2 years prior to the appointment date.
3. Shall have no blood relationship or relationship through legal registration in the forms of parents, spouse, siblings and children, or children's spouses with executive directors, management, controllers, or major shareholders of the company or its subsidiaries of executive directors, management, controllers, or the persons who are nominated for an executive position or executives of the company or its subsidiaries.

4. Not holding business relationship with the company, principal company, subsidiary companies, affiliated companies, major shareowner, or person holding controlling power of the company, which may hinder the exertion of his/her independent discretion, and not being or having ever been a shareowner, with significant implication, or person holding controlling power of the person holding business relationship with the company, principal company, subsidiary companies, affiliated companies, major shareowner, or person holding controlling power of the company, unless having vacated from said tenure for not less than two years before appointment as an independent director.

Business relationship as in first paragraph shall include the normal course of trading transaction for business undertaking, lease or grant of lease of immovable asset, transactions relating to asset or service, or grant or receipt of financial assistance through acceptance or grant of loans, guaranty, grant of asset as guaranty for loans, including other similar behavior, thus making the person applying for permission or a contract party liable to payment of debt to another party, from 3 percent of net tangible assets of the person applying for permission, or from Baht 20 million or over, whichever is lower. The calculation of debt burdens as referred to above shall comply with the valuation of connected transaction in compliance with the notification of the Capital Market Supervisory Board on the criteria of the connected transaction, with the respective differences having been considered (*mutatis mutandis*). However the consideration of the said debt burdens shall include the debt burden incurred within one year before having business relationship with the same person.

5. Shall not be or used to be auditors of the company, its subsidiaries, joint venture companies, the major shareholders or the company's executives. The Independent Directors shall not be major shareholders, executives or business partners of juristic person under the management of the auditor of the company, its subsidiaries, joint venture companies, major shareholders or the company's executives except when such activities finished at least 2 years prior to the appointment date.

6. Shall not work or used to work in a profession that included law and financial consultant services and asset appraising, which receives service fees of over 2 million baht per year from the company, its subsidiaries and joint venture companies or major shareholders or the company's executives. In the case that the profession is registered as a person juristic, this rule covers the case of being the major shareholder, executives, or business partner of that professional service, except such services ended at least 2 years prior to the appointment date.

7. Not being the director who is appointed to safeguard benefit of the company director, major shareholder or shareholder who is related to the major shareholder of the company.

8. Able to perform his duties and express comment independently.

The Company have policy to allow the director to assume as director in the listed companies not exceed 5 (five) companies. And in case of being the director in the same business, the information about position of each director must be disclosed to the shareholders.

The Company does not allow Chief Executive Officer or senior management to assume the same position in other companies at too high degree until resulting inefficient performance. In case of being the chief executive officer or senior management in other companies in the same business, information about position of each director must be disclosed to the shareholders.

The Company has clearly separated Chairman of the Board, the Chief Executive Officer and their duties. The role of Chair of the Board of Director as follows;

1. Act as the leader of the committee with responsible to monitor and administrate the duty of the executive committee and other committees to achieve objectives as planned.
2. Chair the shareholders meeting.
3. Make the final decision at the Board of Directors meeting when the vote casting result is equal.

5.2 Roles and Responsibilities of the Board of Directors

The roles and responsibilities of the Board of Directors are as prescribed by the relevant laws, rules and regulations while the roles and responsibilities of the committees are also clearly defined. This allows the Board and the committees to review and provide appropriate advice within the scope of its roles and responsibilities.

The roles and responsibilities of the Company's Board of Directors are as follows:

- ▶ The Company's directors must be knowledgeable, capable and experienced. They must also have an interest in the business of the company in which they are directors, as well as having honesty and integrity in conducting such businesses.

- ▶ The Directors must perform their duties with honesty and care according to the relevant laws, The SET's and SEC's roles and regulation as well as with good corporate governance principles. They must also protect the rights of the Company, in addition to being accountable to the Company's shareholders.

- ▶ The Board of Directors' prime responsibility is to formulate corporate vision, overall policies and major strategies with ability, integrity and care, so as to achieve continuous and long lasting benefits for the Shareholders. This responsibility includes effective control and supervision of the Management to assure that Board instructions are put into practice with efficiency and in line with relevant rules of law and supervising authorities' regulations, with the Company's own requirements, as well as with good corporate governance principles. In discharging its responsibility, the Board may appoint or assign one or more specific directors or any other persons to act on its behalf, and can revoke such appointments or assignments, as it considers necessary or appropriate. The Company will revise the company's vision and mission at least every 1 years.

- ▶ The Board of Directors must manage to have effective internal control system and internal audit system.

5.3 Sub-committee

The Board of Directors can set committees to assist in the study and screening of some specific tasks on behalf of the board. The qualifications and scope of work of each sub-committee will be defined. The company has therefore appointed sub-committees.

- ▶ **The Executive Committee**, presently consisted of 6 directors, has been assigned by the Board of Directors to help formulate the Company's operation policy and strategies, and to supervise and ensure that such approved policy and strategies are followed through by the Management with efficiency and safety, so that the Company successfully attains its desired goals.

- ▶ **Audit Committee**, consisted of 3 Independent Directors, All Audit Committees must have the good knowledge, understanding and working experience in accounting, legal and finance, and have responsibilities to report to the Board of Directors and follow Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET)'s rules. The Audit Committee is a committee of the board of directors responsible for oversight regulatory compliance, financial reporting and accounting and monitor the effective of internal control process, internal audit and the internal risk management. The Audit committee is responsible to give an opinion in appointing, transferring and dismissing of the Head of internal audit and related parties which involved in internal audit and also to appoint and terminate external auditors.

- ▶ **The Nomination and Remuneration Committee**, having duties and responsibilities as follows :

- ▶ To assist in identifying qualified individuals to be nominated as a Director and Chief Executive Officer based on appropriate criterion for approval by the Company's Board of Directors and/or the General Meeting of Shareholders, as the case may be.

- ▶ To study, evaluate and propose the remuneration of Board of Director including the Sub-Committee and to propose to be approved by the Annual General Shareholder meeting.

► **The Corporate Governance Committee**, consisted of 3 directors, to consider and propose practical guidelines and advices of good corporate governance according to the SET to Board of Directors.

► **The Risk Management Committee**, consisted of 6 directors, to review the company's risk management and provide advices and/or recommendations in relating to the company's risk management to the Executive Committee, provided that the Risk Management Committee is authorized to investigate any documents and call any relevant person in order to obtained the information. The committee is also responsible for assessment and evaluation process of the corruption as a precaution to maintain the risk at an acceptable level. In addition, there will be a thorough crosscheck i.e. any donations made must be for a project that has objectives to bring a betterment of the society and also other action as assigned by the Executive Committee for the process of the corruption to effective. The Risk Management Committee will review and improve about corruption regularly and report to the Board according.

► **The Company Secretary**, the company has appointed 1 qualified person as the company secretary, provided that the company secretary is the person who has knowledge and understanding of business, including the secretarial work as well as related laws and regulation. In addition, the company secretary shall also develop his knowledge and update news and information in order to always develop his performance. The company secretary shall perform his function according to law and company's rule and regulation with his responsibility, carefulness, honesty and diligence subject to the company's corporate governance. The company secretary shall not do any act which may affect the company's reputation and image or have a conflict of interest with the company and keep the company's confidential information. Moreover, the company secretary has a pleasant personality and ability to cooperate with other internal department, including other entity.

The company secretary has duties and responsibilities as specified and announced by the Securities and Exchange Commission, the Stock Exchange of Thailand. In addition, the company secretary support the Board of Directors in relating to the rule and regulation in order that the Board of Director is able to perform his duties efficiently and to meet the target which results in the maximum benefit for the company. The company secretary has a duty to provide the advice relating to law, rule and regulation of the Securities and Exchange Commission, the Stock Exchange of Thailand, including other law that the company should know, cooperate to comply with the Board of Director's resolution and also assist in Board of Director's activities.

5.4 Corporate Governance Policy

The Board of Directors have launched the Good Corporate Governance Policy, complied with and regularly reviewed such policy once a year.

5.5 Code of Business Conduct

The Company has established Code of Business Conduct as manual for Board of Directors, executive officer and employee to understand and comply with such code thoroughly. The company has been monitored this compliance regularly.

5.6 Conflict of Interest

The Company's Board of Directors and Management have been acknowledged and realized the importance of legal and ethical conflict of interest and related transactions guidelines. The company has disclosed, in accordance with the regulations of Stock Exchange of Thailand, such information, detail and reason/necessity, if any in the company's Annual Report and the 56-1 Form. The Company further uses the Audit Committee, internal auditors, external auditors, and external lawyers to review compliance.

In the addition, a director, and executives or a related person may have any transactions with the company or the subsidiaries, in case of any normal business or supporting normal business transaction in the future, the Board of Directors approved in principle, that the management could approve those above transactions, which must be a transaction with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under the similar circumstances, on the basis of commercial negotiation and without any dependent interest resulted from the status of the director, executive or related person by the Securities and Exchange Act (No.4) B.E. 2551.

The company had established rules that a director and an executive shall file the company a report on his interest or a related person's interest. Within 30 days for the first report and submit next report within 15 days from the change date. Company's secretary shall be responsible for keeping reports on interest filed by directors and executives and presenting copies of such reports to Chairman of the Board and Chairperson of the Audit Committee. The information will be used to monitor and manage the conflict of interest.

5.7 Internal Controlling System and Internal Audit

The Audit Committee is aware of the importance of internal control system, the Company establishes the Company's internal control system to be applied adequately and appropriately for operations in order to protect any potential damages to the Company. The audit committee is responsible to review that the Company has appropriate and efficient internal control and internal audit systems. Through its basic quarterly discussions with the outsourced professional internal Auditor, the experienced External Auditor, and appropriate Management representatives, the Audit Committee, whose members are also well acquainted with accounting and financial issues, is confident that the Company, together with its subsidiaries, are equipped with a dependable system of internal control, of which the outsourced internal audit function constitutes an important integral part. Such satisfactory findings have been reported for Board acknowledgement subsequent to each quarterly meeting of the Audit Committee.

5.8 Risk Management

The committee strongly emphasized on risk management. In 2013, the committee set up the risk management committee and to meet the criteria of the Stock Exchange of Thailand for Corporate Governance. The risk management policy involves the considerate operation strategy by considering each factor. The company also try to minimize those risk factors to be at the acceptable level compare the required return. The director of risk management policies specific to the operation of the risk management committee. The results were reported to the Board on a regular basis.

5.9 Usage of Internal Information

The company has measures to respond SET's policy to prevent unauthorized use of internal material information of the company by its personnel (or related party) or leakage to specific individual or group of the outsiders before generally publicized by the company. In this regard, the Company has announced to all personnel especially at Management level about ethics, reputation and image of the company including rules and methods of SET and SEC regarding such matter and duties to disclose and report about share holding or changing thereof.

5.10 The Board of Directors' Meeting

The Board shall prescribe meeting date in advance which shall be held at least 7 times a year (provided in year 2014 the Board of Director's meeting is held 8 times) including the meeting for considering the company's balance sheet which is held 4 times a year, to certify quarterly financial statement of the company. In this regard, the Audit Committee shall review correctness and completeness of information disclosed in financial statements and further report to the Board of Directors on quarterly basis.

In addition to those above mentioned meetings, the company also holds the meeting to consider about business operation as deemed necessary including in urgent matter if necessary. The Management shall prepare performance report to the Board on monthly basis to enable the Board to continuously and timely supervise and control performance of Management.

In each meeting, the Chairman of the Board and Chief Executive Officer shall jointly consider several matters to be included in the agendas. For other matters, each director can propose the matter as he deemed important and necessary to the meeting.

The company shall serve invitation letter, agendas and supporting details to the Board for consideration in advance not less than 5 days prior the meeting except it is an urgent meeting. For matter of nondisclosure agendas shall be discussed in the meeting.

The Chairman of Board of Directors shall allocate times for the Management to propose its concerned matter and the directors shall sufficiently, carefully and thoroughly debate all problems and allow the Board to carefully discreet all issues included in the meeting including the corporate governance.

The Board shall invite senior executives to join in the meeting to provide information, details and additional information related to those problems to enable the meeting to know all information and make acquaintance to senior executives for use in supporting the management succession plan.

The company allows non-management independent directors to hold the meeting to jointly discuss all possible issues without participation of the management.

In Board of Meeting, should have directors attend at least 80% and each director must attend at least 75% of all Board Meetings held in a year .

The Board decision will be made when the minimum quorum is at least 2/3 of all directors.

For 2014, there was one internal meeting among non-executive directors in December.

During the period from January to December 2014, the Company held 8 Board of Directors' meetings which most Board of Directors attended the Meetings except on urgent business or on the oversea business trips.

NAME OF DIRECTOR	BOARD OF DIRECTORS	AUDIT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE	CORPORATE GOVERNANCE COMMITTEE	RISK MANAGEMENT COMMITTEE	SHAREHOLDER MEETING
Mr. Chavalit Sethameteekul	8/8					1/1
Mr. Sawasdi Horrurunguang	8/8				1/1	1/1
Mr. Thongchai Srisomburananonta	8/8		2/2		1/1	1/1
Mr.Thavorn Anankusri	8/8				1/1	1/1
Mr. David Richard Nardone	8/8				1/1	1/1
Mr. Sudhipan Charumani	8/8	4/4	2/2			1/1
Mr. Peter John Edmondson *	7/8	4/4				1/1
Mrs. Punnee Worawuthichongsathit	8/8	4/4	2/2	2/2		1/1
Mr. Vivat Jiratikarnsakul	8/8					1/1
Ms. Pattama Horrurunguang	8/8			2/2	1/1	1/1
Mr. Somphong Wanapha	8/8			2/2		1/1
Mr. Vikit Horrurunguang	8/8					1/1

NOTE : * Not attend the board meeting due to business trip aboard

SELF-ASSESSMENT OF BOARD OF DIRECTORS, MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

The Board of Directors shall regularly conduct self-assessment according to the form of the company to jointly consider their performances and problems to find out appropriate improvement.

Compensation of the Board of Directors and Management

Remuneration of The Board of Directors including subcommittee have been evaluated and considered by the Nomination and Remuneration Committee to propose to be considered by the Board of Director and then proposed for an approval in the Annual General Shareholder's meeting. Such compensation proposals are based on market trend including data from SET, individual responsibility level and Board performance, as well as the company's actual performance and prevailing financial strength. For the top executive level and CEO, compensation are determined by the Executive Committee, taking into account such factors as the basic in house rates, the prevailing employment environments, work performance or contribution to the company, the degree of dedication shown and the company's own specific needs. These consideration factors are deemed to provide a suitable package for the recruitment and retention of quality personnel for the company's benefits.

Directors and Managements Development

The Board of Directors has policy to promote training and education to the directors, audit committee, management, secretary and employee of the company about corporate governance, business ethics and compliance with quality management system standard ISO 9001:2008 to continuously improve their performances. The company shall, especially, promote the directors and secretary to attend several training courses of Institute of Directors.

The company will provide director manual that included all important information about nature and business operation of the company for new director to study and as guidelines for proper implementation.

The Board of Directors promotes the Company to plan for Development Plan of executives and assigning the Managing Director to report interim performance to the Board of Directors.

In preparation of the person to work in the case of the Managing Director / the Chief Executive Officer is unable to work or retirement in order to reduce the risk or effect caused by the discontinued management. Therefore, the company has established the succession plan including providing the training and development of the knowledge and ability to the Executive Director for gaining the understanding, experiences and the readiness of the work management. The person who has the suitable qualification may be elected to assume this position.

Handling of the Company's Internal Information

The company has established a policy in response of the Stock Exchange's policy that aims to protect the Company's internal confidential information being used or exploited by employees (or relevant individuals) or related to the outside prior to the official announcement to the public. The company has announced ethics, reputation of the organization as well as regulations of the Stock Exchange of Thailand and Securities and Exchange Commission (SEC) to employees especially the management and also the responsibility in revealing and reporting the possession of company's shares. The Company has defined the practice of trading securities by using inside information below. "Prohibits directors, executives, as well as spouses and minor children of such persons trading in securities of the company within the two weeks before the disclosure of quarterly financial statements of the company and within 24 hours after the disclosure of financial statements to the Stock Exchange of Thailand."

The Practicing of Good Corporate Governance

The company shall abide with Good Corporate Governance so that quality of management is effective, transparent and accessible. The Good CG will enhance confidence and trust from shareholders, investors, stakeholders, and related parties. The Good CG is a tool to increase value and enhance stable growth to the company in term of financial result, investment return and competitiveness. The Board of Directors shall ensure that the company abide with good corporate governance and comply with regulations of Stock exchange of Thailand and the Security and Exchange Commission. However, there are some areas that the company has not yet comply with the requirements which are

1. Employee Compensation Policy that relate to company short term and long term performance: Under consideration
2. Independent directors assume position no more than 6 years: The company belief that the independent directors shall have the expertise in the business in order to be able to advise the business accordingly

SUBJECT	REASON
The Equitable Treatment of Shareholders Section 1. Cumulative Voting	According to the company's regulation, the votes cannot be separated
Roles of Stakeholders Section 1. Employee Compensation Policy that relate to company's short term and long term performance	Under consideration
Disclosure and Transparency Section 1. Long term objectives of company	Under consideration
Responsibilities of the Board of Directors Section 1. Independent directors assume position no more than 6 years	The company belief that the independent directors shall have the expertise and experience in the business in order to be able to advise the business accordingly

The Evaluation of Board of Director

1. The evaluation of the performance of individual directors resulted in assessment score of 100%
2. The evaluation of good corporate governance practice showed that Board of Director has performed corporate governance policies completely. For the part that has not yet abides with The Stock Exchange's policy, the company is under consideration to complete the policy.
3. The assessment of the adequacy of the internal control system showed that the Audit Committee completely performs their responsibility.
4. The evaluation of Board of Director using score ranging from 0 to 4. The result showed that the Board of Director had completed 99% of work and will try to complete another 1%.

CORPORATE SOCIAL RESPONSIBILITIES : CSR

OVERVIEW OF CSR POLICIES

Hemaraj Land And Development Plc and its subsidiaries have defined sustainable Corporate Social Responsibility (CSR) policies - both CSR in process and CSR after process - through various communication channels: annual report, code of conduct, website, brochures, newsletters, etc. This ensures that all stakeholders are informed about the company's CSR policies, mission and strategies.

Hemaraj integrates CSR into every aspect of its business. It has always been the company's core policy since it was established in 1988, especially in the development of its industrial estates and utilities. For instance, the implementation of programs such as Public Participation 1 (PP1) and Public Participation 2 (PP2) has enabled the company to communicate with surrounding communities. It helped the company identify needs of the communities and define the most effective outreach programs for the past 26 years.

At least once a year, Hemaraj examines feedback and comments from all stakeholders, including communities and related government agencies. The company has set a procedure in place and has installed various channels to enable all residents and stakeholders to file their complaints.

The company also focuses on CSR activities throughout the development of its industrial estates and during its business operations. By applying ISO 14001: 2004, ISO 9001:2008 systems and the CSR DIW under the supervision of the Department of Industrial Works, Hemaraj has been able to provide sustainable and environment-friendly services to their shareholders.

Aside from CSR in process activities, Hemaraj also aims for sustainable growth by getting involved with communities to protect the environment, promote education and provide community care.

HEMARAJ LAND AND DEVELOPMENT PLC AND ITS SUBSIDIARIES' CORPORATE SOCIAL RESPONSIBILITIES (CSR)

Hemaraj is committed to emphasize the importance of ethical business practices and environment protection under its "Committed to Thailand's Sustainable Growth" policy, for the benefit of all stakeholders, including shareholders, employees, customers, creditors, suppliers and competitors, environment and society as well as government agencies.

VISION

As a developer of world-class industrial estates, utilities, power and property solutions, Hemaraj's corporate vision is to create long-term shareholder value in a controlled way achieved through focused appropriate strategic, business, financial, environmental, community and governance disciplines.

MISSION

To Develop World Class Industrial Estates, Utilities, Power and Property Customer Solutions.

STRATEGY

Hemaraj Land And Development Plc defines its business directions and strategies as:

- ▶ Developing industrial estate, utility, power, and property solutions that have predictable growing revenue and superior profit opportunities in order to optimize shareholder value.
- ▶ Leveraging complementary management expertise, customer relationship, infrastructure and environmental competence to expand opportunities in industrial estates, utilities, power, and property.
- ▶ Utilizing sound company human and financial resources selectively for competing investment opportunities.
- ▶ Contributing positively to neighbors, society and to our stakeholders with sustainable programs in education, community and the environment

IMPLEMENTATION AND REPORTING**(1) REPORT PARAMETER**

Hemaraj is committed to publishing reports on its CSR activities for internal and external stakeholders:

- ▶ Shareholders
- ▶ Employees
- ▶ Customers
- ▶ Creditors
- ▶ Suppliers and competitors
- ▶ Environment and society
- ▶ Government agencies

As an industrial estate developer, Hemaraj is required to issue regular reports according to the Environmental Impact Assessment (EIA) rules and submit these reports every 6 months to the Office of Natural Resources and Environmental Policy Planning, Ministry of Natural Resources and Environment.

(2) EXECUTION

For planning and implementing business strategies, code of conduct has been made available to the Board of Directors, management and staff to foster a better understanding of ethical practices.

RISK ASSESSMENT

A special risk management committee, reporting directly to the Board of Directors, provides constant risk factor assessment and analysis of potential effects.

Moreover, Hemaraj has initiated a risk assessment program for business operations within its industrial estates. Hemaraj continuously studies and assesses company products and services that could have a potential impact on customers and consumers. For example, Hemaraj continues to improve the rainwater drainage system at Hemaraj Saraburi Industrial Land (Hemaraj SIL). For this purpose, a consulting engineering company has been hired to analyze leaks, identify hazards and develop a plan to improve the rainwater drainage system and the flood protection system. After adopting the measures suggested, Hemaraj set up a team to ensure constant follow-up, examination and maintenance of the systems, and to record data that could help reduce risks of flooding and other disasters at the industrial land.

REGULATION EMPLACEMENT

Hemaraj sees the importance of corporate operation that complies with the international standards, thus the company establishes the operating regulations, controlling and verification schemes and environmental care processes for its stakeholders to abide by. To illustrate, the Environmental Monitoring & Control Center (ESIE): E:mc^2 has been established at the Eastern Seaboard Industrial Estate (Rayong) with a Baht 5-million investment. A cooperation between Hemaraj and IEAT, the E:mc^2 serves as the country's first environmental real time monitoring unit at private sector's industrial estate.

Hemaraj has adopted long-term environmental measures for its industrial estates, in accordance with the EIA, to ensure minimum environmental impact. Even before the industrial estates were developed, Hemaraj developed policies based on EIA studies, analyses and assessments to prevent long-term effects on the environment. These policies were intended to give the company an overhead view of possible situations and enable it to forecast potential impact. All systems and regulations to prevent, reduce and follow-up the quality of the environment have been approved by stakeholder groups and Office of Natural Resources & Environmental Policy and Planning. All types of activities are monitored by environment quality tests. Hemaraj received the ISO14001 for environmental management systems which provides a systematic process to analyze and address environmental issues. Hemaraj can set the proper goals and procedures, followed by examination and assessment. The results are used to improve Hemaraj's environmental management.

Hemaraj abides by EIA guidelines, ensuring that all projects and factories comply with the environmental regulations for wastewater management, air emission regulations and industrial waste management solutions. In case of an incident that could affect the environment, Hemaraj has emergency measures in place, as well as trained staff to handle the situation, ensuring full recovery as soon as possible.

EMPLOYEE COMMUNICATIONS

In order to establish a lasting relationship with its employees, Hemaraj provides a good and safe working environment, fair remuneration packages and good benefits. Innovative initiatives are encouraged, such as the Constructed Wetlands, - Following HM King Bhumibol's footsteps in treating waste water biologically, which enables employees to acquire knowledge about surrounding communities.

Innovation and technology play a big part in Hemaraj's desire to use alternative renewable energy in the future, in particular, through solar energy. Hemaraj, in cooperation with Gulf Energy Development, has been investing in Solar PV Rooftops to continuously promote energy conservation and a greener environment for the community. Solar PV Rooftops were recently installed in ready built factories and warehouses at Hemaraj Chonburi Industrial Estate and Hemaraj Eastern Seaboard Industrial Estate.

