

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY
LIMITED AND ITS SUBSIDIARIES**

Interim Financial Information

For the Three-Month and Six-Month Periods ended June 30, 2014

and Independent Auditor's Report on Review of Interim Financial Information

BPR AUDIT AND ADVISORY CO., LTD.

Independent Auditors

INDEPENDENT AUDITOR’S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and Board of Directors of General Environmental Conservation Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of General Environmental Conservation Public Company Limited and its subsidiaries as at June 30, 2014, the related consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2014, the statements of changes in shareholders’ equity and cash flows for the six-month period ended June 30, 2014, and condensed notes to financial statements, and I have also reviewed the accompanying statement of financial position of General Environmental Conservation Public Company Limited as at June 30, 2014, the statements of comprehensive income for the three-month and six-month periods ended June 30, 2014, the statements of changes in shareholders’ equity and cash flows for the six-month period ended June 30, 2014, and condensed notes to financial statements. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Thai Accounting Standard No.34 “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No.34 “Interim Financial Reporting”.

Other Matters

The accompanying consolidated statement of financial position of General Environmental Conservation Company Limited and its subsidiary, and the accompanying separate statement of financial position of General Environmental Conservation Public Company Limited as at December 31, 2013, presented herein as comparative information, were audited by another auditor in my firm expressed an unqualified opinion on those statements, whose report dated February 28, 2014, while drawing attention regarding the land acquisitions form related company for development real-estate project for sale which is in criteria of related party transaction, the managements is being in process to comply with the Notification of the Board of Governors of The Stock of Thailand and draw attention regarding the change in accounting policy made due to adoption of Thai Accounting Standard 12 “Income Taxes” which is effective. The accompanying consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2013, changes in shareholders’ equity and cash flows for the six-month period ended June 30, 2013 of General Environmental Conservation Public Company Limited and its subsidiary, and the accompanying separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2013, changes in shareholders’ equity and cash flows for the six-month period ended June 30, 2013 of General Environmental Conservation Company Limited, presented herein as comparative information, were also reviewed by the aforementioned auditor who concluded, under his report dated August 14, 2013, that nothing had come to his attention that caused him to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard No.34 “Interim Financial Reporting” and drawing attention regarding the change in accounting policy made due to adoption of Thai Accounting Standard 12 “Income Taxes” which is effective.

(Mr. Naris Saowalagsakul)
Certified Public Accountant
Registration No. 5369

BPR AUDIT AND ADVISORY CO., LTD.
Bangkok
August 14, 2014

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2014

In Thousand Baht

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		June 30, 2014 "Unaudited" "Reviewed"	December 31, 2013 "Audited"	June 30, 2014 "Unaudited" "Reviewed"	December 31, 2013 "Audited"
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	159,741	151,263	121,657	91,896
Trade and other receivables	7	60,636	54,901	58,966	53,232
Real estate development costs	8	471,176	291,418	416,964	249,431
Supplies		3,228	3,264	3,228	3,264
Total current assets		694,781	500,846	600,815	397,823
NON - CURRENT ASSETS					
Deposits at financial institution pledged as collaterals		756	756	756	756
Long - term investments - available - for - sales	9	10,194	38,471	10,194	38,471
Investments in subsidiaries	10	-	-	290,978	295,103
Land and structures held for development	11	256,150	446,705	99,803	276,182
Investment property	12	35,219	10,155	-	-
Property, plant and equipment	13	153,312	160,430	152,715	159,594
Deferred tax assets	16	2,565	2,473	1,873	1,657
Other non - current assets		39,801	4,117	38,534	2,924
Total non - current assets		497,997	663,107	594,853	774,687
TOTAL ASSETS		1,192,778	1,163,953	1,195,668	1,172,510