In 2014, Hemaraj joined the ECO for Life project under the theme "From Waste to Social Benefit". The Hemaraj environmental team, in collaboration with the IEAT and neighboring communities, initiated this project to recycle waste products from Hemaraj's estates, thereby benefitting the neighboring communities. Based on the Zero Waste from Water Treatment Process, waste sludge is sent to a waste processor certified by the Department of Industrial Works. However, this procedure requires substantial costs for transport and disposal of the residue, in addition to the risks of foul odours and contamination. Therefore, Hemaraj initiated its own study on wastewater containing residues that can be converted to fertilizers for agriculture. Experiments using these fertilizers are currently being made with plants that are native to Rayong such as rubber, cassava and winter melon.

Studies showed that plants that were grown with this fertilizer became more productive than those that were not. Tests also concluded that the chemical and physical properties of these waste products were beneficial for plants, enabling farmers to cut costs and increase their income.

Hemaraj also encourages its employees to take part in community projects by participating in CSR activities. For example, annual school contribution around the company's industrial estates cover 53 schools and 14,500 students; water supply projects are initiated in various communities during water-shortage periods, or giving support to communities if they are in need, as well as regular forestation projects in neighboring communities.

In addition, Hemaraj stands against all forms of corruption and intellectual property infringements, as stipulated in the employee and the code of conduct.

MONITORING

Hemaraj promotes corporate transparency in every aspects of company operation, including all the CSR activities. Among the notable CSR activities include "Adopt a School", a collaboration between Hemaraj and The American Chamber of Commerce in Thailand (AMCHAM), initiated in 2005. The "Teacher Fellowship Program" has been one of the project created to support the shortage of teachers in Rayong and Chonburi area. Moreover, the initiative project of "Teacher English Camp 2014" is to improve English language skill to those 40 school teachers. Both projects have been closely investigated by Hemaraj's executives and board members of The American Chamber of Commerce in Thailand. Every process, since the budget proposal, the operation, to the end of the project, showcased the transparency of the company without any fraud.

BUSINESS EXECUTION AND POSSIBLE EFFECTS ON CSR

As of 2014, Hemaraj and its subsidiaries have not been involved in any business activities affecting CSR principles. However, the company has defined measures to deal with environmental complaints, as follows:

1) In case of compliant request, the company will assemble related information and conduct a primary investigation

2) Once the investigation is completed, if:

2.1 the case is groundless, a detailed explanation will be provided through appropriate communication channels

2.2 the case is accurate and factual, but

2.2.1 not related to the company, the complainant will be notified and a further investigation into the real cause will be launched

2.2.2 related to the company, a meeting of the stakeholders shall be called in order to determine the causes and effects, and look for preventive measures and solutions. Results will be communicated to the complainant through appropriate communication channels.

PREVENTING CORRUPTION

(1) Hemaraj, according to its Board of Directors business policies, is not involved in any form of corruption, as stated in the code of conduct available to the committee, management and employees

(2) Hemaraj has joined Thailand's Private Sector Collective Action Coalition Against Corruption, demonstrating its solid commitment to fight corrupt practices.

In conclusion, in 2014, Hemaraj Land And Development Plc. has run its operations responsibly, in a corruption-free environment, ensuring respect for human rights, fair labor practices and responsibility for all consumers, in accordance with the Global Reporting Initiative (see details on page 171).

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS OF OPERATION FOR YEAR 2014

(A) OPERATION RESULTS OF YEAR 2014

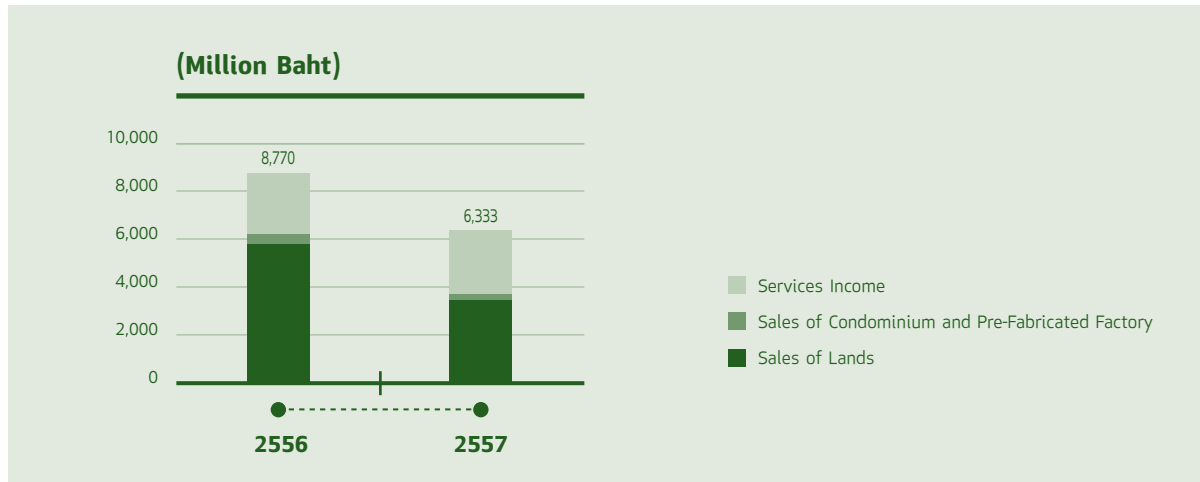
For the Year of 2014, Hemaraj reported Total Net Income of Baht 2,961 million decreased Baht 1,378 million, or decrease of 32% compared with Year 2013 Net income of Baht 4,338 million. The decrease of Net Income of Year 2014 was partially due to absence of extra gain on sale and lease under financial lease from Hemaraj Property Fund (HPF) booked in Quarter 4, 2013 of Baht 1,457 million net of rental revenue reserve, income tax and minority. Revenue from land sale also decreased from economic constraint. However, the services income increased at Baht 74 million from Year 2013 mainly due to the increase in industrial estate utilities revenue while the revenue from RBF rental decreased due to sales of some portion of RBF factories to the Property Fund during last year-end. Moreover, Share of Profits from investments in associated companies increased significantly of Baht 1,096 million mainly from GHECO-One, which has been operated effectively in Year 2014.

(B) REVENUE STRUCTURE

Revenue Structure of Hemaraj consists of sales of developed industrial land, utilities service, ready built factories for rent, logistics warehouse for rent, other services income and sales of condominium, pre-fabricated factory and others. For Year 2014, Hemaraj's total Revenue from sales and services was Baht 6,333 million compared with Baht 8,770 million for the same period of 2013, representing decrease of 28%. The decrease was due to lower revenue from sale of land and condominium compared to Year 2013.

REVENUES BY ITEMS

REVENUES	YEAR 2014		YEAR 2013		INCREASE/DECREASE	
	MILLION	%	MILLION	%	MILLION	%
Sales of Land	3,446	54.41	5,771	65.81	(2,325)	(40.29)
Sales of Condominium and pre-fabricated factory	234	3.70	420	4.78	(185)	(44.17)
Services Income	2,653	41.89	2,579	29.41	74	2.86
Total Revenue	6,333	100.00	8,770	100.00	(2,437)	(27.78)



Sales of Land

For Year 2014, sales of land which were recognized upon the land transferred were Baht 3,446 million, or a decrease of 40% comparing to Year 2013 of Baht 5,771 million. Industrial Estate Land Sales for Year 2014 were 665 rai (266 acres or 106 hectares), with 42 contracts, 31 new customers and 11 project expansions from existing, being affected by the previous political disruptions, weak investment sentiment, and delays in the Board of Investment approvals since Year-end 2013.

Sales of Condominium

For Year 2014, 6 units of Residential Condominium units were sold and transferred with realized sales value of Baht 195 million. As of 31 December 2014, accumulative condominiums sold were 217 units.

Services Income

For Year 2014, Service Income increased to Baht 2,653 million, or an increase of 3% from last year mainly due to the increase in industrial estate utilities revenue. Industrial Estate Utilities revenue increased Baht 145 million, or an increase of 9% reflecting the higher utility volumes and rates from industrial estate customers.

Total Rental Property and Services revenue, including ready built factory rental, logistics parks rental, pipe-rack rental and commercial office rental decreased Baht 110 million, or a decrease of 11% due mainly from the decrease in Ready Built Factory Rental of Baht 165 million. Ready Built Factory Rental Revenue decreased mainly from sales of some portion of RBF factories to the Property Fund during last year-end and impact from economic constraints.

For Year 2014, the domestic automotive market with total automotive OEM production volume was down 23%. Export auto OEM growth was flat in volume, however inclusive of auto parts increased 6.4% in value. This has impacted ready built factory and warehouse take-up space.

(C) GROSS PROFIT

The Gross Profit was Baht 3,127 million, a 25% decrease from last year. The Gross Profit Margin improved to 49%.

(D) EXPENSES ANALYSIS

For Year 2014, Selling Expenses decreased Baht 164 million and general and administrative expenses increased Baht 86 million. The decrease in selling expenses was due to lower revenue from land sales and the increase in general and administrative expenses due to the increase in staff expenses. Financial Costs for Year 2014 increased by Baht 110 million due to higher debentures for investments in land and others.

FINANCIAL POSITION

The consolidated balance sheet as of 31 december 2014 is summarized as follows.

Assets

Total Assets as of 31 December 2014 were Baht 33,683 million, increased slightly by Baht 248 million from Baht 33,434 million at year-end 2013, or an increase of 1%. Total Current Assets as of 31 December 2014 were Baht 16,963 million compared to Baht 17,748 million at year-end 2013. This includes Cash and Deposits on Hand of Baht 2,087 million, Trade Account Receivable of Baht 163 million and Cost of Real Estate Developments of Baht 13,141 million.

Non-Current Assets were Baht 16,720 million as of 31 December 2014. This includes Investment property of Baht 6,974 million, Property, plant, and equipment of Baht 1,769 million, and Long-term investment in associates and other companies of Baht 7,359 million which mainly include 35% share holding in 660 MW coal-fire power plant Gheco-One which is the joint investments with Glow Energy Pcl. (GDF Suez) and also include 23% shares in Hemaraj Property Fund (HPF).

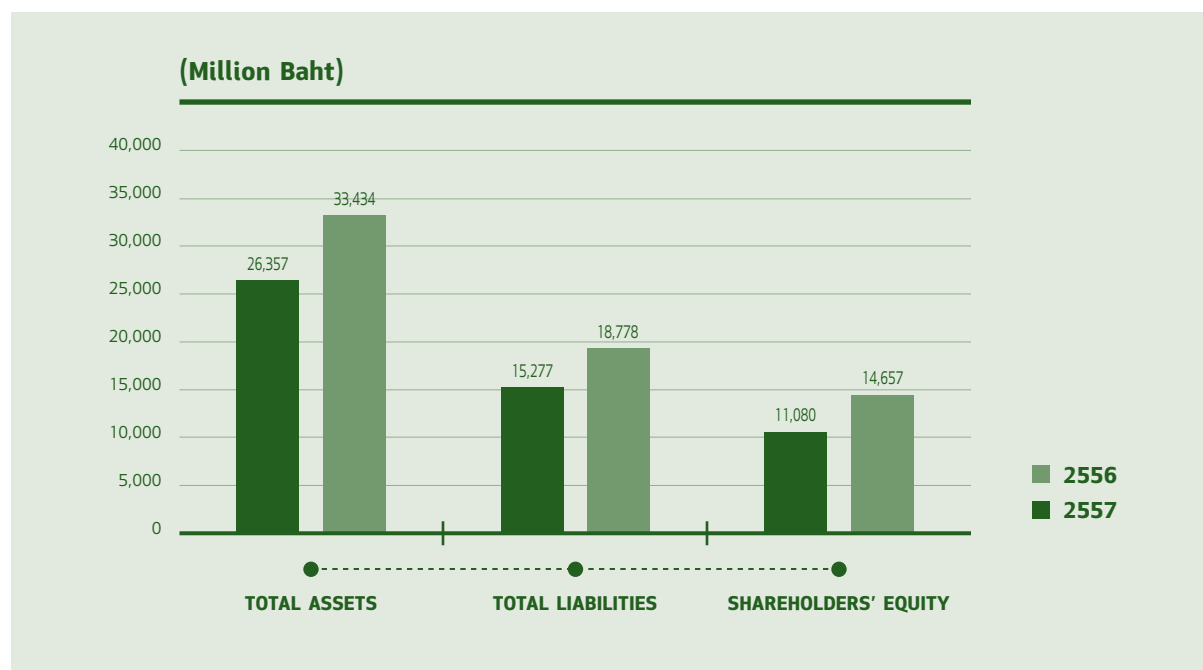
Liabilities

As of 31 December 2014, total Liabilities were Baht 18,654 million, or equal to 55% of total liabilities and shareholders' equity. Major items comprise of debentures and loans from financial institutions total Baht 15,304 million.

Total liabilities decreased Baht 124 million or a decrease of 1% from Baht 18,778 million in 2013 partly due to decrease in loans from financial institutions despite higher bond amount.

Shareholders' Equity

As of 31 December 2014, total Shareholders' Equity was Baht 15,029 million, increased Baht 372 million from Baht 14,657 million at year end 2013. The change was mainly from higher profit of the Company and its subsidiaries for Year 2014 amounted to Baht 2,961 million net with the payment of 2013 final dividend of Baht 0.11 per share, amount total Baht 1,067 million in May 2014 and Year 2014 interim dividends of Baht 0.07 per share, amount total Baht 679 million paid in October 2014.



CASH FLOW AND SOURCE OF FUND ANALYSIS

(1) CASH FLOWS ANALYSIS

STATEMENT OF CASH FLOWS (MILLION BAHT)	YEAR 2014	YEAR 2013	INCREASE/(DECREASE)	
			MILLION	%
Net Cash Provided by (Used in) Operating Activities	(2,159)	(319)	(1,840)	577
Net Cash Provided by (Used in) Investing Activities	675	1,720	(1,045)	(61)
Net Cash Provided by (Used in) Financing Activities	(1,209)	1,685	(2,894)	(172)
Increase (decrease) in cash and cash equivalents, net	(2,693)	3,086	(5,779)	(187)
Cash and cash equivalent, beginning of years	4,780	1,694	3,086	182
Cash and cash equivalent, end of years	2,087	4,780	(2,693)	(56)

As of 31 December 2014 and 2013, Cash and Deposits were Baht 2,087 million and Baht 4,780 million respectively.

For Year 2014, Company used cash flow received from sale and lease under financial lease from Hemaraj Property Fund (HPF) during end of year 2013 in several activities including loan repayment, land purchase, investment in real estate developments and dividend paid to shareholders and non-controlling interest at Baht 2,584 million.

(2) USE OF FUND

Hemaraj continues to invest in land, real estate development and rental properties development in order to support the expansion of the customers' base and be able to provide better and more integrated services in the industrial estates.

(3) SOURCE OF FUND

Hemaraj continue to manage and acquire appropriate source of funds considering the sufficient liquidity level. In Year 2014, Hemaraj issued the unsecured Baht Bonds of Baht 2,500 with 10 years duration in order to capture appropriate long term source of fund and to be access to various capital market.

Net Debt to Equity ratio was 1.10 to 1 at year-end 2014 and was 0.95 to 1 at year-end 2013, lower than other companies in the same industry. With lower Net Debt to Equity ratio reflected strong funding structure with flexibility.

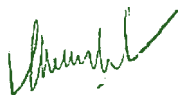
KEY FINANCIAL RATIOS

	YEAR 2014	YEAR 2013
Return on Assets	8.8%	14.5%
Return on Equity	20.9%	36.2%
Gross Profit Margin	49.4%	47.8%
Net Profit Margin	45.0%	37.6%
Earnings per Share (Baht)	0.31	0.45
Book Value per Share (Baht)	1.55	1.51
No. of Shares Issued and Paid (Million Shares)	9,705	9,705

REPORT ON RESPONSIBILITIES OF THE BOARD OF DIRECTORS TOWARDS THE FINANCIAL REPORT OF THE YEAR

The Board of Directors of Hemaraj Land and Development Public Company Limited realizes its role and responsibility as the Directors of a listed company in supervising the Company to have the Financial Reports of year 2014 to present sufficient in materiality, relevant and transparent financial and accounting information. Appropriate accounting policies have been put in place and adhered to on a consistent basis according to the generally accepted accounting principle while due consideration has been placed on the process of preparing the Company's and the Consolidated fiscal year 2014 financial statements including other information that have been included in the annual report of this year. The Audit Committee, who is appointed by the Company's Board of Directors, comprising of independent directors fully qualified in accordance with the requirement of the Stock Exchange of Thailand have reviewed and ensure accuracy and sufficiency of the financial report including accurate and complete disclosure of connected transactions or transactions with possible conflict of interests, sufficient and effective internal control and internal audit system, risk management and appropriate corporate governance and to be compliance with the requirement of the Stock Exchange of Thailand and relevant rules and regulations.

The Company's Board of Directors has the opinion that the financial statements and financial reports for the year 2014 of the Company and the Subsidiaries, which have been reviewed by the Audit Committee in conjunction with the management, and audited by the Company's auditors, reflect accurate financial position, operational results and cash flow status in accordance with consistent appropriate accounting policies generally accepted accounting standards and according to relevant rules and regulations.



(MR.DAVID RICHARD NARDONE)

President & CEO
10 March 2015



(MR.CHAVALIT SETHAMETEEKUL)

Chairman of the Board of Directors
10 March 2015

AUDIT COMMITTEE REPORT FOR 2014

The Audit Committee of Hemaraj Land And Development Public Company Limited has the following independent non-executive directors as its members:

- | | |
|-------------------------------------|--------------------------|
| 1) Mr. Sudhipan Charumani | Audit Committee Chairman |
| 2) Mr. Peter J. Edmondson | Audit Committee Member |
| 3) Mrs. Punnee Worawuthichongsathit | Audit Committee Member |

The Audit Committee members are qualified in accordance with the rules and regulations for Audit Committees, as issued by the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee has fulfilled its responsibilities according to the scope and duties assigned by the Board of Directors in compliance with its Charter and official regulations.

Six formal Audit Committee meetings were held in respect of its 2014 financial year duties. By invitation, such meetings were also attended by the internal and external auditors, as well as by members of the company management, inclusive of the Chief Financial Officer, with occasional participations by the Chief Executive Officer and the Company's external legal council upon requests. Moreover, the Audit Committee also arranged time to meet with the internal and external auditors without executives of the Company being present. Such meetings were officially arranged quarterly, with informal consultations added as deemed necessary.

THE ACTIVITIES OF THE AUDIT COMMITTEE COVERED THE FOLLOWING AREAS :

1) Review of the interim and annual financial statements of 2014 to verify that the statements were accurate and complete, and that relevant supporting financial information was disclosed. The review was conducted with inputs from the management and the external auditors. The Audit Committee and external auditors agreed that the financial statements were correct and had been prepared in accordance with financial reporting standards. It should be hereby mentioned that as a Thai listed public company, the Company had diligently applied itself to the Federation of Accounting Professionals of Thailand's revised sets of accounting standards, which had been introduced in conjunction with international practice.

2) Review of the internal and risk management control system in order to verify that the system was appropriate and effective in meeting its objectives. The review which was conducted with inputs from the internal auditors, coupled with discussions with the external auditors, did not reveal any significant weaknesses or deficiencies, either at company or subsidiary level. The Audit Committee and both the internal and external auditors are of the view that the prevailing internal control and risk management system meet the requirements of the SET and SEC, and is adequate to safeguard assets and provide sufficient disclosure of information.

3) Review of the internal audit function to ensure its effectiveness and independence. The internal audit function is conducted by a reputable and independent outsourced audit firm. Work is performed in accordance with a program jointly studied and approved on a continuing basis by the Audit Committee, together with the Management. The internal auditors report their findings to both the Audit Committee and the Management on a quarterly basis, with open access to the Audit Committee at all times. The Audit Committee believes that the internal audit functions of the Company and subsidiaries are appropriate, effective and independent.

4) Review of compliance with the Securities and Exchange Acts, other relevant laws and SEC-SET regulations, as well as the Company's own rules and obligations to external parties. This review, which was performed by the Audit Committee members, with contracted assistance from the internal auditors, did not find any significant instances of non-compliance.

5) Review of, and giving opinion on, connected transactions and transactions potentially giving rise to conflicts of interest, together with the aspect of information disclosure on such transactions in compliance with the regulations of the SET and SEC. The Audit Committee and both the internal and external auditors were of the opinion that such transactions had fully and appropriately been disclosed in the financial statements and notes thereto, and were reasonable, of a normal business nature, as well as being beneficial to the Company.

6) Considering the appointment of external auditors and their remunerations for the year 2015, and recommending such to the Board of Directors for submission to the Shareholders' Annual General Meeting. Having considered past performance, independence and remuneration issues, the Audit Committee was satisfied with audit personnel of the present external audit firm, A.M.T. & Associates, on all counts. However, as the Company on 5th March, 2015 had received a friendly tender offer for a majority shareholding with effective results on 11th March, 2015, the prevailing Audit Committee felt appropriate to postpone the process of selecting the 2015 External Auditors and their remunerations until such time as the new majority shareholders had an opportunity to express their policies.

The present 2014 External Auditors had no family, financial interest, employment, investment or business relationship with the Company or any of its subsidiaries, other than in the normal course of audit business.

In summary, the Audit Committee, in the course of discharging its Chartered responsibilities as assigned by the Board of Directors, found that the Company had presented its financial and operational information in a true and fair manner, had appropriate and effective internal control and audit and risk management, had complied with laws, regulations and obligations, and had disclosed connected transactions correctly. Moreover, the Company continued to promote good corporate governance practice, obtaining a "very good" scoring in the National CG Committee's 2014 report among Thai listed companies, as well as retaining full points in the Thai Investors Association's 2014 report in respect of its AGM conducting, together with a sound upgrade of TRIS Rating from A- to A level.

S. Charumani



(SUDHIPAN CHARUMANI)

Chairman of the Audit Committee
12th March 201

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated financial statements of Hemaraj Land and Development Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2014, the related consolidated statements of changes in shareholders' equity, income, comprehensive income and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and I have also audited the separate financial statements for the same year of Hemaraj Land and Development Public Company Limited.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 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 present fairly, in all material respects, the consolidated financial position of Hemaraj Land and Development Public Company Limited and its subsidiaries as of December 31, 2014, and the result of their operations and their cash flows for the year then ended and the financial position of Hemaraj Land and Development Public Company Limited as of December 31, 2014, the results of its operations and its cash flows for the year then ended in accordance with financial reporting standards.

OTHER MATTER

The consolidated financial statements of Hemaraj Land and Development Public Company Limited and its subsidiaries and the separate financial statements of Hemaraj Land and Development Public Company Limited for the year ended December 31, 2013, were audited by another auditor in the same firm as myself, who expressed an unqualified opinion on those statements on February 28, 2014.



(CHAIYUTH ANGSUWITHAYA)

Certified Public Accountant
Registration No. 3885

A.M.T. & ASSOCIATES
Bangkok, Thailand
February 27, 2015

STATEMENTS OF FINANCIAL POSITION

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AS AT DECEMBER 31ST, 2014

BAHT

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		AS AT 31 ST DECEMBER 2014	AS AT 31 ST DECEMBER 2013	AS AT 31 ST DECEMBER 2014	AS AT 31 ST DECEMBER 2013
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	7	2,087,414,640	4,780,438,968	1,613,378,196	1,028,712,647
Trade receivables, net					
Related parties	8	1,476,833	-	123,717,037	374,757,192
Other parties	8	161,197,389	152,102,985	6,472,841	8,037,584
Other receivables					
Prepaid expenses		13,589,499	12,276,165	3,819,149	2,453,542
Others		3,178,710	5,024,072	724,930	2,351,295
Short - term loans to related parties, net	6	1,437,571,647	1,559,495,896	7,747,168,220	6,640,209,639
Inventories		7,920,000	9,360,000	7,920,000	9,360,000
Cost of real estate developments, net	9, 31 and 32	13,140,529,907	11,138,187,719	4,468,890,261	3,795,108,284
Other current assets					
Revenue department receivable		95,477,398	66,017,676	40,464,690	34,130,879
Others		13,727,420	25,118,606	1,093,988	1,081,749
TOTAL CURRENT ASSETS		16,962,083,443	17,748,022,087	14,013,649,312	11,896,202,811
NON - CURRENT ASSETS					
Available-for-sale investments - marketable securities, net		571,295	584,791	571,295	584,791
Investments in associates	3.2, 6, 10, 31 and 32	7,359,184,135	6,811,652,727	5,422,459,244	5,422,459,244
Investments in subsidiaries	6, 11 and 31	-	-	7,059,284,449	5,579,784,554
Other long - term investments, net					
Related parties	12	1,515,000	1,500,000	-	-
Other parties	12, 31 and 32	142,783,003	142,783,003	142,500,003	142,500,003
Investment property, net	13 and 31	6,974,322,371	6,741,040,523	76,115,763	34,939,065
Assets for rent, net	14	135,329,550	131,825,565	-	-
Property, plant and equipment, net	15 and 31	1,768,847,532	1,493,592,721	117,321,541	124,249,758
Intangible assets					
Sinking fund, net	16 and 32	97,651,622	95,405,271	15,521,280	15,096,290
Advance payment for right		57,886,654	69,692,654	57,886,654	69,692,654
Right from investment in associate, net	10.3	26,385,635	27,516,669	-	-
Others		35,375,280	29,290,701	35,375,280	29,290,701
Deferred tax assets	30	73,075,746	92,396,119	21,003,755	17,962,131
Other non - current assets					
Leasehold land and land held for commercial purposes, net	17 and 31	42,192,837	45,903,558	42,192,837	45,903,558
Others		4,620,666	3,205,814	3,321,850	2,451,524
TOTAL NON - CURRENT ASSETS		16,719,741,326	15,686,390,116	12,993,553,951	11,484,914,273
TOTAL ASSETS		33,681,824,769	33,434,412,203	27,007,203,263	23,381,117,084

The accompanying notes to financial statements are an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION (Continued)

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AS AT DECEMBER 31ST, 2014

BAHT

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		AS AT 31 ST DECEMBER 2014	AS AT 31 ST DECEMBER 2013	AS AT 31 ST DECEMBER 2014	AS AT 31 ST DECEMBER 2013
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short - term loan from Financial institution	18	300,000,000	609,679,390	300,000,000	400,000,000
Trade payables					
Related parties	6	11,344,306	7,347,617	6,052,240	684,192
Other parties		316,029,734	400,653,747	71,363,929	14,833,951
Other payables					
Accrued cost of real estate developments	9	972,629,525	1,165,419,319	7,326,841	685,913
Cash received and income received in advance	19	418,743,458	1,334,930,927	98,062,922	47,596,506
Accrued interest expenses		135,575,987	104,457,915	135,497,570	104,002,075
Accrued expenses		45,599,211	176,612,467	27,369,099	36,037,503
Current portion of long - term liabilities					
Debenture	20	1,500,000,000	400,000,000	1,500,000,000	400,000,000
Long - term borrowings	22 and 31	551,505,822	499,789,625	384,755,822	317,289,625
Short - term borrowings from other person	11	262,500,000	-	262,500,000	-
Short - term borrowings from related parties	6	-	-	79,412,817	132,652,178
Accrued income tax		26,820,837	221,310,659	-	-
Other current liabilities					
Revenue department payable		41,909,219	33,917,130	25,268,207	17,901,510
Dividend payable		12,114,440	9,657,419	12,114,102	9,656,989
Others	6	74,208,434	91,619,742	17,782,875	33,474,259
TOTAL CURRENT LIABILITIES		4,668,980,973	5,055,395,957	2,927,506,424	1,514,814,701
NON - CURRENT LIABILITIES					
Debentures, net	20	11,438,000,000	10,438,000,000	11,438,000,000	10,438,000,000
Long - term borrowings, net	22 and 31	1,514,025,000	1,980,950,000	1,356,150,000	1,740,950,000
Long - term borrowings from related party	6 and 21	-	-	1,026,176,694	1,035,967,713
Deferred tax liabilities	30	168,958,800	176,222,350	2,801,118	1,828,914
Employee benefit obligations	23	83,673,372	70,702,637	38,263,691	31,393,681
Provision for liabilities arising from guarantee rental income	6 and 24	214,844,696	294,495,624	30,806,294	31,267,080
Other non - current liabilities					
Retention payables		156,738,341	283,008,845	38,588,448	29,110,759
Rental deposit and guarantee received					
Related party	6	-	76,107,762	-	6,239,955
Other parties		226,132,876	210,964,099	6,796,590	3,037,910
Rental income received in advance					
- net of current portion - related party	6	156,255,288	161,839,658	-	-
Deferred leasehold right income, net					
Related party	6	-	-	45,943,792	48,427,792
Other parties		8,341,509	9,394,903	-	-
Others		16,674,108	20,451,975	7,967,252	13,422,944
TOTAL NON - CURRENT LIABILITIES		13,983,643,990	13,722,137,853	13,991,493,879	13,379,646,748
TOTAL LIMABILITIES		18,652,624,963	18,777,533,810	16,919,000,303	14,894,461,449

The accompanying notes to financial statements are an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION (Continued)

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31ST, 2014

BAHT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		
	NOTE	AS AT 31 ST	AS AT 31 ST	AS AT 31 ST	AS AT 31 ST
		DECEMBER 2014	DECEMBER 2013	DECEMBER 2014	DECEMBER 2013
SHAREHOLDERS' EQUITY					
Share capital - Baht 0.40 par value					
Authorized share capital					
Ordinary shares 15,000,000,000 shares		6,000,000,000	6,000,000,000	6,000,000,000	
Issued and paid-up share capital					
Ordinary shares 9,705,186,191 shares		3,882,074,476	3,882,074,476	3,882,074,476	
Share premium account (discount) - ordinary shares, net		438,704,620	438,704,620	438,704,620	
Retained earnings					
Appropriated - legal reserve	25	908,672,126	889,198,025	600,000,000	
Unappropriated		9,510,879,526	8,353,245,729	5,167,181,921	
Other components of equity		(31,268,625)	(31,304,091)	241,943	
Total Equity Attributable to Owners of the Parent		14,709,062,123	13,531,918,759	10,088,202,960	
Non-controlling interests		320,137,683	1,124,959,634	-	
TOTAL SHAREHOLDERS' EQUITY		15,029,199,806	14,656,878,393	10,088,202,960	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		33,681,824,769	33,434,412,203	27,007,203,263	

The accompanying notes to financial statements are an integral part of these financial statements.

STATEMENTS OF INCOME

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2014

BAHT

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
REVENUE FROM SALES AND SERVICES					
Sales of real estate		3,680,162,516	6,190,459,859	527,051,786	631,800,305
Services income	6	2,652,934,495	2,579,142,818	147,065,255	160,502,188
TOTAL REVENUE FROM SALES AND SERVICES		6,333,097,011	8,769,602,677	674,117,041	792,302,493
COST OF SALES AND SERVICES					
Cost of real estate sales		1,761,937,017	3,210,586,055	294,761,067	383,651,962
Cost of services	6	1,444,420,140	1,371,502,924	103,129,678	113,590,989
TOTAL COST OF SALES AND SERVICES		3,206,357,157	4,582,088,979	397,890,745	497,242,951
GROSS PROFIT		3,126,739,854	4,187,513,698	276,226,296	295,059,542
Other income					
Gain on sales of properties and long - term leases	13	-	2,527,167,494	-	296,831,009
Gain on sales of investment in associate		-	13,979,329	-	20,990,004
Interest income	6	132,326,803	127,793,253	419,974,363	361,838,139
Management income and commission fee	6	8,008,280	1,858,122	247,826,411	454,857,697
Dividend income	10 and 11	65,439,602	54,884,606	3,544,856,165	2,370,662,248
Others		39,617,466	48,552,660	5,097,965	25,460,889
Selling expenses		(268,009,920)	(432,576,711)	(64,170,316)	(81,408,841)
General and administrative expenses		(647,239,128)	(551,199,427)	(310,469,134)	(275,233,890)
Provision for loss arising from guarantee of minimum rental income	24	(27,771,420)	(294,495,624)	(14,942,361)	(31,267,080)
Other expenses					
Loss on exchange rate		(65)	(6,828)	(3,337,719)	(46,452,559)
Finance costs	6	(761,796,531)	(652,043,207)	(751,463,837)	(646,247,578)
Share of gain from investments in associates	3.2 and 10	1,655,278,240	558,973,938	-	-
PROFIT BEFORE INCOME TAX EXPENSES		3,322,593,181	5,590,401,303	3,349,597,833	2,745,089,580
INCOME TAX REVENUE (EXPENSES)	30	(98,108,269)	(504,307,941)	1,431,193	(69,391,428)
PROFIT FOR THE YEARS		3,224,484,912	5,086,093,362	3,351,029,026	2,675,698,152
PROFIT ATTRIBUTABLE TO:					
Equity holders of the parent		2,960,566,145	4,338,477,843	3,351,029,026	2,675,698,152
Non-controlling interests		263,918,767	747,615,519	-	-
PROFIT FOR THE YEARS		3,224,484,912	5,086,093,362	3,351,029,026	2,675,698,152
BASIC EARNINGS PER SHARE					
Attributable to owners of the parent (Baht)		0.305	0.447	0.345	0.276
Weighted average number of ordinary shares (shares)		9,705,186,191	9,705,186,191	9,705,186,191	9,705,186,191

The accompanying notes to financial statements are an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2014

BAHT

NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
PROFIT FOR THE YEARS	3,224,484,912	5,086,093,362	3,351,029,026	2,675,698,152
OTHER COMPREHENSIVE INCOME (LOSS):				
Translation of financial statements differences	46,268	202,713	-	-
Loss on remeasuring available-for-sale investments	(10,802)	(65,539)	(10,802)	(65,539)
Actuarial loss on defined employee benefit plans	(2,464,540)	-	(2,542,107)	-
Actuarial loss on defined employee benefit plans - associate	(304,500)	-	-	-
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEARS - NET OF TAX	(2,733,574)	137,174	(2,552,909)	(65,539)
TOTAL COMPREHENSIVE INCOME FOR THE YEARS	3,221,751,338	5,086,230,536	3,348,476,117	2,675,632,613
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Equity holders of the parent	2,957,493,187	4,338,615,017	3,348,476,117	2,675,632,613
Non-controlling interests	264,258,151	747,615,519	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEARS	3,221,751,338	5,086,230,536	3,348,476,117	2,675,632,613

The accompanying notes to financial statements are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2014

BAHT

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the years		3,224,484,912	5,086,093,362	3,351,029,026	2,675,698,152
Adjustments for					
Doubtful debt expenses		9,943,221	7,928,165	2,228,190	959,460
Share of profit from investments in associates	3.2 and 10	(1,655,278,240)	(558,973,938)	-	-
Unrealized loss on exchange rate		-	-	3,316,941	46,450,074
Gain from sales of equipment		(1,982,602)	(864,955)	(926,535)	(177,569)
Gain on sales of investment in associates		-	(13,979,329)	-	(20,990,004)
Gain on sales of properties		-	(2,527,167,494)	-	(296,831,009)
Depreciation of assets	13, 14 and 15	334,407,895	337,751,368	21,021,352	22,779,647
Amortization of sinking fund	16	7,393,091	6,520,351	1,541,881	1,526,356
Amortization of advance payment for right		1,917,692	2,583,182	1,917,691	2,583,182
Amortization of rent right		5,658,544	5,658,544	5,658,544	5,658,544
Amortization of right from investments in associates	10.3	1,131,034	759,187	-	-
Employee benefit expenses	23	9,890,060	7,131,534	3,692,376	2,636,379
Provision for loss arising from guarantee of minimum rental income	24	27,771,420	294,495,624	14,942,362	31,267,080
Provision for maintenance		76,341,889	86,758,612	4,707,660	5,584,043
Dividend income	10 and 11	(65,439,602)	(54,884,606)	(3,544,856,165)	(2,370,662,248)
Realization of deferred leasehold right income - related party	6	(5,584,371)	(1,885,320)	(2,484,000)	(2,484,000)
Realization of deferred leasehold right income - others		(1,053,394)	-	-	-
Finance costs	6	761,796,531	652,043,207	751,463,837	646,247,578
Income tax expenses (revenue)	30	98,108,269	504,307,941	(1,431,193)	69,391,428
		2,829,506,349	3,834,275,435	611,821,967	819,637,093
Decrease (increase) in operating assets :					
Account receivables - related parties		(1,476,833)	1,924	248,765,497	(193,526,854)
Account receivables - other parties		(19,037,625)	(18,867,373)	1,611,210	12,981,782
Other account receivables		532,028	2,338,897	260,758	1,954,765
Unbilled completed work		-	7,441,850	-	-
Inventory		1,440,000	480,000	1,440,000	480,000
Cost of real estate developments		(2,292,442,064)	(2,912,343,358)	(666,224,090)	(2,331,488,730)
Receivables - Revenue Department		(8,562,848)	(8,297,592)	4,732,676	-
Other current assets		11,391,187	1,114,096	(12,239)	123,373
Advance payment for right		9,888,308	10,385,995	9,888,308	10,385,995
Other non - current assets		(7,677,857)	(5,052,801)	(6,954,905)	(6,567,859)

The accompanying notes to financial statements are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS (Continued)

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2014

BAHT

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
Increase (decrease) in operating liabilities :					
Trade payables - related parties		3,996,689	4,774,286	5,368,048	(1,077,931)
Trade payables - other parties		(84,624,013)	(993,572,399)	56,529,978	(14,201,954)
Accrued cost of real estate developments		(192,789,794)	444,193,750	6,640,928	-
Cash received and income received in advance		(916,187,468)	(143,806,817)	50,466,415	4,108,404
Accrued expenses		(131,013,256)	118,248,044	(8,668,404)	6,991,056
Other current liabilities		(93,753,196)	(68,032,055)	(20,399,044)	6,947,737
Employee benefit liabilities	23	-	(1,491,684)	-	(1,491,684)
Retention payables		(126,270,504)	45,483,038	9,477,689	3,233,014
Rental deposit and guarantee received		(60,938,985)	49,344,326	(2,481,275)	1,903,155
Payables Revenue Department		47,638,721	(9,502,956)	7,366,697	2,174,564
Rental income received in advance		-	167,531,127	-	-
Other non - current liabilities		(3,777,767)	(2,184,187)	(5,455,698)	(2,831,546)
Cash Provided by (Used in) Operating Activities		(1,034,158,928)	522,461,546	304,174,517	(1,680,265,620)
Cash paid for finance costs		(784,160,251)	(682,644,732)	(772,485,808)	(639,322,085)
Cash (paid) refund for corporate income tax		(340,465,940)	(158,594,557)	(11,066,487)	18,856,888
Net Cash Provided by (Used in) Operating Activities		(2,158,785,119)	(318,777,743)	(479,377,778)	(2,300,730,817)
CASH FLOWS FROM INVESTING ACTIVITIES					
Decrease (Increase) in short - term loans to related parties		121,924,249	(95,877,915)	(1,488,472,695)	(1,082,767,146)
Increase in investments in associate		(3,659,469)	(1,432,978,400)	-	(1,086,840,000)
Increase in investments in subsidiary		-	-	(1,216,999,895)	(407,549,986)
Dividend received from associates	10	1,111,067,613	31,429,013	1,111,067,613	31,429,013
Dividend received from subsidiaries	11	-	-	2,702,023,665	2,517,873,548
Dividend received from other companies		65,439,602	54,884,606	60,039,638	49,934,639
Cash received from sales investments in associate	10	-	40,990,004	-	40,990,004
Decrease in deposit at financial institution with commitment		-	66,824	-	66,824
Increase in investment property	13	(54,703,153)	(792,000,070)	(1,168,440)	(103,444)
Increase in assets for rent	14	(17,788,798)	(1,373,666)	-	-
Increase in building and equipment	15	(432,125,145)	(340,387,438)	(11,089,644)	(20,346,631)
Cash received from sales of building and equipment		1,982,617	869,159	926,543	177,570
Cash paid for rental income guarantee	24	(107,422,348)	-	(15,403,147)	-
Increase in sinking fund	16	(9,639,443)	(16,207,451)	(1,966,870)	-
Decrease in non-controlling interest		-	(7,549,948)	-	-
Net cash received from sales of properties and long - term leases		-	4,278,477,164	-	442,742,191
Net Cash Provided by (Used in) Investing Activities		675,075,725	1,720,341,882	1,138,956,768	485,606,582

The accompanying notes to financial statements are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS (Continued)

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2014

BAHT

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (decrease) in short - term from financial institution		(309,679,390)	609,679,390	(100,000,000)	400,000,000
Increase in debentures	20	2,100,000,000	1,338,000,000	2,100,000,000	1,338,000,000
Decrease in long - term borrowings from related party		-	-	(13,107,960)	(9,400,000)
Increase (decrease) in long - term borrowings	22 and 31	(415,208,803)	1,239,502,151	(317,333,803)	1,554,000,000
Cash paid for dividend		(1,744,471,771)	(1,262,660,279)	(1,744,471,678)	(1,262,660,315)
Dividend paid to non-controlling interests		(840,001,238)	(240,001,538)	-	-
Net Cash Provided by (Used in) Financing Activities		(1,209,361,202)	1,684,519,724	(74,913,441)	2,019,939,685
Exchange differences on translating financial statements		46,268	202,713	-	-
Increase (decrease) in cash and cash equivalents, net		(2,693,024,328)	3,086,286,576	584,665,549	204,815,450
Cash and cash equivalents, beginning of years		4,780,438,968	1,694,152,392	1,028,712,647	823,897,197
Cash and cash equivalents, end of years	7	2,087,414,640	4,780,438,968	1,613,378,196	1,028,712,647

OPERATING ACTIVITIES, INVESTING ACTIVITIES AND FINANCING ACTIVITIES NOT AFFECTING CASH

Transfer among cost of real estate development and investment property

Decrease in cost of real estate development	13	341,732,652	940,133,538	43,011,757	12,925,151
Increase in investment property	13	(341,732,652)	(940,133,538)	(43,011,757)	(12,925,151)

Acquire investment from non-controlling interest by issuing promissory note

Increase in investment in subsidiary	11	(262,499,895)	-	(262,499,895)	-
Increase in short-term borrowings from other person		262,499,895	-	262,499,895	-

The accompanying notes to financial statements are an integral part of these financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2014

BAHT

SEPARATE FINANCIAL STATEMENTS

NOTE	SHARE PREMIUM ACCOUNT - ORDINARY SHARES, NET		RETAINED EARNINGS				OTHER COMPONENTS OF EQUITY				TOTAL SHAREHOLDERS' EQUITY
	ISSUED AND PAID-UP SHARE CAPITAL	438,704,620	APPROPRIATED - LEGAL RESERVE	UNAPPROPRIATED	OTHER COMPREHENSIVE			TOTAL OTHER COMPONENTS OF EQUITY			
					AVAILABLE-FOR-SALE INVESTMENTS	ACTUARIAL LOSSES ON DEFINED EMPLOYEE BENEFIT PLANS	TOTAL OTHER COMPONENTS OF EQUITY				
Beginning balance as of January 1, 2014	3,882,074,476	438,704,620	600,000,000	3,565,623,794	252,745	-	-	252,745	8,486,655,635		
Total comprehensive income	-	-	-	3,351,029,026	(10,802)	(2,542,107)	-	(2,552,909)	3,348,476,117		
Dividend paid	-	-	-	(1,746,928,792)	-	-	-	-	(1,746,928,792)		
Transferred to retained earnings	-	-	-	(2,542,107)	-	2,542,107	-	2,542,107	-		
Ending balance as of December 31, 2014	3,882,074,476	438,704,620	600,000,000	5,167,181,921	241,943	-	-	241,943	10,088,202,960		
Beginning balance as of January 1, 2013 - As previous report	3,882,074,476	438,704,620	543,231,657	2,124,697,358	388,133	-	-	388,133	6,989,096,244		
Cumulative effect of change in accounting policies - Income tax	-	-	-	83,604,301	(69,849)	-	-	(69,849)	83,534,452		
Beginning balance as of January 1, 2013 - Restated	3,882,074,476	438,704,620	543,231,657	2,208,301,659	318,284	-	-	318,284	7,072,630,696		
Total comprehensive income	-	-	-	2,675,698,152	(65,539)	-	-	(65,539)	2,675,632,613		
Appropriated - legal reserve	-	-	56,768,343	(56,768,343)	-	-	-	-	-		
Dividend paid	-	-	-	(1,261,607,674)	-	-	-	-	(1,261,607,674)		
Ending balance as of December 31, 2013	3,882,074,476	438,704,620	600,000,000	3,565,623,794	252,745	-	-	252,745	8,486,655,635		

The accompanying notes to financial statements are an integral part of these financial statements.

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2014

BAHT

CONSOLIDATED FINANCIAL STATEMENTS

	TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT											TOTAL SHAREHOLDERS' EQUITY	
	ISSUED AND PAID-UP SHARE CAPITAL	SHARE PREMIUM ACCOUNT - ORDINARY SHARES, NET	RETAINED EARNINGS		OTHER COMPONENTS OF EQUITY						TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		NON-CONTROLLING INTERESTS
			APPROPRIATED - LEGAL RESERVE	UNAPPROPRIATED	EXCHANGE DIFFERENCES ON TRANSLATING FINANCIAL	AVAILABLE-FOR-SALE INVESTMENTS	SHARE OF OTHER ACTUARIAL LOSSES COMPREHENSIVE LOSS OF ASSOCIATE	SHARE OF OTHER ACTUARIAL LOSSES ON DEFINED EMPLOYEE BENEFIT PLANS	TOTAL OTHER COMPONENTS OF EQUITY				
NOTE													
Beginning balance as of January 1, 2014	3,882,074,476	438,704,620	889,198,025	8,353,245,729	(31,556,837)	252,746	-	-	-	(31,304,091)	13,531,918,759	1,124,959,634	14,656,878,393
Total comprehensive income	-	-	-	2,960,566,145	46,268	(10,802)	(304,500)	(2,803,924)	-	(3,072,958)	2,957,493,187	264,258,151	3,221,751,338
Appropriated - legal reserve	-	-	19,474,101	(19,474,101)	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	(1,746,928,792)	-	-	-	-	-	-	(1,746,928,792)	-	(1,746,928,792)
Adjust in non-controlling interest	-	-	-	(33,421,031)	-	-	-	-	-	-	(33,421,031)	33,421,031	-
Transfer to retained earnings - unappropriated	-	-	-	(3,108,424)	-	-	304,500	2,803,924	-	3,108,424	-	-	-
Decrease in non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(262,499,895)	(262,499,895)
Dividend from subsidiary paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(840,001,238)	(840,001,238)
Ending balance as of December 31, 2014	3,882,074,476	438,704,620	908,672,126	9,510,879,526	(31,510,569)	241,944	-	-	-	(31,266,625)	14,709,062,123	320,137,683	15,029,199,806
Beginning balance as of January 1, 2013 - As previous report	3,882,074,476	438,704,620	808,128,668	5,320,725,401	(31,759,550)	388,133	(1,118,600)	-	-	(32,490,017)	10,417,143,148	621,893,379	11,039,036,527
Cumulative effect of change in accounting policies - Income tax	-	-	-	37,838,116	-	(69,846)	-	-	-	(69,846)	37,768,268	3,002,221	40,770,489
Beginning balance as of January 1, 2013 - Restate	3,882,074,476	438,704,620	808,128,668	5,358,563,517	(31,759,550)	318,285	(1,118,600)	-	-	(32,559,865)	10,454,911,416	624,895,600	11,079,807,016
Total comprehensive income	-	-	-	4,338,477,843	202,713	(65,539)	-	-	-	137,174	4,338,615,017	747,615,519	5,086,230,536
Appropriated - legal reserve	-	-	81,069,357	(81,069,357)	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	(1,261,607,674)	-	-	-	-	-	-	(1,261,607,674)	-	(1,261,607,674)
Transfer to retained earnings - unappropriated	-	-	-	(1,116,600)	-	-	1,118,600	-	-	1,116,600	-	-	-
Decrease in non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(7,549,948)	(7,549,948)
Dividend from subsidiary paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(240,001,537)	(240,001,537)
Ending balance as of December 31, 2013	3,882,074,476	438,704,620	889,198,025	8,353,245,729	(31,556,837)	252,746	-	-	-	(31,304,091)	13,531,918,759	1,124,959,634	14,656,878,393

The accompanying notes to financial statements are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2014

1. GENERAL INFORMATION

1.1 GENERAL MATTER

On August 15, 1988, Hemaraj Land and Development Public Company Limited (“the Company”) was incorporated under the Civil and Commercial Code of Thailand and was subsequently listed on the Stock Exchange of Thailand and transformed as a Public Company Limited on July 10, 1992 and July 12, 1993, respectively.

The Company, which is the parent company of Hemaraj Group, operates its business as a real estate developer as follows:

1. Industrial estate development projects located in the Eastern Seaboard of Thailand

The projects are operating under the joint operation agreements with the Industrial Estate Authority of Thailand (“IEAT”), in the names of the Company and its 4 subsidiaries as follows:

COMPANY NAME	INDUSTRIAL ESTATE	SITE LOCATION
Hemaraj Land and Development Plc.	Hemaraj Chonburi I and II	Sriracha district, Chonburi province
	Hemaraj Eastern Seaboard II	Banbueng district, Chonburi province
Eastern Industrial Estate Co., Ltd.	Hemaraj Eastern (Map Ta Phut)	Muang district, Rayong province
Eastern Seaboard Industrial Estate (Rayong) Co., Ltd.	Eastern Seaboard (Rayong)	Pluak Daeng district, Rayong province
Hemaraj Eastern Seaboard Industrial Estate Co., Ltd.	Hemaraj Eastern Seaboard	Pluak Daeng district, Rayong province
	Hemaraj Eastern Seaboard III	Nong Yai district, Chonburi province
Hemaraj Eastern Seaboard Industrial Estate 4 Co., Ltd.	Hemaraj Eastern Seaboard IV	Pluak Daeng district, Rayong province

2. Industrial zone development projects

The projects are operating under the names of 2 subsidiaries as follows:

COMPANY NAME	INDUSTRIAL ZONE	SITE LOCATION
Hemaraj Saraburi Industrial Land Company Limited	Hemaraj Saraburi	Nongkae district, Saraburi province
Hemaraj Rayong Industrial Land Company Limited	Hemaraj Rayong	Ban kai district, Rayong province

3. A condominium for sales being developed by the Company in the project name of The Park Chidlom, located at Chidlom Road, Bangkok.

4. Real estate development under the names of a subsidiary as follows:

COMPANY NAME	SITE LOCATION
Million Island Pattaya Company Limited	Koh Lan, Chonburi province

5. Service business related to the mentioned industrial estates consisting of service providing for public utilities, office building and prefabricated factory for sale and lease, land rental, commercial plaza rental, pipe rack rental in Industrial Estates, building contractor and others.

Hemaraj Group's head office is located at 18th floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang subdistrict, Suanluang district, Bangkok, Thailand 10250.

1.2 DECLARATION THE INTENTION TO ACQUIRE THE COMPANY'S SECURITIES

The Company has received the letter from WHA Corporation Public Company Limited ("WHA") which informs the intent to acquire the securities of the Company for a business takeover by means of a conditional voluntary tender offer to all shareholders of the Company. WHA will have the tender offer at the price of Baht 4.50 per share, on the condition that WHA may cancel the tender offer if, upon the expiry of the offering period, less than 50 per cent of the total number of the Company's shares issued have been offered. Such conditional voluntary tender offer is still under the following major conditions:

- 1) Entering into the Agreement to offer to sell Shares of the Company at the price of Baht 4.50 (four Baht fifty Satang) by the Company's major shareholders in the voluntary tender offer process as specified in signed Memorandum of Agreement and the conditions precedent in the mentioned agreement (if any) are complied with;
- 2) The shareholder's meeting of WHA resolves to approve WHA to acquire the shares of the Company as per the Shares Sale and Purchase Agreement, and to allow WHA to proceed with the voluntary tender offer;
- 3) The shareholder's meeting of WHA resolves to approve the issuance and offering of the newly issued shares to the existing shareholders of WHA (Right Offering) and WHA successfully issues and offers such shares. In this regard, WHA expects to issue newly issued shares in the approximate value of Baht 8,800,000,000;
- 4) WHA is granted loans from financial institutions in the amount which, when combined with the amount of funds derived from the issuance and offering of the newly issued shares to the existing shareholders of WHA (Right Offering), is an aggregate amount that is sufficient for the acquisition of all of the shares of the Company under the voluntary tender offer.

2. ADOPTION OF NEW FINANCIAL REPORTING STANDARDS

2.1 FINANCIAL REPORTING STANDARDS WHICH ARE EFFECTIVE FOR THE CURRENT YEAR

2.1 During the year, the Company and its subsidiaries adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, which are effective for financial statement year beginning on or after January 1, 2014 and relevant to the Group business as follows :

ACCOUNTING STANDARD

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

FINANCIAL REPORTING STANDARD

- TFRS 2 Share - Based Payments (revised 2012)
 TFRS 3 Business Combinations (revised 2012)
 TFRS 5 Non - current Assets Held for Sale and Discontinued Operations (revised 2012)
 TFRS 8 Operating Segments (revised 2012)

ACCOUNTING STANDARD INTERPRETATIONS

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

FINANCIAL REPORTING STANDARD INTERPRETATIONS

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

Adoption of the above financial reporting standards in the current year does not have material effect on the financial statements.

2.2 NEW FINANCIAL REPORTING STANDARDS WHICH ARE NOT EFFECTIVE FOR THE CURRENT YEAR

During the year to present, the Federation of Accounting Professions has issued the revised and new accounting standard, financial reporting standards, accounting standard interpretation and financial reporting standard interpretations, which are effective for financial statements period beginning on or after January 1 in the year indicated as follows:

		YEAR EFFECTIVE
ACCOUNTING STANDARD		
TAS	1 Presentation of Financial Statements (revised 2014)	2015
TAS	2 Inventories (revised 2014)	2015
TAS	7 Statement of Cash Flows (revised 2014)	2015
TAS	8 Accounting Policies, Changes in Accounting Estimates and Errors (revised 2014)	2015
TAS	10 Events After the Reporting Period (revised 2014)	2015
TAS	11 Construction Contracts (revised 2014)	2015
TAS	12 Income Taxes (revised 2014)	2015
TAS	16 Property, Plant and Equipment (revised 2014)	2015
TAS	17 Leases (revised 2014)	2015

			YEAR EFFECTIVE
TAS	18	Revenue (revised 2014)	2015
TAS	19	Employee Benefits (revised 2014)	2015
TAS	20	Accounting for Government Grants and Disclosure of Government Assistance (revised 2014)	2015
TAS	21	The Effects of Changes in Foreign Exchange Rates	2015
TAS	23	Borrowing Costs (revised 2014)	2015
TAS	24	Related Party Disclosures (revised 2014)	2015
TAS	26	Accounting and Reporting by Retirement Benefit Plans (revised 2014)	2015
TAS	27	Separate Financial Statements (revised 2014)	2015
TAS	28	Investments in Associates and Joint Ventures (revised 2014)	2015
TAS	29	Financial Reporting in Hyperinflationary Economics (revised 2014)	2015
TAS	33	Earnings per Share (revised 2014)	2015
TAS	34	Interim Financial Reporting (revised 2014)	2015
TAS	36	Impairment of Assets (revised 2014)	2015
TAS	37	Provisions, Contingent Liabilities and Contingent Assets (revised 2014)	2015
TAS	38	Intangible assets (revised 2014)	2015
TAS	40	Investment Property (revised 2014)	2015
FINANCIAL REPORTING STANDARD			
TFRS	2	Share - Based Payment (revised 2014)	2015
TFRS	3	Business Combinations (revised 2014)	2015
TFRS	4	Insurance Contracts (revised 2014)	2016
TFRS	5	Non-current Assets Held for Sale and Discontinued Operations (revised 2014)	2015
TFRS	6	Exploration for and Evaluation of Mineral Resources (revised 2014)	2015
TFRS	8	Operating Segments (revised 2014)	2015
TFRS	10	Consolidated Financial Statements	2015
TFRS	11	Joint Arrangements	2015
TFRS	12	Disclosure of Interests in Other Entities	2015
TFRS	13	Fair Value Measurement	2015
ACCOUNTING STANDARD INTERPRETATIONS			
TSIC	10	Government Assistance — No Specific Relation to Operating Activities (revised 2014)	2015
TSIC	15	Operating Leases - Incentives (revised 2014)	2015
TSIC	25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders (revised 2014)	2015

		YEAR EFFECTIVE
TSIC	27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease (revised 2014)	2015
TSIC	29 Service Concession Arrangements (revised 2014)	2015
TSIC	31 Revenue - Barter Transactions Involving Advertising Services (revised 2014)	2015
TSIC	32 Intangible Assets - Web Site Costs (revised 2014)	2015

FINANCIAL REPORTING STANDARD INTERPRETATIONS

TFRIC	1 Changes in Existing Decommissioning, Restoration and Similar Liabilities (revised 2014)	2015
TFRIC	4 Determining whether an Arrangement contains a Lease (revised 2014)	2015
TFRIC	5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (revised 2014)	2015
TFRIC	7 Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies (revised 2014)	2015
TFRIC	10 Interim Financial Reporting and Impairment (revised 2014)	2015
TFRIC	12 Service Concession Arrangements (revised 2014)	2015
TFRIC	13 Customer Loyalty Programmes (revised 2014)	2015
TFRIC	14 TAS 19 (revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	2015
TFRIC	15 Agreements for the Construction of Real Estate (revised 2014)	2015
TFRIC	17 Distributions of Non-cash Assets to Owners (revised 2014)	2015
TFRIC	18 Transfers of Assets from Customers (revised 2014)	2015
TFRIC	20 Stripping Costs in the Production Phase of a Surface Mine	2015

The management of the Company has assessed that TAS 1, TAS 7, TAS 8, TAS 10, TAS 11, TAS 12, TAS 16, TAS 17, TAS 18, TAS 19, TAS 21, TAS 23, TAS 24, TAS 27, TAS 28, TAS 33, TAS 34, TAS 36, TAS 37, TAS 38, TAS 40 and TFRS 3, TFRS 8, TFRS 11, TFRS 13 will not have material impact on the financial statements when it is applied. For the other TAS, TFRS, TSIC and TFRIC are not relevant to the Company's business, therefore they do not have impact on the financial statement when they are applied.

3. BASIS OF CONSOLIDATED FINANCIAL STATEMENT PRESENTATION

3.1 BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The Company had conducted in accordance with the Financial reporting standards and accounting treatment guidance promulgated by the Federation of Accounting Professions and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act B.E. 2543.

An English language version of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict of difference in understanding, the financial statements in Thai language shall prevail.

3.2 BASIS FOR PREPARATION AND PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements incorporate the financial statements of the Company and its majority owned directly and indirectly (over 50% of their paid-up capital) in subsidiaries and are prepared on the same basis as the consolidated financial statements for the year ended December 31, 2013. There have been no significant changes in the composition of the Group during the current year.

All subsidiaries were registered and incorporated in Thailand except H-International (BVI) Company Limited and Hemaraj International Limited which were incorporated in British Virgin Islands and Cayman Islands, respectively.

In addition, the consolidated and the Company's financial statements for the years ended December 31, include share of profit (loss) from associates as follows:

	MILLION BAHT	
	2014	2013
SHARE OF PROFIT (LOSS) FROM INVESTMENTS IN ASSOCIATES		
GHECO - One Company Limited (**)	1,473.28	568.10
Houay Ho Thai Company Limited (**)	(0.11)	(0.08)
Houay Ho Power Company Limited (**)	60.94	4.93
Glow Hemaraj Wind Company Limited (**)	(0.12)	(0.11)
Cofely (Thailand) Company Limited (*)	-	1.20
Gulf JP NLL Company Limited(**)	46.37	(15.07)
Hemaraj Industrial Property and Leasehold fund (**)	74.92	-
Gulf solar Company Limited (*)	(0.01)	-
Total share of profit from investments in associates	1,655.27	558.97

(*) Based on the information from the financial statements which were provided by the management and were not reviewed by an auditor.

(**) Based on the information from the financial statements which were reviewed by other auditors.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 THE MEASUREMENT BASES USED IN PREPARING THE FINANCIAL STATEMENTS

Other than those disclosed in other topics, significant accounting policies and other notes to the financial statements, the financial statements are prepared on the historical cost basis.

4.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents represent cash on hand and at banks, and temporary investments net of cash at banks pledged as collateral.

4.3 TRADE ACCOUNT RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Trade account receivables are stated at net realizable value. The Company and subsidiaries provide allowance for doubtful accounts for estimated losses that may be incurred in collection of receivables. The allowance for doubtful accounts is generally considered from collection experience and aging analysis.

Allowance for doubtful accounts is based on receivables from services which are overdue by more than 90 days.

4.4 INVENTORIES

Inventories are valued at the lower of cost (the average cost method) or net realizable value.

4.5 COST OF REAL ESTATE DEVELOPMENTS

Cost of real estate developments consists of land costs, development costs, pre-fabricated factory costs, condominium construction costs, and finance costs on borrowings for projects development, pre-fabricated factory, condominium construction, land deposits and advances for construction costs. These costs are transferred to cost of sales when revenue from sales is recognized.

Cost of real estate developments is stated at the lower of cost or net realizable value.

Loss on projects revaluation is included in the statements of income.

4.6 CAPITALIZATION OF BORROWING COSTS

Borrowing costs are expensed in the period in which they are incurred, except borrowing costs of long term borrowing and borrowing from other parties in relation to the cost of real estate should be treated as part of the cost of the relevant assets. Capitalization should cease when substantially all of the activities necessary to prepare the asset for its intended use or sale are completed and should be suspended during periods in which active development is interrupted. The Company and its subsidiaries will recognize impairment loss when the carrying amount of an asset exceeds its recoverable amount.

4.7 AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments consist of investments in marketable securities, which are stated at fair value (net of allowance for investments revaluation).

Gain (loss) on investment revaluation is included in other comprehensive income.

4.8 INVESTMENTS AND LOANS

Investments

A. Investments in subsidiaries and associates are recorded by using the cost method in the separate financial statements. Investments in associates are recorded by using equity method in the consolidated financial statements.

B. Other investments represent investments in related and other companies which are stated at cost net of provision for impairment loss.

Impairment loss on other investments is included in the statements of income.

Loans

The Company and its subsidiaries have recorded allowance for doubtful debts by using uncollectible amounts, based on a review of the current financial status and the repayment ability. The recognition of interest income is ceased when overdue by more than 180 days.

4.9 INVESTMENT PROPERTY

Investment properties are Land and building. Land for investment is stated at cost. Other investment properties are stated at cost less accumulated depreciation. Depreciation is computed by the straight-line method over the estimated useful lives of the assets of 20 years for building and 5 years for other investment properties. No depreciation is provided for land.

According to the FAP's announcement No.19/2554: Accounting guidance for accounting record for condominium, effective from January 1, 2011, the Company and its subsidiaries changed the method of depreciation computation from the original cost of office condominium exclusive of cost of land in 20-year expected life to the net book value of office condominium inclusive of cost of land deducting the residual value of office condominium in the remaining 30-year expected life.

4.10 ASSETS FOR RENT

Assets for rent are pipe racks stated at cost less accumulated depreciation. Depreciation is computed by the straight-line method over the estimated useful lives for 15 years.

4.11 PROPERTY, PLANT AND EQUIPMENT

Land is stated at cost. Property, plant and equipment are stated at cost less accumulated depreciation and provision for impairment loss. Motor vehicles under financial lease are stated at fair value less accumulated depreciation. Depreciation is computed by the straight-line method over the estimated useful lives of the assets of 5 years for equipment and 20 years for building and structures. No depreciation is provided for land.

According to the FAP's announcement No.19/2554: Accounting guidance for accounting record for condominium, effective from January 1, 2011, the Company and its subsidiaries changed the method of depreciation computation from the original cost of office condominium exclusive of cost of land in 20-year expected life to the net book value of office condominium inclusive of cost of land deducting the residual value of office condominium in the remaining 30-year expected life.

4.12 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 and its subsidiaries recognise 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 and its subsidiaries review and reduce 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 and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.13 RIGHT FROM INVESTMENT IN ASSOCIATE

Right from investment in associate is the cost of business combination over the fair value of the net assets. Right from investment in associate presented under intangible asset will be amortised in 25 years which is the period of power purchase agreement ("PPA") with Electric Generating Authority of Thailand ("EGAT") commencing the project's commercial operation on May 1, 2013.

4.14 LEASEHOLD RIGHT AND LAND HELD FOR COMMERCIAL PURPOSES

Leasehold right and land held for commercial purposes consist of land leasehold right, land costs, development costs and capitalized finance costs on borrowings for undeveloped projects and projects which were temporarily suspended from development.

Leasehold land and land held for commercial purposes are stated at the lower of cost or net realizable value.

Loss on projects revaluation is included in the statements of income.

4.15 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.

4.16 SINKING FUND

The Company and its subsidiaries have recorded a fund for the major maintenance and replacement of utilities systems and facilities for the customers in the industrial estate, under the joint operating agreements with the Industrial Estate Authority of Thailand ("IEAT") to be Deferred Sinking Fund and has recorded amortization to be cost of services by the straight-line method over 20 years of useful lives.

4.17 LONG - TERM LEASES

Lessor

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Leased properties under operating leases presents in investments properties and is depreciated over the useful life of the assets. Operating leases receipts are recognised as revenue in profit or loss on a straight line basis over the lease term.

Leases of property, plant and equipment which substantially transfer all the risks and rewards of ownership to the lessees are classified as finance leases. Leased property under operating leases presents in investment properties and is depreciated over the useful life of the assets. The finance lease revenue recorded at the commencement of a finance lease represents the fair value of the asset, or if lower, the present value of the minimum lease payments accruing to the lessor, computed at a commercial rate of interest. The cost of finance lease recognised at the commencement of the lease term is the cost or carrying amount of the leased property. The difference between the finance lease revenue and the cost is recorded as gain on sales of properties under the financial leases.

Lessee

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the asset.

4.18 IMPAIRMENT OF ASSETS

The Company and its subsidiaries have evaluated the impairment of properties, plant and equipment and other assets when the event is occurred or there is the situational change, which indicates that the recoverable amount of assets will be lower than their book value. The Company and its subsidiaries will recognize the loss from impairment as an expense in the statements of income.

4.19 CASH RECEIVED AND INCOME RECEIVED IN ADVANCE

Cash received in advance represents deposit received, the amounts received from real estate sales, but the ownership has not been transferred to buyers and all payments have not been received from the buyers; and income received in advance represents the amounts received from utilities and rental income received in advance.

4.20 EMPLOYEE BENEFITS

Salaries, wages, bonuses, contributions to the social security fund, provident fund and other benefits are recognized as expenses when incurred.

Severance Payment as specified in Thai Law are recognized as expenses in the income statement along the service period of employees. The Company and its subsidiaries' post - employment benefit obligations are estimated by a qualified actuary under the actuarial assumption using the Projected Unit Credit Method. However, the actual benefit obligation may be different from the estimate.

The Company and its subsidiaries recognized the actuarial gains or losses arising from defined benefit plan in the period incurred in other comprehensive income.

4.21 DEFERRED LEASEHOLD RIGHT INCOME

Deferred leasehold right income represents leasehold right received from rental of land, building, pipe rack and leasehold right income to produce and distribute the industrial water which is recognized as revenue over the period of rental contract.

4.22 REVENUE AND EXPENSE RECOGNITION

Other than those disclosed in other topics, the policy of the Company and its subsidiaries on revenue and expense recognition are as follows:

(A) Recognition of revenue and cost of real estate sales

The Company and its subsidiaries recognise revenue in full from sales of land, pre-fabricated factory and condominium when the risk and reward is transferred; the ownership has been transferred to buyers and all payments have been received from the buyers. Cost of sales is calculated from the estimated cost per rai of each project.

Total estimated costs of each project shall be revised when there are significant changes in the estimated costs of each project.

(B) Recognition of income and cost of services

Income and cost of services are recognised on the accrual basis. Service income represents income received from providing of public utilities, potable water, raw water and reused water, waste water treatment processing, additional work in building construction and rental services in respect of land, commercial plaza, warehouse, factory, resident and pipe rack to the Industrial Estate, training center and business center. Cost of services represents cost incurred from providing of such services.

Revenue and cost from mini and micro pre-fabricated factory construction are recognized upon signing of contract and receiving of installments by the percentage of completion method.

The recognition of income from public utilities service is ceased when the customers cease their business operations and have payment difficulties.

C. Other incomes and expenses.

Other incomes, selling and administration expense, finance costs and other expenses are recognized on the accrual basis.

4.23 ACCOUNTS IN FOREIGN CURRENCY

A. The financial statements of our overseas subsidiary are translated into Baht for consolidation purposes using rates of exchange as follows:

A.1 Assets and liabilities are translated at the average selling and purchasing price of exchange rate at the end of the year.

A.2 Revenues and expenses are translated at the average selling and purchasing price of exchange rate at the end of each month.

A.3 Share capital is translated at the exchange rate on the transaction date.

Translation of financial statements differences of foreign financial statements is included under other comprehensive income.

B. Other foreign currency transactions occurring during the year are converted into Baht at the rates prevailing on the dates of the transactions. Assets and liabilities at the end of the year are converted into Baht at the rates of exchange on that date.

Gain and loss on exchange rate is included in the statements of income.

4.24 EARNINGS PER SHARE

Basic earnings per share is computed by dividing net profit attributable to ordinary shareholders for the year by the weighted average number of ordinary shares issued and paid up during the year.

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of consolidated financial statements in conformity with Financial Reporting Standard requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

Note to financial statements no. 8	Allowance for doubtful accounts
Note to financial statements no. 9	Accrued cost of real estate developments
Note to financial statements no. 9 and 17	Net realizable value lower than cost
Note to financial statements no. 10.3 and 11.2	Acquisition
Note to financial statements no. 13, 14 and 15	Utilisation of investment properties; assets for rent; and property, plant and equipment
Note to financial statements no. 16	Utilisation of intangible assets
Note to financial statements no. 23	Measurement of employee benefit obligations
Note to financial statements no. 24, 32 and 33	Provisions and contingencies
Note to financial statements no. 30	Current and deferred taxation
Note to financial statements no. 35	Valuation of financial instruments

6. TRANSACTIONS WITH RELATED PARTIES

The Company has certain transactions with its related parties. Significant balances and inter-company transactions are eliminated from the consolidated financial statements. Such transactions, which have been concluded on the term and the basis agreed between the relevant parties. Certain loans between each party are related to the business jointly operated.

Enterprises that directly or indirectly through one or more intermediaries, control, or under common control with the Company by through same shareholders and unit holder and co-directors as at December 31, were as follows:

COMPANY NAME	TYPE OF BUSINESS	RELATIONSHIP	PERCENTAGE OF HOLDING	
			2014	2013
SUBSIDIARIES				
Eastern Industrial Estate Company Limited	Industrial Estate Development	Common shareholders and co-directors	99.99	99.99
Eastern Seaboard Industrial Estate (Rayong) Company Limited	Industrial Estate Development	„	60.00	60.00
Hemaraj Eastern Seaboard Industrial Estate Company Limited	Industrial Estate Development	„	99.99	99.99

COMPANY NAME	TYPE OF BUSINESS	RELATIONSHIP	PERCENTAGE OF HOLDING	
			2014	2013
Hemaraj Saraburi Industrial Land Company	Industrial Estate Development	„	99.99	99.99
Hemaraj Rayong Industrial Land Company	Industrial Estate Development	„	99.99	99.99
Eastern Pipeline Services Company Limited	Pipe Rack Rental	„	99.99	99.99
H-International (BVI) Company Limited	Holding Company	„	100.00	100.00
Hemaraj International Limited	Holding Company	„	100.00	100.00
H-Construction Management and Engineering Company Limited	Design and Construction Supervision Service	„	99.99	99.99
The Park Residence Company Limited	Real Estate Development and Service Management	„	99.99	99.99
Hemaraj Water Company Limited	Water Resources Development and Management	„	99.99	99.99
SME Factory Company Limited	Sell and Lease of Factory	„	99.99	99.99
H - Phoenix Property Company Limited	Condominium office for sales, rent and services	„	99.99	99.99
Hemaraj Clean Water Company Limited	Produce and distribute the industrial water	„	99.99	99.99
Hemaraj Energy Company Limited	Holding Company	„	99.99	99.99
Million Island Pattaya Company Limited	Real Estate Development	„	99.99	84.99
Rayong 2012 Company Limited	Real Estate Development	„	99.99	99.99
Eastern Seaboard Property and Marina Services Company Limited	Real Estate Development for investment and marina services	„	99.99	99.99
Hemaraj Eastern Seaboard Industrial Estate 4	Industrial Estate Development	„	99.99	-
ASSOCIATES				
GHECO - One Company Limited	Electricity and Power Generation	Common shareholders and co-directors	35.00	35.00
Houay Ho Thai Company Limited	Holding Company	„	51.00	51.00
Houay Ho Power Company Limited	Electricity and Power Generation	„	12.75	12.75
Glow Hemaraj Wind Company Limited	Electricity and Power Generation	„	51.00	51.00
Gulf JP NLL Company Limited	Electricity and Power Generation	„	25.01	25.01
Hemaraj Industrial Property and Leasehold fund	Property Fund	Common unit holder	23.12	23.12
Gulf Solar Company Limited	Holding Company	Common shareholders and co-directors	25.01	-
Gulf Solar BV Company Limited	Solar rooftop projects	„	25.01	-
Gulf Solar KKS Company Limited	Solar rooftop projects	„	25.01	-
Gulf Solar TS1 Company Limited	Solar rooftop projects	„	25.01	-
Gulf Solar TS2 Company Limited	Solar rooftop projects	„	25.01	-
RELATED COMPANIES				
Glow IPP Company Limited	Energy	Common shareholders	5.00	5.00
Sriracha Harbor Public Company Limited	Port Service and Transportation	Common shareholder and co-directors	0.015	0.015
Eastern Fluid Transport Company Limited	Pipe Rack Maintenance	Common shareholders	15.00	15.00

COMPANY NAME	TYPE OF BUSINESS	RELATIONSHIP	PERCENTAGE OF HOLDING	
			2014	2013
Steel Top Company Limited	Steel Manufacturer and Distributor	Relationship through director	-	-
Siam Food Products Public Company Limited	Processing Agriculture Producer	Co-investors	-	-
Glow Energy Public Company Limited	Energy	„	-	-
Glow IPP2 Holding Company Limited	Holding Company	„	-	-
Gulf JP Company Limited	Electricity and Power Generation	„	-	-

6.1 As at December 31, short - term loans to related parties, which were shown in the statements of financial position, were as follows:

Assets

	THOUSAND BAHT				
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		INTERCOMPANY
	2014	2013	2014	2013	TERM
DIVIDEND RECEIVABLES:					
Subsidiaries:					
Eastern Industrial Estate Company Limited	-	-	100,000	-	
Hemaraj Eastern Seaboard Industrial Estate Company Limited	-	-	400,000	435,000	
H - Phoenix Property Company Limited	-	-	49,600	-	
Hemaraj Saraburi Industrial Land Company Limited	-	-	-	480,000	
Hemaraj Clean Water Company Limited	-	-	90,300	41,925	
Eastern Pipeline Services Company Limited	-	-	-	11,250	
SHORT - TERM LOANS TO RELATED PARTIES:					
Subsidiaries:					
Eastern Industrial Estate Company Limited	-	-	299,336	369,349	MLR - 0.50% p.a.
Hemaraj Eastern Seaboard Industrial Estate Company Limited	-	-	772,696	-	MLR - 0.50% p.a.
Hemaraj Saraburi Industrial Land Company Limited	-	-	2,090,000	1,872,000	Advance and MLR - 0.50% p.a.
The Park Residence Company Limited	-	-	3,495	3,203	MLR - 0.50% p.a.
SME Factory Company Limited	-	-	1,204,936	1,035,886	MLR - 0.50% p.a.
Hemaraj Clean Water Company Limited	-	-	515,663	376,711	MLR - 0.50% p.a.
H - Phoenix Property Company Limited	-	-	145,223	183,138	MLR - 0.50% p.a.
Million Island Pattaya Company Limited	-	-	195,131	4,016	MLR - 0.50% p.a.
Hemaraj Energy Company Limited	-	-	289,060	268,229	MLR - 0.50% p.a.
Eastern Seaboard Property and Marina Services Company Limited	-	-	303	7	MLR - 0.50% p.a.
Hemaraj Eastern Seaboard Industrial Estate 4 Company Limited	-	-	153,853	-	MLR - 0.50% p.a.
Associates:					
GHECO - One Company Limited	1,437,572	1,559,496	1,437,572	1,559,496	MLR p.a.
Net	1,437,572	1,559,496	7,747,168	6,640,210	

Short - term loans to related parties and its movement the year ended December 31, 2014 were as follows:

	THOUSAND BAHT			
	AS OF 31 ST DECEMBER, 2013	DURING THE YEAR		AS OF 31 ST DECEMBER, 2014
		INCREASE	DECREASE	
CONSOLIDATED FINANCIAL STATEMENTS				
Short - term loans to related parties:				
Associates	1,559,496	100,303	(222,227)	1,437,572
Net	1,559,496	100,303	(222,227)	1,437,572
SEPARATE FINANCIAL STATEMENTS				
Dividend receivables:				
Subsidiaries	968,174	3,484,817	(3,813,091)	639,900
Short - term loans to related parties:				
Subsidiaries	4,112,540	2,302,962	(745,806)	5,669,696
Associates	1,559,496	100,303	(222,227)	1,437,572
Net	6,640,210	5,888,082	(4,781,124)	7,747,168

Liabilities

	THOUSAND BAHT				INTERCOMPANY TERM
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		
	2014	2013	2014	2013	
TRADE ACCOUNTS PAYABLES - RELATED PARTIES					
Associated:					
Hemaraj Industrial Property and Leasehold Fund	11,344	7,348	1,876	684	Rate mutually agreed between both parties
Subsidiary :					
H-Construction Management and Engineering Company Limited	-	-	4,173	-	Rate mutually agreed between both parties
H - Phoenix Property Company Limited	-	-	3	-	Rate mutually agreed between both parties
Total	11,344	7,348	6,052	684	
SHORT - TERM BORROWINGS FROM RELATED PARTIES:					
Subsidiary :					
Eastern Seaboard Industrial Estate (Rayong) Company Limited	-	-	79,413	132,652	Advance
Total	-	-	79,413	132,652	

THOUSAND BAHT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		INTERCOMPANY TERM
	2014	2013	2014	2013	
LONG - TERM BORROWINGS FROM RELATED PARTY:					
Subsidiary:					
H-International (BVI) Company Limited (1)	-	-	1,026,177	1,035,968	No interest is charged
DEFERRED LEASEHOLD RIGHT INCOME-RELATED PARTY:					
Subsidiary:					
Hemaraj Clean Water Company Limited (2)					
Deferred leasehold right income	-	-	62,100	62,100	Rate mutually agreed between both parties
Less Accumulated amortization	-	-	(16,156)	(13,672)	
Deferred leasehold right income, net	-	-	45,944	48,428	
RENTAL DEPOSIT AND GUARANTEE RECEIVED-RELATED PARTY:					
Associated:					
Hemaraj Industrial Property and Leasehold Fund	-	76,108	-	6,239	Rate mutually agreed between both parties
Total	-	76,108	-	6,239	
RENTAL INCOME RECEIVED IN ADVANCE:					
Associated: (Note 6.3 and 13)					
Hemaraj Industrial Property and Leasehold Fund					
Current portion (3)	5,584	5,584	-	-	Rate mutually agreed between both parties
Non - current portion	156,255	161,839	-	-	
Total	161,839	167,423	-	-	
PROVISION FOR LIABILITIES ARISING FROM GUARANTEE OF RENTAL INCOME:					
Associated: (Note 24)					
Hemaraj Industrial Property and Leasehold Fund	214,845	294,496	30,806	31,267	Rate mutually agreed between both parties
Total	214,845	294,496	30,806	31,267	

- (1) The Company had borrowings in Thai Baht and US Dollar which do not have the maturity date and the interest charge.
- (2) The Company and its 3 subsidiaries have entered into 25-year leasehold right contracts, in the total amount of Baht 559 million, for production and distribution of industrial water with Hemaraj Clean Water Company Limited.
- (3) This is included in other current liabilities - others.

Balance of Liabilities with related parties and its movement for the year ended December 31, 2014 were as follows:

THOUSAND BAHT

	AS OF 31 ST	DURING THE YEAR		AS OF 31 ST
	DECEMBER, 2013	INCREASE	DECREASE	DECEMBER, 2014
SEPARATE FINANCIAL STATEMENTS				
Short - term borrowings from related parties:				
Subsidiary	132,652	91,703	(144,942)	79,413
Long - term borrowings from related party:				
Subsidiary	1,035,968	3,317	(13,108)	1,026,177

The significant transactions with related parties for the year ended December 31, were as follows:

MILLION BAHT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		INTERCOMPANY TERM
	2014	2013	2014	2013	
Sales of real estate	-	3,220.00	-	469.00	Market price
Service income	31.19	20.85	17.93	15.55	Market price
Interest income	100.30	100.60	399.81	341.28	MLR - 0.5% pa. and MLR pa.
Commission and management income	8.01	-	247.83	453.00	5% - 10% of contract price and 5% of service income received
Cost of service	-	12.66	-	2.07	Market price
Remuneration of directors and management	243.36	232.30	148.76	138.88	Meeting fee and annual compensation of director and sub-committee
Deferred leasehold right income	-	-	2.48	2.48	Rate mutually agreed between both parties

- 6.2 On December 24, 2013, the Company and its subsidiaries have the following sales and lease of land and building long-term agreements with Hemaraj Industrial Property and Leasehold funds ("the Fund") in which it and its related party hold investment units:

(UNIT: MILLION BAHT)

	CONTRACT AMOUNT
a) Agreement to sales properties - Hemaraj Chonburi Industrial Estate	469.00
b) Agreement relating to the lease of land and building - Hemaraj Chonburi Industrial Estate	251.00
c) Agreement to sales properties - Eastern Seaboard Industrial Estate (Rayong)	1,991.00
d) Agreement relating to the lease of land and building - Eastern Seaboard Industrial Estate (Rayong)	702.00
e) Agreement to sale properties - Hemaraj Eastern Seaboard Industrial Estate	760.00
f) Agreement relating to the lease of land and building - Hemaraj Eastern Seaboard Industrial Estate	130.00
g) Agreement relating to the lease of land and building - Hemaraj Saraburi Industrial Zone	397.00
	4,700.00

- 6.3 On December 24, 2013, the Company and its subsidiaries entered into an agreement to lease of land and building in Hemaraj Chonburi Industrial Estate, Eastern Seaboard Industrial Estate (Rayong), Hemaraj Eastern Seaboard Industrial Estate and Hemaraj Saraburi Industrial Zone to Hemaraj Industrial Property and Leasehold Fund, whereby the Company agreed to lease land, building and other related equipment to the Fund and in return received 30 years' rental for the land totaling Baht 167.53 million. The Company recorded this rental fees as "Rental income received in advance" in the statements of financial position, and it will be recognised as income over the period of the lease contract.

7. CASH AND CASH EQUIVALENTS

For the purpose of preparation of the statements of cash flows in accordance with the relevant Accounting Standard, as of December 31, cash and cash equivalents consisted of:

	THOUSAND BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Cash and deposits at financial institutions	2,087,319	3,928,734	1,613,369	1,028,693
Highly liquid short - term investments - Time deposits	96	851,705	9	19
Cash and cash equivalents	2,087,415	4,780,439	1,613,378	1,028,712

8. TRADE RECEIVABLES, NET

As of December 31, trade receivables, net consisted of:

	THOUSAND BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
RELATED PARTIES				
Service receivables				
Accrued service income — subsidiaries	1,477	-	123,717	374,757
Accrued service income - related party	-	7,405	-	-
Accrued service income	1,477	7,405	123,717	374,757
Less Allowance for doubtful accounts	-	(7,405)	-	-
Trade receivables - related parties, net	1,477	-	123,717	374,757
OTHER PARTIES				
Service receivables				
Accrued service income	182,183	166,256	11,313	12,924
Less Allowance for doubtful accounts	(20,986)	(14,153)	(4,840)	(4,886)
Trade receivables - other parties, net	161,197	152,103	6,473	8,038

As of December 31, trade receivables, net classified by aging were as follows:

	THOUSAND BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
TRADE RECEIVABLES - RELATED PARTIES				
Less than 3 months	1,477	-	123,717	374,757
Over 3 months to 6 months	-	-	-	-
Over 6 months to 12 months	-	-	-	-
Over 12 months	-	7,405	-	-
Total	1,477	7,405	123,717	374,757

THOUSAND BAHT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
<u>Less</u> Allowance for doubtful accounts	-	(7,405)	-	-
Trade receivables - related parties, net	1,477	-	123,717	374,757
TRADE RECEIVABLES - OTHER PARTIES				
Less than 3 months	162,597	152,103	6,473	8,038
Over 3 months to 6 months	2,601	25	217	-
Over 6 months to 12 months	4,408	1,936	433	433
Over 12 months	12,577	12,192	4,190	4,453
Total	182,183	166,256	11,313	12,924
<u>Less</u> Allowance for doubtful accounts	(20,986)	(14,153)	(4,840)	(4,886)
Trade receivables - other parties, net	161,197	152,103	6,473	8,038

For the allowance for doubtful accounts of related party receivable in the amount of Baht 7.40 million which obtain facility services in the industrial estate, are provided and charged by a subsidiary. With the economic crisis in 1997 in Thailand, this company has encountered with operation problem and a subsidiary provided the provision for doubtful debt in full amount as the Company's basis. Consequently, the company entered into the Debt Restructure under CDRAC or Business Reorganization Plan under the Bankruptcy Court. However, it's not success. During the year, this trade receivable was written off to bad debt in full amount because the case was finally settled.

Balance of Allowance for doubtful accounts and its movement during the year ended December 31, were as follows:

THOUSAND BAHT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
RELATED PARTIES				
Beginning balance	7,405	7,405	-	-
Additional allowance during the year	-	-	-	-
Written off during the year	(7,405)	-	-	-
Ending balance	-	7,405	-	-
OTHER PARTIES				
Beginning balance	14,153	21,667	4,887	17,425
Additional allowance during the year	9,943	7,928	2,228	959
Received during the year	(3,110)	(15,442)	(2,275)	(13,498)
Ending balance	20,986	14,153	4,840	4,886

9. COST OF REAL ESTATE DEVELOPMENTS, NET

As at December 31, cost of real estate developments, net consisted of:

	THOUSAND BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Land cost under developments	17,965,561	14,474,168	5,626,936	5,058,426
Project development costs	22,155,705	21,087,503	5,307,838	4,944,881
Accrued cost of real estate developments	972,629	1,165,419	7,327	686
Capitalized finance costs	3,116,345	3,078,402	1,231,008	1,178,491
Additional utility costs	7,235	6,697	7,209	6,528
Leasehold land	16,234	18,181	16,234	18,181
Land deposit	33,308	402,791	2,441	7,174
Advance for constructions	154	2,311	154	154
Total	44,267,171	40,235,472	12,199,147	11,214,521
Less Accumulated costs transferred to cost of land sales	(25,879,750)	(24,192,125)	(6,542,053)	(6,274,221)
Accumulated costs transferred to investment property	(4,316,086)	(3,974,354)	(257,399)	(214,387)
Accumulated costs transferred for debt settlement	(784,958)	(784,958)	(784,958)	(784,958)
Impairment loss	(145,847)	(145,847)	(145,847)	(145,847)
Cost of real estate developments, net	13,140,530	11,138,188	4,468,890	3,795,108
Capitalized finance costs for the year ended December 31 included in cost of real estate developments	53,581	28,331	52,517	6,216

Information of cost of real estate developments of Hemaraj Land and Development Public Company Limited, Eastern Industrial Estate Company Limited, Eastern Seaboard Industrial Estate (Rayong) Company Limited, Hemaraj Eastern Seaboard Industrial Estate Company Limited, Hemaraj Saraburi Industrial Land Company Limited, Hemaraj Rayong Industrial Land Company Limited, Rayong 2012 Company Limited, SME Factory Company Limited and Hemaraj Eastern Seaboard Industrial Estate4 Company Limited is as follows:-

Valuation Stated in the Financial Statements

As at December 31, 2014 and 2013, cost of real estate developments is stated at the lower of cost and net realisable value for the projects in the same area. The Company and the subsidiaries have changed the valuation stated for cost of real estate developments, accumulated costs transferred to cost and to investment property from the net amount to the amount before transferring to cost and investment property, respectively.

Obligation of Assets

As at December 31, 2014 and 2013, the portion of land in the projects of the Company and the subsidiaries has been mortgaged as collateral for borrowings from local financial institutions and other companies.

10. INVESTMENTS IN ASSOCIATES

10.1 INVESTMENTS IN ASSOCIATES

As at December 31, the Company has common shareholders and co-directors and investments in associates were as follows:

COMPANY	MILLION BAHT											
	PAID-UP CAPITAL (MILLION BAHT)		PERCENTAGE OF SHARES HELD BY THE COMPANY (PERCENT)		INVESTMENTS		SEPARATE FINANCIAL STATEMENTS (AT COST)		NET BOOKED VALUE IN THE PORTION OF INVESTMENTS		DIVIDEND FOR THE YEARS ENDED DECEMBER 31,	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
GHECO - One Company Limited (1) (**)	11,624.00	11,624.00	35.00	35.00	6,049.52	5,613.98	4,068.40	4,068.40	6,049.82	5,613.98	1,037.44	-
Houay Ho Thai Company Limited (2) (**)	527.69	527.69	51.00	51.00	217.72	185.46	267.22	267.22	282.43	282.56	17.76	30.95
Houay Ho Power Company Limited (2) (**)	50.00	50.00	12.75	12.75	79.68	68.88	-	-	36.86	(6.37)	-	-
	(Million USD)	(Million USD)										
Glow Hemaraj Wind Company Limited (3) (**)	2.50	2.50	51.00	51.00	0.65	0.77	-	-	0.65	0.77	-	-
Cofely (Thailand) Company Limited (4)(*)	-	-	-	-	-	-	-	-	-	-	-	0.48
Gulf JP NLL Company Limited (5) (**)	1,384.00	1,384.00	25.01	25.01	349.16	302.79	-	-	350.30	303.93	-	-
Hemaraj Industrial Property and Leasehold Fund (6) (**)	4,700.00	4,700.00	23.12	23.12	658.83	639.77	1,086.84	1,086.84	1,108.89	1,086.84	55.87	-
Gulf Solar Company Limited (7) (***)	14.63	-	25.01	-	3.62	-	-	-	3.62	-	-	-
Total investments in associates					7,359.18	6,811.65	5,422.46	5,422.46	7,832.57	7,281.71	1,111.07	31.43

- (1) 35% directly held by the Company in GHECO - One Company Limited. In April 2013, GHECO - One Company Limited received a letter from the Revenue Department regarding the corporate income tax computation during the power plant construction period. In September 2013, it amended the tax refund filing for the year 2008-2011 for the tax payments and surcharges according to the letter from Revenue Department in order to stop the surcharge from delay in finalizing such outstanding matter. It disagrees with such letter and is proceeding the required legal actions on such case. To limit the liability to its shareholders, it has already submitted the tax refund on aforementioned dispute. It recorded the paid tax amounts and surcharges totaling Baht 627.9 million as other non-current assets in the statement of financial position.
- (2) 51% directly held by the Company in Houay Ho Thai Company Limited that has held 25% in Houay Ho Power Company Limited, a company registered in Lao People's Democratic Republic (US. currency is used for business operation). The Company did not include the financial statements of Houay Ho Thai Company Limited in the consolidated financial statements since the Company is the strategic partner.
- (3) 51% indirectly held by Hemaraj Energy Company Limited in Glow Hemaraj Wind Company Limited, which had the initial capital share in the amount of Baht 10 million and Hemaraj Energy Company Limited had paid the share capital of Baht 2.50 per share in the total amount of Baht 1.28 million.
- (4) In 2013, the Company has sold investment in Cofely (Thailand) to Cofely South East Asia PTE Limited total amount of Baht 40.99 million.

- (5) In 2013, 25% indirectly held by Hemaraj Energy Company Limited in Gulf JP NLL Company Limited, which had the initial capital share in the amount of Baht 1,384 million and Hemaraj Energy Company Limited had paid Baht 10 per share.
- (6) In 2013, the Company invested in 108.68 million units of Hemaraj Industrial property and leasehold fund at par value of Baht 10 each, amounting to Baht 1,086.84 million, representing 23.12% of the registered units of the Fund. Carrying amounts are based on equity method, and presented net of unrealized gain on sales of properties to the Fund, addition with unrealized expenses on providing guarantee of minimum rental income of the projects.
- (7) On October 21, 2014, the Company invested in 25.01% of total paid-up shares of Gulf Solar Company Limited with amount of investment Baht 3.66 million.
- (*) Based on the information from the 2013 year-end financial statements which were audited by other auditors but the 2014 year-end financial statements were provided by the management and were not audited by an auditor.
- (**) Based on the information from the 2014 year-end financial statements were audited by other auditors.
- (***) Based on the information from the financial statements which were provided by the management and were not audited by an auditor

10.2 CHANGES IN INVESTMENTS IN ASSOCIATES

(UNIT : MILLION BAHT)

	CONSOLIDATED FINANCIAL STATEMENT		SEPARATE FINANCIAL STATEMENT	
	EQUITY METHOD		COST METHOD	
	2014	2013	2014	2013
INVESTMENTS IN ASSOCIATES				
Beginning of the year	7,287	5,353	5,423	4,356
Purchase	3	1,433	-	1,087
Sold	-	(27)	-	(20)
Share of profits	1,655	559	-	-
Dividend received	(1,111)	(31)	-	-
	7,834	7,287	5,423	5,423
Right from investment in associate	(28)	(28)	-	-
Unrealised gains on sales of properties	(447)	(447)	-	-
Actuarial loss of associate	(0.3)	-	-	-
Ending of the year	7,359	6,812	5,423	5,423

10.3 FAIR VALUE OF INVESTMENTS IN LISTED ASSOCIATES

In respect of investments in associated companies that are listed companies on the Stock Exchange of Thailand, their fair values are as follows:

(UNIT: MILLION BAHT)

COMPANY'S NAME	FAIR VALUES AS AT	
	31 DECEMBER 2014	31 DECEMBER 2013
	Hemaraj Industrial Property and Leasehold Fund	1,032.50

10.4 ACQUISITION

On January 30, 2013, one subsidiary invested in Gulf JP NLL Company Limited (“GNLL”) operating 126 megawatt SPP Project which will supply electricity to the Electricity Generating Authority of Thailand (EGAT) and industrial estates customers. The subsidiary has purchased 34.61 million ordinary shares amounting to Baht 193.58 million from Gulf JP holding 25.01% of registered capital. The aforesaid company, GNLL, entered into power purchase agreement (“PPA”) with Electric Generating Authority of Thailand (“EGAT”) for a period of 25 years commencing the project’s commercial operation on May 1, 2013.

The investment acquisition of aforesaid company as at January 30, 2013 resulted in a right from investment in associate of Baht 28 million which is presented under intangible asset and will be amortized in 25 years.

The details of the acquisitions were as follows:

(UNIT : THOUSAND BAHT)	
	CONSOLIDATED FINANCIAL STATEMENTS
Fair value of net assets as at purchase date	165,301
Cash paid for acquisition	193,577
Right from investment in associate	28,276

As at December 31, 2014 and 2013 right from investment in associate consisted of:

(UNIT : THOUSAND BAHT)		
	CONSOLIDATED FINANCIAL STATEMENT	
	2014	2013
Right from investment in associate	28,276	28,276
<u>Less</u> Accumulated amortization	(1,890)	(759)
Right from investment in associate, net	26,386	27,517

11. INVESTMENTS IN SUBSIDIARIES

As at December 31, the Company has common shareholders and co-directors and investments in subsidiaries were as follows:

COMPANY	MILLION BAHT											
	PAID-UP CAPITAL (MILLION BAHT)		PERCENTAGE OF SHARES HELD BY THE COMPANY (PERCENT)		INVESTMENTS				NET BOOKED VALUE IN THE PORTION OF INVESTMENTS		DIVIDEND FOR THE YEARS ENDED DECEMBER 31,	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Eastern Industrial Estate Company Limited	400.00	400.00	99.99	99.99	-	-	400.00	400.00	539.98	568.54	100.00	70.00
Eastern Seaboard Industrial Estate (Rayong) Company Limited	358.00	358.00	60.00	60.00	-	-	214.80	214.80	480.53	1,344.14	1,260.00	360.00
Hemaraj Eastern Seaboard Industrial Estate Company Limited	1,000.00	1,000.00	99.99	99.99	-	-	1,080.96	1,080.96	2,521.77	2,675.74	790.00	1,095.00
Hemaraj Saraburi Industrial Land Company Limited	500.00	500.00	99.99	99.99	-	-	1,003.44	1,003.44	958.59	694.11	-	480.00
Hemaraj Rayong Industrial Land Company Limited (1)	1,000.00	1,000.00	99.99	99.99	-	-	-	-	1,075.84	1,124.59	-	-
Eastern Pipeline Services Company Limited (2)	100.00	100.00	99.99	99.99	-	-	56.34	56.34	140.92	92.56	32.25	45.00
H-International (BVI) Company Limited (3)	0.08	0.08	100.00	100.00	-	-	0.07	0.07	1,030.48	1,034.69	-	-
Hemaraj International Limited (4)	0.03	0.03	100.00	100.00	-	-	0.03	0.03	0.03	0.03	-	-
H-Construction Management and Engineering Company Limited	17.15	17.15	99.99	99.99	-	-	17.15	17.15	25.01	29.23	-	-
The Park Residence Company Limited (5)	1.00	0.25	99.99	99.99	-	-	1.00	0.25	(2.58)	(2.62)	-	-
Hemaraj Water Company Limited (6)	100.00	100.00	99.99	99.99	-	-	-	-	145.51	180.33	-	-
SME Factory Company Limited	194.00	194.00	99.99	99.99	-	-	194.00	194.00	396.13	400.23	-	-
H — Phoenix Property Company Limited	480.00	480.00	99.99	99.99	-	-	480.00	480.00	490.13	517.93	49.60	20.00
Hemaraj Clean Water Company Limited	645.00	645.00	99.99	99.99	-	-	645.00	645.00	718.46	681.86	141.90	219.30
Hemaraj Energy Company Limited (6)	25.00	25.00	99.99	99.99	-	-	-	-	62.66	79.97	-	-
Million Island Pattaya Company Limited (7)	1,750.00	1,750.00	99.99	84.99	-	-	1,749.99	1,487.49	1,747.13	1,486.38	-	-
Rayong 2012 Company Limited (8)	1,165.00	1,165.00	99.99	99.99	-	-	815.50	-	1,162.08	1,163.15	-	-
Eastern Seaboard Property and Marina Services (9)	1.00	0.25	99.99	99.99	-	-	1.00	0.25	(0.36)	(0.81)	-	-
Hemaraj Eastern Seaboard Industrial Estate 4 Company Limited (10)	400.00	-	99.99	-	-	-	400.00	-	399.56	-	-	-
	-	-	-	-	-	-	7,059.28	5,579.78	11,891.87	12,070.05	2,373.75	2,289.30

- (1) 99.99% indirectly held by Hemaraj Saraburi Industrial Land Company Limited.
- (2) 74.99% directly held by the Company and 25% indirectly held by Eastern Industrial Estate Company Limited.
- (3) H-International (BVI) Company Limited was registered in the British Virgin Islands (US. currency is used for business operation). No Thai income tax has been accrued for undistributed net income of the overseas subsidiary, since the net income are intend to be retained by the subsidiary for reinvestment purposes.
- (4) Hemaraj International Limited was registered in the Cayman Islands (US. currency is used for business operation). The Company obtained the information from the financial statements which were prepared by the subsidiary's management and were not audited by an auditor. Nevertheless, its total assets and net profit presented in the financial statements were immateriality to the consolidated financial statements.
- (5) During the second quarter of year 2014, The Park Residence Company Limited had called for fully paid up.
- (6) 99.99% indirectly held by Hemaraj Clean Water Company Limited.
- (7) During the third and fourth quarter of year 2014, the Company had additionally acquired the investment at 15% stake from non-controlling interest, by issuing promissory amounting to Baht 262.50 million.
- (8) During the second quarter of year 2014, the Company had paid for investment acquisition of 81.55 million shares at Baht 10 per share or 70% of Rayong 2012 Company Limited from Hemaraj Rayong Industrial Land Company Limited.
- (9) During the second quarter of year 2014, Eastern Seaboard Property and Marina services Company Limited had called for fully paid up.
- (10) During the third quarter of year 2014, Hemaraj Eastern Seaboard Industrial Estate 4 Company Limited had increased registered share capital to Baht 400 million and called for fully paid up.

12. OTHER LONG - TERM INVESTMENTS, NET

As at December 31, other long-term investments, net consisted of:

	THOUSAND BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
INVESTMENTS IN RELATED PARTIES				
Sriracha Harbor Public Company Limited	15	15,000	-	-
Eastern Fluid Transport Company Limited	1,500	1,500	-	-
Total	1,515	16,500	-	-
Less Provision for impairment loss on investments	-	(15,000)	-	-
Other long-term investments - related parties, net	1,515	1,500	-	-
OTHERS PARTIES				
Glow IPP Company Limited	142,500	142,500	142,500	142,500
Other company	1,000	1,000	-	-
Total	143,500	143,500	142,500	142,500
Less Provision for impairment loss on investment	(717)	(717)	-	-
Other long-term investments — other parties, net	142,783	142,783	142,500	142,500
Other long-term investments, net	144,298	144,283	142,500	142,500

Eastern Pipeline Services Company Limited (“a subsidiary”) has investment in Sriracha Harbor Public Company Limited and provided the provision for impairment loss on investment in full amount of Baht 15 million since 2008. Consequently, the Central Bankruptcy Court has ordered and permitted to Sriracha Harbor Public Company Limited reduced of registered capital and paid-in capital at the amount of ordinary shares in proportion 100 shares per 0.01 share (10,000 : 1 share) which was complied with the revision of rehabilitation plan on June 20,2012. As the result of the above event, a subsidiary has balance of investment for 1,500 shares or Baht 15,000. In 2014, the subsidiary therefore decreased investment by reversing provision for impairment loss on investment resulting in a gain in the amount of Baht 15,000 which presented as other income in statements of income.

13. INVESTMENT PROPERTIES, NET

As at December 31, 2014 and 2013, investment properties, net consisted of:

	CHANGES IN COST				CHANGES IN ACCUMULATED DEPRECIATION				NET BOOK VALUE	
	BEGINNING	ADDITION	DISPOSAL/ TRANSFER	ENDING	BEGINNING	DEPRECIATION	DISPOSAL/ TRANSFER	ENDING	BEGINNING	ENDING
CONSOLIDATED FINANCIAL STATEMENTS										
Land (*)	2,690,552	130,989	(7,159)	2,814,382	-	-	-	-	2,690,552	2,814,382
Buildings (*)	3,258,787	336,981	(26,828)	3,568,940	508,240	153,769	(3,219)	658,790	2,750,547	2,910,150
Building improvements	36,107	5,342	8,171	49,620	13,024	7,316	(88)	20,252	23,083	29,368
Furniture and fixture	12,350	474	1,696	14,520	5,996	2,069	-	8,065	6,354	6,455
Construction in progress	1,270,505	(44,520)	(12,018)	1,213,967	-	-	-	-	1,270,505	1,213,967
Investment properties, net	7,268,301	429,266	(36,138)	7,661,429	527,260	163,154	(3,307)	687,107	6,741,041	6,974,322
SEPARATE FINANCIAL STATEMENTS										
Land (*)	5,731	2,850	-	8,581	-	-	-	-	5,731	8,581
Buildings (*)	32,966	40,162	-	73,128	3,794	2,916	-	6,710	29,172	66,418
Building improvements	-	1,168	-	1,168	-	78	-	78	-	1,090
Furniture and fixture	44	-	-	44	8	9	-	17	36	27
Investment properties, net	38,741	44,180	-	82,921	3,802	3,003	-	6,804	34,939	76,116

CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
2014	2013	2014	2013
163,154	191,721	3,003	5,606
10,111	9,997	-	-

Depreciations which included in statements of income for the years ended December 31:

Cost of services

Furniture and fixture which has been fully depreciated but are still in used

(*) Land and Buildings were transferred from real estate development cost.

As at December 31, 2014 and 2013, the partial investment properties of the Company and the subsidiaries have been mortgaged as collateral for borrowings from local financial institutions.

As at December 31, 2014 and 2013, the Company and subsidiaries had appraised the fair value of the investment properties which has value in the amount of Baht 13,108 million and Baht 12,704 million, respectively. (Separate financial statements: Baht 160 million and 80 million)

On December 24, 2013, the Company and its subsidiaries entered into agreements to purchase and to sell properties, whereby it agreed to sell properties in Hemaraj Chonburi Industrial Estate, Eastern Seaboard Industrial Estate (Rayong), Hemaraj Eastern Seaboard Industrial Estate and Hemaraj Saraburi Industrial Zone to Hemaraj Industrial Property and Leasehold Fund (“the Fund”), for total considerations of Baht 3,220 million. The Company and its subsidiaries registered the transfer of the ownership of the properties to the Fund on December 25, 2013.

In addition, the subsidiaries entered into lease agreements for the land and the buildings in Hemaraj Chonburi Industrial Estate, Eastern Seaboard Industrial Estate (Rayong), Hemaraj Eastern Seaboard Industrial Estate and Hemaraj Saraburi Industrial Zone to the Fund for the period 30 years, for total considerations of Baht 1,480 million. On December 25, 2013, the Company and its subsidiaries have transferred partial rights and duties according to leases agreement with customers to the Fund, except the public facilities in the industrial estate as stipulated by the regulation of Industrial Estate.

The Company and its subsidiaries had gains on the sale of properties and lease of the leasehold rights to the buildings of the such Industrial Estates net of related selling expenses totaling Baht 2,527 million (Separate financial statement: Baht 297 million). The Company recognized this transaction in profit or loss for the current year.

Furthermore, the Company and its subsidiaries entered into agreements to guarantee the minimum rental income that the Fund will receive from the Company and its subsidiaries over the period of 3 years totaling Baht 369 million.

As discussed in Note 10, the Company has acquired 23.12% of the registered investment units of Hemaraj Industrial Property and Leasehold Fund. The Company treated Baht 447 million of its gains on sales of properties and long-term leases to the Fund as unrealised gains and minimum rental income guarantee expenses as unrealized expenses, in proportion to its investment in the Fund. This was presented as a deduction item in the investments in associate in the consolidated statements of financial position.

14. ASSETS FOR RENT, NET

As at December 31, 2014 and 2013, assets for rent, net consisted of:

(Unit : Thousand Baht)

	CHANGES IN COST			CHANGES IN ACCUMULATED DEPRECIATION			NET BOOK VALUE	
	BEGINNING	ADDITION	DISPOSAL/ TRANSFER	BEGINNING	DEPRECIATION	DISPOSAL/ TRANSFER	BEGINNING	ENDING
CONSOLIDATED FINANCIAL STATEMENTS								
Pipe rack	316,422	-	-	184,596	14,285	-	131,826	117,541
Construction in progress	-	17,789	-	-	-	-	-	17,789
Assets for rent, net	316,422	17,789	-	184,596	14,285	-	131,826	135,330

CONSOLIDATED FINANCIAL STATEMENTS	
2014	2013
14,285	13,942

Depreciations which included in statements of income for the years ended December 31:
Cost of services

15. PROPERTY, PLANT AND EQUIPMENT, NET

As at December 31, 2014 and 2013, property, plant and equipment, net consisted of:

(UNIT : THOUSAND BAHT)

	CHANGES IN COST			CHANGES IN ACCUMULATED DEPRECIATION			NET BOOK VALUE	
	BEGINNING	ADDITION	DISPOSAL/ TRANSFER	BEGINNING	DEPRECIATION	DISPOSAL/ TRANSFER	BEGINNING	ENDING
CONSOLIDATED FINANCIAL STATEMENTS								
Land	2,198	-	-	-	-	-	2,198	2,198
Land improvements	6,984	12,347	-	364	1,360	-	6,620	17,607
Buildings and structure	462,052	-	-	159,255	24,504	-	302,797	278,293
Building improvements	395,054	6,260	875	385,337	4,733	-	9,717	12,119
Furniture, fixture and equipment	598,381	27,622	34,216	477,222	38,633	266	121,159	144,098
Vehicles	141,942	21,007	(8,319)	104,941	13,683	(8,319)	37,001	44,325
Raw water pipe	764,784	3,510	197,928	110,644	57,406	-	654,140	798,172
Reservoir	30,941	-	-	17,551	935	-	13,390	12,455
Potable water production system	298,736	-	-	46,457	15,714	-	252,279	236,565
Construction in progress	104,457	361,398	(232,673)	-	-	-	104,457	233,182
Total	2,805,529	432,144	(7,973)	1,301,771	156,968	(8,053)	1,503,758	1,779,014
Less: Reserve for impairment loss of assets (*)							(10,166)	(10,166)
Property, plant and equipment, net							1,493,592	1,768,848

(UNIT: THOUSAND BAHT)

	CHANGES IN COST				CHANGES IN ACCUMULATED DEPRECIATION				NET BOOK VALUE	
	BEGINNING	ADDITION	DISPOSAL/ TRANSFER		BEGINNING	DEPRECIATION	DISPOSAL/ TRANSFER		BEGINNING	ENDING
			ENDING				ENDING			
SEPARATE FINANCIAL STATEMENTS										
Land Improvements	-	313	-	313	-	20	-	20	-	293
Buildings and structure	104,495	-	-	104,495	37,279	2,133	-	39,412	67,216	65,083
Building improvements	4,041	-	-	4,041	3,546	112	-	3,658	495	383
Furniture, fixture and equipment	105,595	4,670	(32)	110,233	88,866	6,980	(32)	95,814	16,729	14,419
Vehicles	65,027	4,323	(5,623)	63,727	42,187	8,319	(5,623)	44,883	22,840	18,844
Raw water pipe	8,258	-	-	8,258	5,046	307	-	5,353	3,212	2,905
Reservoir	2,937	-	-	2,937	221	147	-	368	2,716	2,569
Construction in progress	11,766	1,783	-	13,549	-	-	-	-	11,766	13,549
Total	302,119	11,089	(5,655)	307,553	177,145	18,018	(5,655)	189,508	124,974	118,045
Less Reserve for impairment loss of assets (*)									(724)	(724)
Property, plant and equipment, net									124,250	117,321

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Depreciations which included in statements of income for the years ended December 31:				
Cost of services	127,337	104,471	1,075	1,082
Selling and administrative expenses	29,631	27,616	16,943	16,091
Total Depreciation for the years	156,968	132,087	18,018	17,173
Cost of the property, plant and equipment which have been fully depreciated but are still in use	919,189	885,343	103,363	103,272

Depreciations which included in statements of income for the years ended December 31:

Cost of services
Selling and administrative expenses
Total Depreciation for the years

Cost of the property, plant and equipment which have been fully depreciated but are still in use

(*) Reserve for impairment loss of assets is provided for the ceased construction in progress.

As at December 31, 2014 and 2013, the land with building and structure of the Company and the subsidiaries has been mortgaged as collateral for borrowings from local financial institutions.

16. SINKING FUND, NET

As disclosed in the Note 32 to the financial statements, the Company and its subsidiaries had entered into the joint operating agreements with the Industrial Estate Authority of Thailand (“IEAT”). The Company and its subsidiaries are committed to be a provider and to set up a fund (“Sinking Fund”) for major maintenance and replacement of utilities systems and facilities for the customers in the industrial estate. The Company and its subsidiaries had made the payment by cash and by transferring of partial piece of land for the Sinking Fund, and in addition, the Company and its subsidiaries had transferred the withdrawal rights over the Sinking fund to IEAT per the terms and conditions of such agreements. The Company and its subsidiaries have recorded the cash paid and land transferred to IEAT for the fund under Sinking Fund accounts. The amortization period of 20 years is applied on the useful future economic life of Sinking Fund under the joint contract agreements with IEAT.

As at December 31, sinking fund, net consisted of:

	THOUSAND BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Sinking Fund	227,080	217,441	54,371	52,405
<u>Less</u> Accumulated amortization	(129,428)	(122,036)	(38,850)	(37,309)
Sinking fund, net	97,652	95,405	15,521	15,096

17. LEASEHOLD LAND AND LAND HELD FOR COMMERCIAL PURPOSES, NET

As at December 31, leasehold land and land held for commercial purposes, net consisted of:

	THOUSAND BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Land bank	10,201	10,201	10,201	10,201
Land cost of projects suspended from developments	3,471	3,471	3,471	3,471
Suspended development project costs	13,536	13,536	13,536	13,536
Capitalized finance costs	49,789	49,789	49,789	49,789
Leasehold land	43,868	47,579	43,868	47,579
Total	120,865	124,576	120,865	124,576
<u>Less</u> Accumulated costs transferred for debt settlement	(4,293)	(4,293)	(4,293)	(4,293)
Impairment loss	(74,379)	(74,379)	(74,379)	(74,379)
Leasehold land and land held for commercial purposes, net	42,193	45,904	42,193	45,904

Information of leasehold land and land held for commercial purpose is as follows:-

Valuation Stated in the Financial Statements

As at December 31, 2014 and 2013, leasehold land and land held for commercial purpose is stated at the lower of cost and net realisable value.

In 2014, the accumulated cost of one project was transferred out from project costs because the project was sold and closed.

Obligation of Assets

As at December 31, 2014 and 2013, portion of land in the projects of the Company and the subsidiaries has been mortgaged as collateral for borrowings from local financial institutions.

18. SHORT-TERM LOAN FROM FINANCIAL INSTITUTIONS

As at December 31, 2014, the Company and its subsidiaries have short-term loans from local financial institutions in the amount of Baht 300 million, respectively. The short-term loans have repayment when call and interest rate is charged at 3.10% per annum.

As at December 31, 2013, the Company and its subsidiaries have short-term loans from local financial institutions in the amount of Baht 400 million and Baht 209.68 million, respectively. The short-term loans have repayment when call and interest rate is charged at 3% - 5% per annum.

As at December 31, 2014 and 2013, the Company and its subsidiaries have overdraft credit limit from local financial institutions in the amount of Baht 160 million. The interest rate is charged at MOR and MOR+0.50% per annum. Such overdraft is guaranteed by the mortgage on partial land and structure in the projects of real estate development of the Company and its subsidiaries.

19. CASH RECEIVED AND INCOME RECEIVED IN ADVANCE

As of December 31, cash received and income received in advance consisted of:

	THOUSAND BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Installments received from customers	271,236	1,211,773	81,883	47,176
Deposit for real estate	-	-	-	-
Income received in advance - service and rental	147,507	123,157	16,180	420
Total cash received and income received in advance	418,743	1,334,930	98,063	47,596

20. DEBENTURES

As of December 31, the Company had issued unsubordinated and unsecured debentures with principal amount of Baht 1,000 by private placement, institution investors and high net worth individual as follows:-

NO.	DATE	MATURITY DATE	INTEREST RATE (P.A.)	THOUSAND BAHT	
				2014	2013
2/2010	April 8, 2010	April 8, 2014	4.90%	-	400,000
3/2010	May 25, 2010	May 25, 2015	Year 1-3 : 4.90%, Year 4 : 5.80% and Year 5 : 6.50%	1,500,000	1,500,000
4/2010	July 21, 2010	July 21, 2017	Year 1-3 : 4.90%, Year 4-6 : 6.00% and Year 7 : 6.50%	2,300,000	2,300,000

NO.	DATE	MATURITY DATE	INTEREST RATE (P.A.)	THOUSAND BAHT	
				2014	2013
5/2010	October 5, 2010	October 5, 2019	Year 1-3 : 4.90%, Year 4-6 : 6.00%, Year 7 : 6.50% and Year 8-9 : 6.75%	638,000	638,000
1/2011	October 4, 2011	October 4, 2016	Year 1-3 : 5.15%, Year 4 : 5.50% and Year 5 : 5.60%	1,500,000	1,500,000
1/2012	July 12, 2012	July 12, 2021	5.65%	2,000,000	2,000,000
1/2013	January 25,2013	January 25,2023	5.50%	2,500,000	2,500,000
1/2014	April 30 , 2014	April 30,2024	5.75%	2,500,000	-
Total				12,938,000	10,838,000
<u>Less</u> Current portion of debenture				(1,500,000)	(400,000)
Debenture, net				11,438,000	10,438,000

THE ANNUAL GENERAL MEETING OF SHAREHOLDERS RESOLUTION ABOUT DEBENTURES

The Extraordinary General Meeting of Shareholders of Hemaraj Land and Development Public Company Limited no 1/2007 on September 11, 2007 had resolved to issue and sale of debentures with the primary details as follows was approved:

Type	:	Secured or unsecured debentures with/without trustee.
Denomination	:	Thai Baht and/or any other currencies.
Total value	:	Up to Baht 6,000,000,000 or in other currency equivalent to it.
Term	:	Up to 10 years from the date of issue.
Offering	:	Public offering and/or private placement and/or offering to institutional investors in one or several tranches from time to time pursuant to the relevant notifications of the Securities and Exchange Commission.
Early redemption	:	The early redemption of debentures is an option for both the debenture holders and the Company (as the issuer). This is subject to the terms and conditions of each offering.

The Annual General Meeting of Shareholders of Hemaraj Land and Development Public Company Limited no. 1/2011 on April 29, 2011 had resolved to issue and sale of debentures with the primary details as follows was approved:

Type	:	Secured or unsecured debentures with/without trustee.
Denomination	:	Thai Baht and/or any other currencies.
Total value	:	Up to Baht 6,000,000,000 or in other currency equivalent to it.
Term	:	Up to 15 years from the date of issue.
Offering	:	Public offering and/or private placement and/or offering to institutional investors in one or several tranches from time to time pursuant to the relevant notifications of the Securities and Exchange Commission.
Early redemption	:	The early redemption of debentures is an option for both the debenture holders and the Company (as the issuer). This is subject to the terms and conditions of each offering.

The Annual General Meeting of Shareholders of Hemaraj Land and Development Public Company Limited no. 1/2013 on April 30, 2013 had resolved to issue and sale of debentures with the primary details as follows was approved:

Type	:	Secured or unsecured debentures with/without trustee.
Denomination	:	Thai Baht and/or any other currencies.
Total value	:	Up to Baht 6,000,000,000 or in other currency equivalent to it.
Term	:	Up to 15 years from the date of issue.
Offering	:	Public offering and/or private placement and/or offering to institutional investors in one or several tranches from time to time pursuant to the relevant notifications of the Securities and Exchange Commission.
Early redemption	:	The early redemption of debentures is an option for both the debenture holders and the Company (as the issuer). This is subject to the terms and conditions of each offering.

Other details and conditions relating to the issue and offer of debentures of the two meeting of shareholders' resolutions as mentioned above, such as type, number of debentures to be offered in each tranche, term, offering method, face value, purpose and use of process, offering price, interest rate, and interest payment shall be determined at the discretion of the Board of Directors

21. LONG-TERM BORROWINGS FROM RELATED PARTY

As at December 31, 2014, the Company had borrowings from H-International (BVI) Company Limited, an oversea subsidiary, amounting to USD 20.96 million and Baht 332.02 Million (2013 : USD 21.36 million and Baht 332.07 million) which do not have the maturity date and the interest charge.

22. LONG-TERM BORROWINGS

As at December 31, long-term borrowings consisted of:

	CREDIT LINE		BORROWING CONDITION		BALANCES	
	(MILLION BAHT)	CREDIT PERIOD	PRINCIPAL REPAYMENT	INTEREST PAYMENT	2014	2013
				TERM INTEREST RATE PER ANNUM (%)		
HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED						
A.	Borrowing from local commercial bank consisted of:					
A.1	450	June 2008 - December 2015	28 quarterly installments, commencing from the 9th month after the first drawdown. Installment 1-12 : Bath 12.50 million each; Installment 13-20 : Bath 15.00 million each; Installment 21-27 : Bath 22.50 million each; and Installment 28 : repaid all remaining balance	Year 1-2: MLR-1.50, Year 3-4: MLR-1.125, Year 5: MLR-1.00	90.00	180.00
A.2	1,000	April 2011 - April 2016	Six-month installments, commencing from the 13rd month after the first drawdown. Installment 1 : Bath 208.00 million each; Installment 2-7 : Bath 122.00 million each; Installment 8 : Bath 30.00 million each; and Installment 9 : repaid all remaining balance Or repayment when mortgage of land is released.	MLR	-	3.24
A.3	500	November 2012- May 2016	8 Quarterly installments, commencing from the 13rd month after each drawdown. Installment is not less than 12.50% of each drawdown.	MLR-2.125	281.25	475.00

CREDIT LINE		BORROWING CONDITION		INTEREST PAYMENT		BALANCES	
(MILLION BAHT)	CREDIT PERIOD	PRINCIPAL REPAYMENT	TERM	INTEREST RATE PER ANNUM (%)	2014	2013	(MILLION BAHT)
A.4	900 Jul 2013- Jul 2021	12 months of grace period, quarterly installments, commencing from the date of drawdown in each tranche. Installment 1-4 : Bath 100.60 million each; Installment 5-12 : Bath 238.00 million each; Installment 13-16 : Bath 123.80 million each; Installment 17-20 : Bath 141.00 million each; Installment 21-24 : Bath 150.00 million each; Installment 25-28 : Bath 146.60 million each; Total repayment within the 36th month from the date of first drawdown	End of month	MLR-2.00	269.66	300.00	
A.5	1,100 November 2013- November 2016		End of month	MLR-2.00	1,100.00	1,100.00	
Total	3,950 (*)				1,740.91	2,058.24	

(*) Current portion of long term borrowings in the separate financial statements for the years then ended December 31, 2014 and 2013 is Baht 384.76 million and Baht 317.29 million, respectively.

CREDIT LINE			BORROWING CONDITION		BALANCES		
(MILLION BAHT)	CREDIT PERIOD	PRINCIPAL REPAYMENT	TERM	INTEREST PAYMENT	2014	2013	
EASTERN SEABOARD INDUSTRIAL ESTATE (RAYONG) COMPANY LIMITED							
A. Borrowing from local commercial banks consisted of:							
A.1	176 December 2012 - December 2019	24 quarterly installments Baht 7.5 million each, commencing from the 13 th month after the first drawdown and full payment on 24 th installment. Or repayment when mortgage of land and construction is released.	End of month	MLR-1.75	137.88	92.50	
A.2	430 December 2012 - December 2016	12 quarterly installments. 1 st - 4 th (December 2013 - September 2014) Baht 35 million each. 5 th - 11 th (December 2014 - June 2016) Baht 41.25 million each. 12 th (September 2016) full payment.	End of month	MLR-1.75	16.75	-	
B. Borrowings from other persons consisted of:							
B.1	50 June 2011 - June 2013	Repayment as at the ending period of lending.	End of month	3.75	50.00	50.00	
Total	656				204.63	142.50	
MILLION ISLAND PATTAYA COMPANY LIMITED							
A. Borrowing from local commercial banks consisted of:							
A.1	320 November 2012- November 2015	8 Quarterly installments, commencing from November 2013. Installment is not less than 12.50% of each drawdown.	End of month	MLR - 2.125	120.00	208.00	
Total	320				120.00	280.00	
Grand total	4,926				2,065.54	2,480.74	
Less	Current portion of long-term borrowings				(551.51)	(499.79)	
	Long-term borrowings, net				1,514.03	1,980.95	

Such long-term borrowings are guaranteed by the mortgage of most of land in the real estate development projects and investment properties of the Company and its subsidiaries.

23. EMPLOYEE BENEFIT OBLIGATION

The movements in the present value of the employee benefit obligation for years ended December 31, 2014 and 2013 were as follows:

	THOUSAND BAHT	
	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
Employee benefit obligation as at January 1, 2013	65,063	30,249
Paid during the period	(1,491)	(1,491)
Current service costs and interest costs	7,131	2,636
Actuarial losses on defined employee benefit plans	-	-
Employee benefit obligation as at December 31, 2013	70,703	31,394
Employee benefit obligation as at January 1, 2014	70,703	31,394
Paid during the period	-	-
Current service costs and interest costs	9,890	3,692
Actuarial losses on defined employee benefit plans	3,080	3,178
Employee benefit obligation as at December 31, 2014	83,673	38,264

Expenses to be recognized in income statement for the year ended December 31, were as follows:

	THOUSAND BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Current service costs	7,248	4,755	2,560	1,704
Interest costs	2,642	2,376	1,132	932
Total	9,890	7,131	3,692	2,636

The changes of actuarial losses on defined employee benefit plans, which presented in other components of equity for the year ended December 31, 2014 as follows:

	(UNIT: THOUSAND BAHT)	
	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
Actuarial losses on defined employee benefit plans	3,080	3,178
Increase in deferred tax asset	(616)	(636)
Less Transferred to retained earnings	2,464	2,542
Ending balance	-	-

Principal actuarial assumptions in calculation of Employee benefit obligations as at valuation date were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Discount rate (%)	3.22 - 4.34	3.56 - 4.28	3.28	3.56
Incremental salary rate (%)	5.42 - 6.55	4.00 - 4.80	5.42 - 6.55	4.00 - 4.80
Early retired rate (%)	3.00 - 19.00 (*)	3.00 - 13.00 (*)	3.00 - 16.00 (*)	3.00 - 7.00 (*)
Mortality rate (%)	TMO 2008 (**)	TMO 2008 (**)	TMO 2008 (**)	TMO 2008 (**)

(*) Based on the weighted average by age group of employee.

(**) Reference from TMO 2008: Thai Mortality Ordinary Tables 2008

24. PROVISION FOR LIABILITIES ARISING FROM GUARANTEE RENTAL INCOME

As discussed in Note 13, the Company and its subsidiaries entered into agreements to guarantee the minimum rental income that the Fund will receive from the Company and its subsidiaries over the period of 3 years.

The Company and its subsidiaries have estimated provision for loss from the minimum rental income guarantee at the present value of the cash flows which it expects to pay to the Fund, were as follows:

	(UNIT: THOUSAND BAHT)	
	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
As at January 1, 2013	-	-
Increase during the year	294,496	31,267
Utilised	-	-
As at December 31, 2013	294,496	31,267
As at January 1, 2014	294,496	31,267
Increase during the year	27,771	14,942
Utilised	(107,422)	(15,403)
As at December 31, 2014	214,845	30,806

25. STATUTORY RESERVE AND DIVIDEND

Statutory Reserve of the Company

Under the Public Limited Company Act B.E. 2535, the Company is required to set aside as a statutory reserve at least 5% of its profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10% of the registered share capital. The statutory reserve is not available for dividend distributions.

As at December 31, 2013, the Company had allocated profit amount of Baht 56.77 million as a statutory reserve which the reserve has reached 10% of the registered share capital.

Statutory Reserve of the Subsidiaries

Under the Civil and Commercial Code, the subsidiaries are required to set aside as a statutory reserve at least 5% of its profit every dividend declaration until the reserve reaches 10% of the registered share capital. The statutory reserve is not available for dividend distributions.

As at December 31, 2014 and 2013, the subsidiaries had allocated profit amount of Baht 19.47 million and Baht 24.30 million as a statutory reserve, respectively.

DIVIDEND

DIVIDEND	APPROVED BY	DIVIDEND PAID (MILLION BAHT)	DIVIDEND PER SHARE	PAYMENT DATE
YEAR 2014				
Interim dividend for year 2014	The Board of Directors' Meeting held on October 3, 2014	679.36	0.07	October 31, 2014
Dividend from the profit of year 2013	The Board of Directors' Meeting held on February 28, 2014 and the 2014 Annual General Meeting of Shareholders on April 29, 2014	1,067.57	0.11	May 16, 2014
Total dividend paid during year 2014		1,746.93	0.18	
YEAR 2013				
Interim dividend for year 2013	The Board of Directors' Meeting held on October 1, 2013	582.31	0.06	October 30, 2013
Dividend from the profit of year 2012	The Board of Directors' Meeting held on February 28, 2013 and the 2013 Annual General Meeting of Shareholders on April 30, 2013	679.30	0.07	May 17, 2013
Total dividend paid during year 2013		1,261.61	0.13	

26. DIRECTORS' REMUNERATION

For the years ended December 31, directors' remuneration consisting of meeting fee and annual compensation of director and sub-committee were as follows:

	MILLION BAHT	
	2014	2013
Hemaraj Land and Development Public Company Limited	25.80	20.20
Eastern Seaboard Industrial Estate (Rayong) Company Limited	8.72	12.39
Total	34.52	32.59

27. PROVIDENT FUND

The Company and its 8 subsidiaries which are Eastern Industrial Estate Company Limited, Eastern Seaboard Industrial Estate (Rayong) Company Limited, Eastern Pipeline Services Company Limited, H - Construction Management and Engineering Company Limited, H - Phoenix Property Company Limited, Hemaraj Clean Water Company Limited, Hemaraj Saraburi Industrial Land Company Limited and Hemaraj Rayong Industrial Land Company Limited, jointly established the provident fund under the Provident Fund Act B.E. 2530, named "Tisco Secured Fixed Income Fund", to provide membership for their employees; resulting in off-balance in the statement of financial position. According to regulations of the fund, member and the Company contributes 4% - 10% of employees' monthly salaries, depending on the working period. Members are entitled to their whole contributions plus net benefit thereon, and the Company's contributions plus benefits thereon at the rates, depending on their working period. The provident fund is managed by Tisco Asset Management Company Limited. During 2014 and 2013, the Company and the above subsidiaries had contributed to provident fund in the total amount of Baht 14.24 million and Baht 13.18 million (Separate financial statements: Baht 5.45 million and Baht 4.99 million), respectively.

28. EXPENSE BY NATURE

The major expenses by nature for the year ended December 31, were as follows:

	MILLION BAHT			
	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Changes in cost of real estate developments	(1,998.63)	(1,720.78)	(670.07)	(2,277.78)
Investment in cost of real estate developments	4,048.72	6,093.56	955.33	2,709.48
Capitalized finance costs	53.58	28.33	52.52	6.22
Investment in cost of real estate developments transferred to investment property	(341.73)	(940.13)	(43.01)	12.92
Employee related expenses	215.84	184.39	68.82	51.80
Depreciation and amortization	369.82	344.39	28.22	24.31
Transfer fee and specific business tax	159.42	294.24	21.52	42.92
Consulting fee	32.29	49.82	19.48	35.86
Remuneration of directors and management	243.36	232.30	148.76	138.88

29. BUSINESS SEGMENT INFORMATION

As of December 31, business segment information in the consolidated statements of financial position classified by domestic and overseas business was as follows:

	MILLION BAHT							
	2014				2013			
	DOMESTIC		OVERSEAS		DOMESTIC		OVERSEAS	
	REAL ESTATE	POWER	OTHERS	HOLDING COMPANY	REAL ESTATE	POWER	OTHERS	HOLDING COMPANY
				TOTAL				TOTAL
Cash and cash equivalents	1,962.23	0.76	111.87	2,087.41	4,664.50	1.02	108.55	4,780.44
Cost of real estate developments, net	13,140.54	-	-	13,140.54	11,138.19	-	-	11,138.19
Investment in associates	658.83	6,700.35	-	7,359.18	639.77	6,171.88	-	6,811.65
Investment property, net	6,974.32	-	-	6,974.32	6,741.04	-	-	6,741.04
Assets for rent, net	-	-	135.33	135.33	-	-	131.83	131.83
Property, plant and equipment, net	916.32	-	852.52	1,768.84	871.46	-	622.13	1,493.59
Other assets	1,521.89	566.17	128.11	2,216.20	1,718.43	517.37	101.84	2,337.67
Total Assets	25,174.13	7,267.28	1,227.83	33,681.82	25,773.39	6,690.27	964.35	33,434.41

The operation information of the consolidated statements of income, for year ended December 31, classified by domestic and overseas business were as follows:

	MILLION BAHT								
	2014				2013				
	DOMESTIC		OVERSEAS		DOMESTIC		OVERSEAS		
REAL ESTATE	POWER	OTHERS	HOLDING COMPANY	REAL ESTATE	POWER	OTHERS	HOLDING COMPANY	TOTAL	
Sales of real estate	3,680.16	-	-	-	6,190.46	-	-	-	6,190.46
Service income	1,699.32	-	953.62	-	1,698.07	-	881.07	-	2,579.14
Total Sales and Services income	5,379.48	-	953.62	-	7,888.53	-	881.07	-	8,769.60
Profit (loss) from operations	1,501.36	(1.40)	690.96	(7.20)	2,257.06	(2.04)	660.57	(6.34)	2,909.25
Other income	243.15	-	2.24	-	2,758.83	0.04	1.38	-	2,760.25
Gain on sales of investment in associate	-	-	-	-	13.98	-	-	-	13.98
Finance costs	(761.75)	-	(0.04)	-	(652.01)	-	(0.03)	-	(652.04)
Share of profit (loss) from investments in associates	74.92	1,580.36	-	-	1.20	557.77	-	-	558.97
Income tax expenses	(67.23)	-	(30.88)	-	(471.98)	-	(32.33)	-	(504.31)
Profit (loss) for the years	990.45	1,578.96	662.28	(7.20)	3,907.08	555.77	629.59	(6.34)	5,086.10
Profit attributable to non-controlling interests									(747.62)
Profit attributable to owners of the parent									4,338.48

For the year ended December 31, 2014, a major customer of the subsidiary recognized sales of real estate in domestic in the amount of Baht 665.32 million.

30. INCOME TAX EXPENSES

Income tax expenses for the years ended 31 December 2014 and 2013 are made up as follows:

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
CURRENT INCOME TAX:				
Interim corporate income tax charge	80,151	310,927	-	1,973
DEFERRED TAX:				
Relating to origination and reversal of temporary differences	17,957	193,381	(1,431)	67,418
INCOME TAX EXPENSES (REVENUE) REPORTED IN THE STATEMENTS OF INCOME	98,108	504,308	(1,431)	69,391

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rate for the year ended December 31, were as follows:

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Accounting income before tax	5,634,470	8,192,136	3,349,598	2,745,090
Applicable tax rate	10%, 20%	10%, 20%	20%	20%
Accounting income before tax multiplied by the applicable tax rate	894,734	885,542	695,471	404,198
Tax effect of income and expense that are not taxable income or not deductible in determining taxable profit	(796,626)	(381,234)	(696,902)	(334,807)
INCOME TAX EXPENSES (REVENUE) REPORTED IN THE STATEMENTS OF INCOME	98,108	504,308	(1,431)	69,391

Deferred tax assets and deferred tax liabilities are summarized as follows:

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
STATEMENT OF FINANCIAL POSITION DEFERRED TAX ASSET				
Provision for doubtful debt	1,480	2,832	968	977
Impairment of asset	2,033	2,033	145	145
Impairment of investment	143	143	-	-
Timing differences of accounting and taxable income recognition	21,102	35,387	851	4,021
Reserve for maintenance	3,632	4,985	10	287
Employee benefits obligation	16,359	13,465	7,653	6,279

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPAR ATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Provision for guarantee rental income	22,381	33,090	6,161	6,253
Tax loss carried forward not over than 5 years	5,946	461	5,216	-
	73,076	92,396	21,004	17,962
DEFERRED TAX LIABILITIES				
Timing differences of accounting and taxable income recognition - Leases	151,152	163,136	-	-
Timing differences of depreciation of buildings	17,756	13,033	2,750	1,776
Unrealised gains for investments in available-for-sale securities	51	53	51	53
	168,959	176,222	2,801	1,829

31. PLEDGED ASSETS

As of December 31, 2014, pledged assets were as follows:

Hemaraj Land and Development Public Company Limited

- 1) 406.84 million Ordinary shares of GHECO - One Company Limited have been pledged with the lender secured for borrowings obtained by that company.
- 2) 14.25 million Ordinary shares of Glow IPP Company Limited have been pledged with the lender secured for borrowings obtained by that company.
- 3) The partial land and attachments have been mortgaged as collateral for borrowings from local commercial banks and financial institution.
- 4) The Company had mortgaged their condominium office units as collateral for the Company's borrowings from a local commercial bank.

Eastern Industrial Estate Company Limited

The Company's partial land has been mortgaged as collateral for long-term borrowings from a local commercial bank.

Eastern Seaboard Industrial Estate (Rayong) Company Limited

The Company's partial land and pre-fabricated factories has been mortgaged as collateral for overdrafts and borrowings from one commercial bank.

Hemaraj Eastern Seaboard Industrial Estate Company Limited

The Company's partial land and pre-fabricated factories has been mortgaged as collateral for the Company and Parent Company's long-term borrowings from local commercial bank.

H - Phoenix Property Company Limited

The Company had mortgaged their condominium office units as collateral for the Parent company's borrowings from a local commercial bank.

Hemaraj Rayong Industrial Land Company Limited

The Company's partial land as collateral for the Parent company's borrowings from a local commercial bank.

Hemaraj Energy Company Limited

26.31 million Ordinary shares of Gulf JP Company Limited have been pledged with the lender secured for borrowings obtained by that company.

32. COMMITMENTS UNDER AGREEMENTS

As of December 31, 2014, commitments under agreements were as follows:

The Company and its subsidiaries have participated in the establishment industrial estate with the Industrial Estate Authority of Thailand (IEAT) as the joint operation agreements as follows:

- 1) Hemaraj Chonburi Industrial Estate in Phase 1 and Phase 2 according to the joint operation agreements dated July 5 and December 29, 1989 respectively. On October 31, 2001, the Company entered into the amendment to such joint operation agreements with IEAT. On March 29, 2005, the Company combined such agreement into one joint operation agreement.
- 2) Hemaraj Eastern Industrial Estate (Map Ta Phut) according to the joint operation agreement dated December 27, 1989. On October 31, 2001, the subsidiary entered into the amendment to such joint operation agreements with IEAT. On March 29, 2005, the Subsidiary combined such agreement into one joint operation agreement.
- 3) Eastern Seaboard Industrial Estate (Rayong) according to the joint operation agreement No. 1/2539 and 1/2540.
- 4) Hemraj Eastern Seaboard Industrial Estate according to the joint operation agreement No. 1/2542 (TS 21).

The major conditions are summarized as follows:

- 1) The Company shall provide utilities systems and facilities to the entrepreneurs in the industrial estate with payment of expenses on its participation in the procedures to the IEAT.
- 2) The Company shall not transfer assets, component part and equipment as well as utilities systems and facilities to the IEAT.
- 3) The Company shall provide a fund for the maintenance and construction of utilities systems and facilities in the industrial estate (Sinking Fund).

Hemaraj Land and Development Public Company Limited

- 1) The Company acquired 5% investment in the amount of Baht 142.5 million in Glow IPP Company Limited and has to maintain the 5% investment ratio to comply with the conditions with Electricity Generating Authority of Thailand.
- 2) The Company has commitment under construction utilities system, with the remaining commitment balance amounting to Baht 195.00 million.
- 3) The Company has commitment to grant loan to GHECO-One Company Limited in proportion to the shareholders' participation. GHECO-One Company Limited entered into a power sale and purchase agreement (PPA) with EGAT on September 10, 2008 where GHECO-One shall supply all its electricity production to EGAT for 25 years from the Commercial Operation Date (COD) under the IPP Program. In addition, GHECO-One Company Limited had pledged the bid bond of USD 10 million to guarantee the bidding with Electricity Generating Authority of Thailand and guarantee by the Company in the portion of investment. GHECO-One has started commercial operation on 26 July 2012.

The total project cost of GHECO-One Company Limited is estimated at USD 1,170 million or Baht 38,991 million which require investment from shareholders in the amount of approximately Baht 13,500 million. The Company has commitment to invest in proportion to the shareholders' participation 35% being Baht 4,750 million. GHECO-

One Company Limited is funded by local and international financial institutions of approximately of USD 460 million and Baht 9,960 million with the condition that the Company shall provide deposit or bank letter of credit to guarantee the joint venture agreement of the Company for the unpaid capital and the Company shall pledge the ordinary shares of GHECO-One Company Limited with the lender secured for this project borrowings.

Eastern Seaboard Industrial Estate (Rayong) Company Limited

- 1) The Company has obligations, under a joint-investment agreement with Hemaraj Land and Development Public Company Limited and another company, that the company has to pay commission on sales of land and management fee to Hemaraj Land and Development Public Company Limited based on revenues from sales of land, public utility service providing and lease of factories.
- 2) The Company has commitment under construction utilities system, with the remaining commitment balance amounting to Baht 80.97 million.

Hemaraj Eastern Seaboard Industrial Estate Company Limited

The Company has commitment under construction contracts to construct pre-fabricated factories and utilities system, with the remaining commitment balance amounting to Baht 22.07 million.

SME Factory Company Limited

The Company has commitment under construction contracts to construct pre-fabricated factories with the remaining commitment balance amounting to Baht 2.40 million.

Hemaraj Saraburi Industrial Land Company Limited

The Company has commitment under construction contracts to construct pre-fabricated factories, with the remaining commitment balance amounting to Baht 0.21 million.

Hemaraj Rayong Industrial Land Company Limited

The Company has commitment under construction contracts to construct utilities system, with the remaining commitment balance amounting to Baht 7.34 million.

Hemaraj Clean Water Company Limited

The Company has commitment under construction contracts in utilities system, with the remaining commitment balance amounting to Baht 26.39 million.

33. COMMITMENTS AND CONTINGENT LIABILITIES

As of December 31, 2014, commitments and contingent liabilities consisted of:

- 1) The Company and its subsidiaries have entered into land sale and purchase contracts, which the contract term requires the Company and its subsidiaries to contingently liable to repay deposits and installments in the event that buyers are unable to obtain satisfactory approvals from the Board of Investment and/or the IEAT to set up their operations.
- 2) The Company and its subsidiaries have obligation regarding guarantee of the borrowings agreement of the Company and its subsidiaries in the total credit line of Baht 4,768 million. (Separate financial statements : Baht 770 million)
- 3) The Company and its subsidiaries have obligations regarding guarantee of the hire purchase agreements of its related companies in the total credit line of Baht 7.44 million. (Separate financial statements : Baht 3.09 million)

- 4) The Company and its subsidiaries have obligations regarding guarantee and under condition of the letters of guarantee issued by the banks for their performance under the joint operation agreements with the Industrial Estate Authority of Thailand, their compliance with the agreement made with the Customs House in the free tax area, the construction of utilities under land sale contract, the construction of utility and power substation, and their performance under the raw water purchase agreement and others in the total amount of Baht 550.75 million. (Separate financial statements: Baht 230.38 million).
- 5) The Company has obligations regarding under condition of the letter of guarantee issues by the Company for the payment of the minimum income from annual minimum operating revenues of the subsidiaries to Hemaraj Industrial Property and Leasehold Fund.
- 6) The Company and its subsidiaries have contingent liabilities from entered into agreements to manage properties with the Fund, whereby it agreed to repay the excess operating expenses over 4 percent of annual total operating revenue of the Fund for the period 3 years from the register date of the Fund.
- 7) The Company has obligations regarding guarantee under condition of the letters of guarantee issued by the banks for a related company in the total amount not exceeding of Baht 17.67 million.

34. PROMOTIONAL PRIVILEGES

The Company and its 7 subsidiaries have been granted promotional certificates under the Investment Promotion Act, B.E. 2520 as follows:

				MAJOR PRIVILEGES	
		AREA/UNITS OBTAINED FOR PROMOTIONAL PRIVILEGE	EXEMPTION FROM CORPORATE INCOME TAX (***)	REDUCTION OF 50% OF CORPORATE INCOME TAX (****)	
DATE OBTAINED FOR PROMOTIONAL PRIVILEGE					
HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED					
A.	Industrial Estate Business				
A.1	July 9, 2013	637 Rai	7 years	None	
A.2	November 25, 2014	3,160 Rai	7 years (**)	None	
B.	Industrial Factory Development Business				
B.1	June 18, 2012	2 Units	7 years	None	
B.2	July 5, 2012	9 Units	7 years	None	
B.3	August 1, 2012	8 Units	7 years	None	
EASTERN INDUSTRIAL ESTATE COMPANY LIMITED					
A.	Industrial Estate Business				
A.1	November 27, 2002	1,240 Rai	8 years (*)	5 years	
A.2	March 17, 2009	576 Rai	8 years (**)	5 years	
EASTERN SEABOARD INDUSTRIAL ESTATE (RAYONG) COMPANY LIMITED					
A.	Industrial Estate Business				
A.1	July 25, 2001	716 Rai	7 years	None	
A.2	December 8, 2004	1,020 Rai	8 years (*)	5 years	
A.3	October 17, 2007	1,021 Rai	8 years	5 years	

		MAJOR PRIVILEGES		
	DATE OBTAINED FOR PROMOTIONAL PRIVILEGE	AREA/UNITS OBTAINED FOR PROMOTIONAL PRIVILEGE	EXEMPTION FROM CORPORATE INCOME TAX (***)	REDUCTION OF 50% OF CORPORATE INCOME TAX (****)
B.	Industrial Factory Development Business			
B.1	January 16, 2002	51 Units	8 years (*)	5 years
B.2	March 27, 2002	22 Units	8 years (*)	5 years
B.3	November 10, 2011	12 Units	8 years	5 years
B.4	August 22, 2012	23 Units	8 years	5 years
B.5	November 5, 2012	3 Units	8 years (**)	5 years
B.6	March 1, 2013	7 Units	8 years (**)	5 years
B.7	March 1, 2013	8 Units	8 years	5 years
B.8	March 1, 2013	9 Units	8 years	5 years
HEMARAJ EASTERN SEABOARD INDUSTRIAL ESTATE COMPANY LIMITED				
A.	Industrial Estate Business			
A.1	May 22, 1997	1,407 Rai	8 years	5 years
A.2	May 22, 1997	1,375 Rai	8 years	5 years
A.3	May 22, 1997	1,485 Rai	8 years	5 years
A.4	September 26, 1996	1,653 Rai	8 years	5 years
A.5	January 23, 2008	1,500 Rai	8 years	5 years
A.6	August 14, 2012	620 Rai	7 years	None
A.7	November 25, 2014	2,200 Rai	7 years (**)	None
B.	Industrial Factory Development Business			
B.1	August 14, 2007	13 Units	8 years (*)	5 years
B.2	December 29, 2008	1 Unit	8 years (*)	5 years
B.3	December 30, 2009	1 Unit	8 years	5 years
B.4	July 12, 2011	1 Unit	8 years	5 years
B.5	August 18, 2011	2 Units	8 years	5 years
B.6	August 2, 2011	3 Units	8 years	5 years
B.7	November 10, 2011	3 Units	8 years	5 years
B.8	November 30, 2011	3 Units	8 years	5 years
B.9	December 16, 2011	1 Unit	7 years	None
B.10	April 19, 2012	1 Unit	8 years	5 years
B.11	May 28, 2012	1 Unit	8 years	5 years
B.12	August 1, 2012	2 Units	8 years (**)	5 years
B.13	August 17, 2012	1 Unit	8 years	5 years
B.14	August 29, 2012	1 Unit	8 years (**)	5 years
B.15	August 29, 2012	1 Unit	8 years	5 years
B.16	September 4, 2012	1 Unit	8 years (**)	5 years
B.17	November 1, 2012	1 Unit	8 years	5 years
B.18	November 1, 2012	2 Units	8 years	5 years
B.19	November 1, 2012	2 Units	8 years	5 years
B.20	December 17, 2012	7 Units	7 years	None
B.21	December 20, 2012	4 Units	7 years (**)	None
B.22	January 28, 2013	1 Unit	8 years	5 years

MAJOR PRIVILEGES

	DATE OBTAINED FOR PROMOTIONAL PRIVILEGE	AREA/UNITS OBTAINED FOR PROMOTIONAL PRIVILEGE	EXEMPTION FROM CORPORATE INCOME TAX (***)	REDUCTION OF 50% OF CORPORATE INCOME TAX (****)	
	B.23	January 28,2013	5 Units	8 years (**)	5 years
	B.24	May 29, 2013	2 Units	7 years	None
	B.25	November 26,2013	4 Units	7 years (**)	None
	B.26	March 10,2014	4 Units	7 years	None
HEMARAJ SARABURI INDUSTRIAL LAND COMPANY LIMITED					
A.	Industrial Factory Development Business				
	A.1	June 29, 2012	1 Unit	7 years	None
	A.2	July 5, 2012	8 Units	7 years	None
	A.3	July 5, 2012	2 Units	7 years	None
	A.4	August 10, 2012	2 Units	7 years	None
	A.5	August 22, 2012	5 Units	7 years	None
	A.6	April 5, 2013	2 Units	7 years	None
	A.7	April 5, 2013	6 Units	7 years (**)	None
	A.8	December 16, 2013	16 Units	7 years	None
HEMARAJ RAYONG INDUSTRIAL LAND COMPANY LIMITED					
A.	Industrial Zone				
	A.1	August 16, 2000	520 Rai	8 years (*)	5 years
	A.2	March 14, 2001	1,343 Rai	8 years (*)	5 years
B.	Industrial Factory Development Business				
	B.1	June 28, 2013	2 Units	8 years (**)	None
HEMARAJ WATER COMPANY LIMITED					
A.	Utility and Other Services Business				
	A.1	October 25, 2005	15.55 million cubic meters	8 years (*)	5 years
RAYONG 2012 COMPANY LIMITED					
A.	Industrial Zone				
	A.1	November 25, 2014	1,232 Rai	8 years (*)	5 years
SME FACTORY COMPANY LIMITED					
	Industrial Land Development Business				
	A.1	November 9, 2011	276 Rai	8 years	None
	Industrial Factory Development Business				
	B.1	May 21, 2007	2 Units	7 years (*)	None
	B.2	July 26, 2011	1 Unit	8 years	5 years
	B.3	August 10, 2012	12 Units	7 years	5 years
	B.4	March 7, 2014	5 Units	7 years	None
	B.5	June 5, 2014	5 Units	7 years	None
	B.6	August 25, 2014	9 Units	8 years	5 years
	B.7	August 25, 2014	1 Unit	8 years (**)	5 years

* Major Privilege was expired.

** Major Privilege still not started because the Company has not earned the revenues yet.

*** Starting from the first revenue recognised date.

**** Starting from the exemption from corporate income tax is expired.

For the years ended December 31, domestic revenues were classified into the promoted and the non-promoted businesses as follows:

	THOUSAND BAHT					
	BOI		NON-BOI		TOTAL	
	2014	2013	2014	2013	2014	2013
CONSOLIDATED FINANCIAL STATEMENTS						
Sales of real estate	2,978,055.68	5,233,208.74	702,106.83	957,251.12	3,680,162.51	6,190,459.86
Service income	1,203,239.06	1,182,840.41	1,449,695.44	1,396,302.41	2,652,934.50	2,579,142.82
Total	4,181,294.74	6,416,049.15	2,151,802.27	2,353,553.53	6,333,097.01	8,769,602.68
SEPARATE FINANCIAL STATEMENTS						
Sales of real estate	175,286.27	-	351,765.51	631,800.30	527,051.78	631,800.30
Service income	8,531.64	9,282.63	138,533.62	151,219.56	147,065.26	160,502.19
Total	183,817.91	9,282.63	490,299.13	783,019.86	674,117.04	792,302.49

35. FINANCIAL INSTRUMENTS

Risk Management Policy

Exposure to interest rate and currency risk arises in normal course of the Hemaraj Group's business. These are subject to the risk of market rates changing subsequent to the transaction date.

The Hemaraj Group's policy on interest rate risk and currency risk hedging is as follows:

- A. Maintaining proportions of domestic and foreign borrowings;
- B. Borrowing at fixed and floating interest rates;
- C. Pledging assets as collateral against borrowings.

The Hemaraj Group has no policy to speculate on or engage in the trading of any off-balance derivative financial statements.

Fair Value of Financial Instruments

Except as disclosed in Note 3 to the financial statements, fair value of significant financial instruments consists of:

- A. Fair value of cash and cash equivalents, deposits for investment, account receivables, bank overdrafts and borrowings from financial institutions, account payables and accrued expenses are approximately equal to the carrying amount because of short maturity of these instruments.
- B. Fair value of short-term investments in available-for-sale securities is equal to the market value.
- C. Fair value of short-term loans and advances to related parties, loans to related parties, other borrowings, short-term borrowings and advances from related parties, amount due to and borrowings from related parties could not be determined since the repayment period is not specified.

36. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on February 27, 2015.

TRANSACTIONS WITH RELATED PARTIES

THE NECESSITY AND REASONABLENESS OF RELATED TRANSACTIONS DURING THE YEAR

The related transactions among the company and its subsidiaries, affiliated companies, related companies and/or the third party generally are from normal course of businesses which the price of the transaction will be considered based on the reasonable and fair market prevailing rate and the company's rules and regulations. The transactions will be considered and approved by the Board of Directors, Executive Committee or Senior management as the case may be, including to be reviewed by the Audit Committee in compliance with the rules stated by the Stock Exchange of Thailand (SET), Securities and Exchange Commission (SEC), as well as Thai Accounting Standards in relation to information disclosure and practices of listed companies in connected transactions, announced by the Federation of Accounting Profession.

RELATED TRANSACTIONS IN THE YEAR 2014 BETWEEN THE COMPANY, SUBSIDIARIES AND ASSOCIATED COMPANIES, RELATED COMPANIES, ARE AS FOLLOWS :

NAMES OF COMPANY WITH RELATED TRANSACTIONS	DESCRIPTION OF RELATIONSHIP	SERVICE INCOME	INTEREST INCOME	COST OF SERVICE	DESCRIPTION	NECESSITY / OPINION OF AUDIT COMMITTEE
1. ASSOCIATED COMPANIES:						
1.1 Gheco-One Company Limited Electricity and Power Generation	<ul style="list-style-type: none"> - The Company holds 35.00% - There are 3 Company's Executive Directors to be the Directors and the Executive Directors in this Associated Company. This is according to the Company's policy for joint venture investment. 	-	100,303	-	Company provides Subordinated Loan with Baht 1,433 million since 2012 as a proportion to its shareholding in accordance with the terms and conditions of shareholder's agreement with an interest at MLR%.	Loan from the Company is proportionate to shareholding portion and necessity of this project. It was proposed and approved by Board of Directors.

NAMES OF COMPANY WITH RELATED TRANSACTIONS	DESCRIPTION OF RELATIONSHIP	SERVICE INCOME	INTEREST INCOME	COST OF SERVICE	DESCRIPTION	NECESSITY / OPINION OF AUDIT COMMITTEE
1.2 Hemaraj Industrial Property and Leashold Fund	- The Company holds 23.12%	1,132	-	8,008	The company receives compensation as a property manager to the property fund as follows 1. The management fee at the rate of 2-5 percent of operating revenue. 2. The provision fee of rent at the rate of 0.5-1 percent of 1 month per rent. 3. The group of company has guaranteed minimum income to the property fund for a period of 3 years.	The rate of remuneration as a property manager for the property fund is paid in accordance to market rate. Guaranteed minimum revenue follows by the sale contract.
1.3 Gulf JP NLL Company Limited	- The Company holds 25.01%	30,053	-	-	Company provides service of centralized utility and waste water treatment to associates.	The rate is according to the rate of market rate.

POLICY AND APPROVAL PROCEDURES OF RELATED TRANSACTIONS IN THE FUTURE

Future related transactions will be conducted as part of normal course of businesses of which the price will be considered based on the reasonable and fair market prevailing rate and the company's rules and regulations. The transactions will be considered and approved by the Management in each level, Executive Committee, Board of Director, or Shareholder's Meeting, whichever the case maybe according to the Company's rules and regulations. Directors or staff with an interest in such transaction shall not be allowed to participate in the approval process. In addition, the transaction will be reviewed by certified external auditor, 3rd party internal auditor, and the Audit Committee of the company. The company shall disclose the transaction details in compliance with related law and the regulation of the Stock Exchange of Thailand (SET), Securities and Exchange Commission (SEC), and Thai Accounting Standards in relation to information disclosure and practices of listed companies in connected transactions, announced by the Federation of Accounting Profession.

HOLDING STRUCTURE & REVENUE OF THE COMPANY SUBSIDIARIES AND ASSOCIATED COMPANIES

NAME	ADDRESS	NATURE OF BUSINESS	PAID CAPITAL (MIL.BAHT)	% OF INVESTMENT	REVENUE (MIL. BAHT)			
					2014	2013	2012	%
HEMARAJ LAND AND DEVELOPMENT Public Company Limited Registration No. Bomorjor 0107536000676 Share Capital 15,000,000,000 shares Issued 9,705,186,191 shares	18th Floor, UM Tower, 9 Ramkhamhaeng Rd., Suanluang, Bangkok 10250, Thailand Tel.(662) 719-9555 Fax (662) 719-9546-7 www.hemaraj.com E-mail: invest@hemaraj.com	Industrial Estate Developer	3,882	10%	1,222.08	10%	573.17	8%
SUBSIDIARY COMPANIES								
Hemaraj International Limited (1)	Scotia Centre, 4th Floor P.O.Box 2804, George Town, Grand Cayman, Cayman Islands	Holding Company	0.03	100	-	-	-	0%
H-International (BVI) Company Limited (2)	Romasco Place, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola British Virgin Islands.	Holding Company	0.08	100	-	-	-	0%
Eastern Industrial Estate Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Industrial Estate Developer	400	99.99	445.32	3%	378.77	5%
Eastern Pipeline Services Company Limited (3)	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Pipe Rack Rental	100	99.99	127.28	1%	118.05	2%
Eastern Seaboard Industrial Estate (Rayong) Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Industrial Estate Developer	358	60	3,209.13	27%	666.97	9%
H-Construction Management and Engineering Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Design and Construction and Supervision Service	17.15	99.99	15.23	1%	19.28	1%

NAME	ADDRESS	NATURE OF BUSINESS	PAID CAPITAL (MIL.BAHT)	% OF INVESTMENT	REVENUE (MIL. BAHT)					
					2014	%	2013	%	2012	%
The Park Residence Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Real Estate Development and Service Management	0.25	99.99	-	-	-	-	-	0%
HemaraJ Eastern Seaboard Industrial Estate Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Industrial Estate Developer	1,000	99.99	1,354.57	16%	4,444.68	36%	1,681.72	23%
HemaraJ Water Company Limited (4)	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Water Resource Development and Management	100	99.99	470.63	6%	412.47	3%	397.40	5%
SME Factory Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Factory for Sale and Rental	194	99.99	114.02	1%	250.11	2%	212.57	3%
H-Phoenix Property Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Office for Sale and Rental	480	99.99	96.28	1%	77.24	1%	96.57	1%
HemaraJ Clean Water Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Produce and distribute the industrial water	645	99.99	338.82	4%	327.48	3%	292.12	4%
HemaraJ Saraburi Industrial Land Company Limited	111 Moo 7, Nong Pla Mao Sub- District Nong Khae District, Saraburi 18140, Thailand	Industrial Estate Developer	500	99.99	453.15	5%	432.36	3%	1,403.49	19%
HemaraJ Rayong Industrial Land Company Limited (5)	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Industrial Estate Developer	1,000	99.99	546.14	7%	580.05	5%	758.07	10%
HemaraJ Energy Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Holding Company	25	99.99	-	-	0.04	-	0.16	0%
Million Island Pattaya Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Industrial Estate Developer	1,750	84.99	0.03	-	0.32	-	-	0%

NAME	ADDRESS	NATURE OF BUSINESS	PAID CAPITAL (MIL.BAHT)	% OF INVESTMENT	REVENUE (MIL. BAHT)			
					2014	2013	2012	%
Rayong 2012 Company Limited (6)	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Industrial Estate Developer	1,165	99.99	0.01	0.05	-	0%
Eastern Seaboard Property and Marina Services Company Limited	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Industrial Estate Development for investment and marina services	1.00	99.99	-	-	-	0%
Hemaraj Eastern Seaboard Industrial Estate Company Limited 4	18th Floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang, Bangkok 10250, Thailand	Industrial Estate Developer	400	99.99	0.03	-	-	-
ASSOCIATED COMPANIES								
Cofely (Thailand) Company Limited (7)	107/1 Moo 4, Eastern Seaboard Industrial Estate (Rayong), Pluakdeang, Rayong, Thailand	Facilities Management Services	-	-	1,473.28	1.20	0.89	0%
GHECO-One Company Limited	195 Empire Tower, 38th Floor Park Wing, South Sathorn Road Bangkok 10120, Thailand	Electricity and Power Generation	11,624	35	60.83	568.10	662.93	9%
Houay Ho Thai Company Limited	10 / 190-193 , Trendy Tower, 26th Floor, Soi Sukhumvit 13, Sukhumvit Road, Kwaeng Klongtoeynua,Khet Wattana, Bankok	Holding Company	527.69	51	-	4.85	46.89	1%
Glow Hemaraj Wind Company Limited	195 Empire Tower, 38th Floor, Park Wing, South Sathorn Road Bangkok 10120, Thailand	Electricity and Power Generation	2.50	51	(0.12)	(0.11)	(0.06)	0%
Gulf JP NLL Company Limited (8)	87 M Thai Tower, 11st Floor, All Seasons Place, Wireless Road Phatumwan, Bangkok 10330, Thailand	Electricity and Power Generation	1,384	25.01	46.37	(15.07)	-	-1%
Hemaraj Industrial Property and Leashold Fund	199 Column Tower, 21st-23rd Floor, Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand	Property Fund	4,700	23.12	74.92	-	-	-

NAME	ADDRESS	NATURE OF BUSINESS	PAID CAPITAL (MIL.BAHT)	% OF INVESTMENT	REVENUE (MIL. BAHT)					
					2014	%	2013	%	2012	%
Gulf Solar Company Limited (8)	87 M Thai Tower, 11st Floor, All Seasons Place, Wireless Road Phatumwan, Bangkok 10330, Thailand	Solar Rooftop	14.63	25.01	(0.01)					
RELATED COMPANIES										
Eastern Fluid Transport Company Limited	618 Nimom Makkasan Road Makkasan, Ratchthewi Bangkok 10400, Thailand	Management and Maintenance of Pipe Rack	10	15						
Houay Ho Power Company Limited (9)	P.O.Box 5464, Nong Bone Road Bane Fai, Xaysetta District, Vientiane Lao People's Democratic Republic	Electricity and Power Generation	50 (Million USD)	12.75						
Glow IPP Company Limited	195 Empire Tower, 38th Floor Park Wing, South Sathorn Road Bangkok 10120, Thailand	Electricity and Power Generation	2,850	5						
TOTAL REVENUE : HEMARAJ LAND AND DEVELOPMENT PLC. AND SUBSIDIARIES					8,233.76	100%	12,102.81	100%	7,308.99	100%

REMARK

- 1) Incorporated in the Cayman Islands
- 2) Incorporated in the Territory of the British Virgin Islands
- 3) Held 74.99 % directly and 25% indirectly through Eastern Industrial Estate Company Limited
- 4) Held 99.99 % indirectly held by Hemaraj Clean Water Company Limited
- 5) Held 99.99% indirectly held by Hemaraj Saraburi Industrial Land Company Limited.
- 6) In Q2'2014, the Company has bought investment in Hemraj Rayong 2012 Company Limited with 81.55 million shares or 70% from Hemaraj Rayong Industrial Land Company Limited.
- 7) In 2013, the Company has sold investment in Cofely (Thailand) 39.99% to Cofely South East Asia PTE Limited
- 8) Held 25.01% indirectly held by Hemaraj Energy Company Limited
- 9) 51% directly held by the Company in Houay Ho Thai Company Limited that has held 25% in Houay Ho Power Company Limited, a company registered in Lao People's Democratic Republic (US. currency is used for business operation).

NO. OF SHARES OF DIRECTOR, EXECUTIVE DIRECTOR, SPOUSE, AND MINOR CHILD ON 31 DECEMBER 2014

NAME/ POSITION		NO. OF SHARES			
		1-Jan-14	During the Year 2014	31-Dec-14	Total
1. Mr. Chavalit Sethameteekul	Director /Chairman of the Board of Directors	-	-	-	-
Spouse / Minor child		-	-	-	-
2. Mr. Sudhipan Charumani	Independent Director / Chairman of the Audit Committee / Chairman of the Nomination Committee	-	-	-	-
Spouse / Minor child		-	-	-	-
3. Mr.Sawasdi Horrurung	Director / Chairman of the Executive Committee / Risk Management Committee Chairman	64,803,500	-	-	64,803,500
Spouse / Minor child		-	-	-	-
4. Mr. Thongchai Srisomburanant	Director / Vice Chairman of the Executive Committee December / Risk Management Committee Member / Chairman of the Nomination Committee	2,365,540	-	-	2,365,540
Spouse / Minor child		-	-	-	-
5. Mr.Thavorn Anankusri	Director / Executive Director / Risk Management Committee Member	191,000	-	-	191,000
Spouse / Minor child		-	-	-	-
6. Mr. David Richard Nardone	Director / Executive Director Managing Director and President / Risk Management Committee Member	27,559,783	-	27,559,783	27,559,783
Spouse / Minor child		-	-	-	-
7. Mr. Vivat Jiratikarnsakul	Director	8,364,180	-	-	8,364,180
Spouse / Minor child		-	-	-	-
8. Mr. Peter John Edmondson	Independent Director / Member of the Audit Committee	1,749,500	-	-	1,749,500
Spouse / Minor child		-	-	-	-
9. Mrs. Punnee Worawuthichongsathit	Independent Director / Member of the Audit Committee / Member of the Corporate Governance Committee	-	-	-	-
Spouse / Minor child		-	-	-	-
10. Ms. Pattama Horrurung	Director / Executive Director / Senior Vice President and Chief Financial Officer / Member of the Corporate Governance Committee / Risk Management Committee Member	1,000	-	1,000	1,000
Spouse / Minor child		-	-	-	-

NAME/ POSITION		NO. OF SHARES			
		1-Jan-14	During the Year 2014	31-Dec-14	Total
11. Mr. Somphong Wanapha	Independent Director / Chairman of the Corporate Governance Committee	-	-	-	-
Spouse / Minor child		-	-	-	-
12. Mr. Vikit Horrungruang	Director	108,195,000	-	108,195,000	108,195,000
Spouse / Minor child		-	-	-	-
13. Mr. Tanin Subboonrueng	Vice President - Industrial Estate Operations	-	-	-	-
Spouse / Minor child		-	-	-	-
14. Mr. Sirisak Kijraksa	Director - Accounting and Legal Company Secretary	-	-	-	-
Spouse / Minor child		-	-	-	-
15. Ms. Somjai Wachiraha	Director - Finance	-	-	-	-
Spouse / Minor child		-	-	-	-
16. Mr. Niphone Harnpatanapanich	Director - Property Project Planning	-	-	-	-
Spouse / Minor child		-	-	-	-
17. Mr. Preeprem Malasitt	Director - IE Training Center and New Projects	-	-	-	-
Spouse / Minor child		-	-	-	-
18. Mr. Paopitaya Smutrakalin	Director - Corporate Planning & Investor Relations	-	-	-	-
Spouse / Minor child		-	-	-	-
19. Ms. Siyaphas Chantachairoj	Director - Corporate Marketing & Property Customer Development	-	-	-	-
Spouse / Minor child		-	-	-	-
20. Ms. Ladda Rojanavilavudh	Director - Industrial Customer Development	-	-	-	-
Spouse / Minor child		-	-	-	-
21. Ms. Anchalee Parsertchand	Director - Industrial Customer Development	-	-	-	-
Spouse / Minor child		-	-	-	-
22. Ms. Prattana Kijjanon	Director - Procurement	-	-	-	-
Spouse / Minor child		-	-	-	-
23. Mr. Rakphol Kangnoy	Director - Industrial Estate Operations	-	-	-	-
Spouse / Minor child		-	-	-	-
24. Mr. Suwat Thitathanakit	Director - Industrial Estate Development	-	-	-	-
Spouse / Minor child		-	-	-	-
25. Mr. Bordin Harnvanich	Director - Industrial Factories and Logistics Parks Development	-	-	-	-
Spouse / Minor child		-	-	-	-
26. Mr. Apichat Trongsuksan	Assistant Director - Information System & Services	-	-	-	-
Spouse / Minor child		-	-	-	-

THE REMUNERATION OF THE AUDITOR OF COMPANY

AUDIT FEE

The company and its subsidiary(ies) has made a payment for Audit Fee to A.M.T. Associates which it is the regular office of the auditor(s) in the latest accounting year 2014 in the total amount money of 5.69 Million Baht

NON-AUDIT FEE

The company and its subsidiary(ies) has made a payment for Non-Audit Fee of other services such as service fee of the provision of BOI's report to Auditors which it is the regular office of the auditor(s) in the latest accounting year 2014 in the total amount money of 226,000 Baht.

PROFILE AND CONTACTS

Name	: Hemaraj Land And Development Public Company Limited
Business Activity	: <ol style="list-style-type: none"> 1. Industrial Estate Development and Management 2. Industrial Estate Utilities <ol style="list-style-type: none"> 2.1 Utilities and Industrial Services including raw water supply, potable & clarified water and waste water management, etc.. 2.2 A center of services and other utilities industrial services such as utilities maintenance, preventive maintenance, renting a pipe rack. and design & construction consultant etc.. 3. Power Investment <ol style="list-style-type: none"> 3.1 IPP Project such as Gheco-One and Glow IPP 3.2 SPP Project such as Gulf JP NLL 3.3 Alternative Energy such as Hydro Power (Houay Ho Power) and Solar Rooftop on Ready Built Factories for rent 4. Property <ol style="list-style-type: none"> 4.1 Ready Built Factories for rent 4.2 Office for rent - UM Tower 4.3 Niche selective property project - The Park Chidlom 4.4 Logistics Park for rent - Hemaraj Logistics Park 4.5 Integrated Real Estate at Koh Lan Pattaya
Head Office	: 9 UM Tower, 18 th Floor, 9 Ramkhamhaeng Road, Suangluang, Bangkok 10250, Thailand
Company Registration No.	: 0107536000676
Phones	: (66)- 0-2719-9555
Fax	: (66)- 0-2719-9547
Website	: http://www.hemaraj.com
Register shares	: Authorized capital Baht 6,000,000,000 and paid-up capital Baht 3,882,074,476.40, divided into common stock 9,705,186,191 shares at par value Baht 0.40 per share.
Juristic persons	: Details in section 20 Holding structure & revenue of the company, subsidiaries and associated companies
Other references	: <p>Share registrar Thailand Securities Depository Co., Ltd. 62 The Stock Exchange of Thailand Bldg. 4th Floor 6-7th Floor, Rachadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. 0-2229-2800 Fax 0-2654-5427</p> <p>Internal Audit CAS Co., Ltd. 92/18 Sathorn Thanee Bldg, 9th Floor, Zone B North Sathorn Road, Silom, Bangrak Bangkok 10500, Thailand Tel. 0-2229-2800 Fax 0-2359-1259</p> <p>Auditor Mr. Chaiyuth Angsuwithaya CPA No. 3885 A.M.T & Associates 491/27 Silom Plaza, Silom Road, Bangruk Silom Road, Bangruk , Bangkok 10500, Thailand Tel. 0-2234-1676, 0-2234-1678 Fax 0-2237-2133</p> <p>Attorney Allen & Overy (Thailand) Co., Ltd. 130 Sindhorn Building III, 22nd Floor, Wireless Road, Bangkok 10330, Thailand Tel. 0-2263-7600 Fax 0-2263-7699</p> <p>Financial Advisor Per Project</p>



บริษัท เหมราชพัฒนาที่ดิน จำกัด (มหาชน)
HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED

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ทะเบียนเลขที่ : บมจ.0107536000676
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Tel : 66-2719-9555 Fax : 66-2719-9546-7
Registration No. : BORMORJOR.0107536000676

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