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2014

In Thousand Baht

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		June 30, 2014 "Unaudited" "Reviewed"	December 31, 2013 "Audited"	June 30, 2014 "Unaudited" "Reviewed"	December 31, 2013 "Audited"
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other payables - other companies		44,932	36,761	35,160	34,349
Trade and other payables - related parties	5	3,922	466	4,177	721
Income tax payable		-	550	-	550
Total current liabilities		48,854	37,777	39,337	35,620
NON - CURRENT LIABILITIES					
Employee benefit obligations		1,093	1,711	879	877
Other non - current liabilities					
Accrued costs of landfills		34,000	34,000	34,000	34,000
Accrued environmental protection fund		-	2,382	-	2,382
Total non - current liabilities		35,093	38,093	34,879	37,259
TOTAL LIABILITIES		83,947	75,870	74,216	72,879
SHAREHOLDERS' EQUITY					
Share capital- common shares, Baht 1 par value					
Authorized share capital					
- 1,080,000,000 shares, Baht 1 par value in 2014 and 900,000,000 shares, Baht 1 par value in 2013	14	1,080,000	900,000	1,080,000	900,000
Issued and fully paid-up share capital					
- 900,000,000 shares, Baht 1 par value		900,000	900,000	900,000	900,000
Premium on share capital		195,672	195,672	195,672	195,672
Retained earnings (Deficit)					
- Appropriated for legal reserve		7,615	7,615	7,615	7,615
- Unappropriated		19,585	29,765	32,206	41,313
Other component of shareholders' equity		(14,041)	(44,969)	(14,041)	(44,969)
Total equity holders of the company		1,108,831	1,088,083	1,121,452	1,099,631
Non - controlling interest		-	-	-	-
TOTAL SHAREHOLDERS' EQUITY		1,108,831	1,088,083	1,121,452	1,099,631
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,192,778	1,163,953	1,195,668	1,172,510

The accompanying notes are and integral parts of these financial statements.

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2014

"UNAUDITED"
"REVIEWED"

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
	Notes	2014	2013	2014	2013
REVENUES	5, 17				
Revenues from services - service business		58,225	60,531	58,225	60,531
Revenues from sales - real estate development business		52,544	58,626	47,795	33,254
Dividend income		24	114	24	114
Other income		2,739	1,315	2,581	990
Total Revenues		<u>113,532</u>	<u>120,586</u>	<u>108,625</u>	<u>94,889</u>
EXPENSES	5, 17				
Costs of services - service business		38,377	37,916	38,376	37,916
Costs of sales - real estate development business		39,788	43,273	35,947	24,390
Selling expenses		5,103	4,734	4,951	1,498
Administrative expenses		21,422	30,130	20,865	29,271
Impairment loss on investment in subsidiary		-	-	4,125	-
Management benefit expenses	5	4,338	4,441	4,098	3,871
Finance costs		-	3	-	-
Total Expenses		<u>109,028</u>	<u>120,497</u>	<u>108,362</u>	<u>96,946</u>
PROFIT (LOSS) BEFORE INCOME TAX		4,504	89	263	(2,057)
Income tax revenues (expenses)	16	238	(2,437)	237	(2,440)
PROFIT (LOSS) FOR THE PERIOD		4,742	(2,348)	500	(4,497)
Other comprehensive income					
- Change in fair value of available - for - sale securities		(301)	(6,044)	(301)	(6,044)
- Gain from change in fair value from sale of available for sale securities		-	-	-	-
- Reclassified change in fair value of available - for - sale securities to loss on sale		-	-	-	-
Total other comprehensive income		<u>(301)</u>	<u>(6,044)</u>	<u>(301)</u>	<u>(6,044)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>4,441</u>	<u>(8,392)</u>	<u>199</u>	<u>(10,541)</u>
Profit (loss) for the period attributable to :					
Equity holders of the company		4,742	(2,348)	500	(4,497)
Non - controlling interest		-	-	-	-
		<u>4,742</u>	<u>(2,348)</u>	<u>500</u>	<u>(4,497)</u>
Total comprehensive income for the period attributable to :					
Equity holders of the company		4,441	(8,392)	199	(10,541)
Non - controlling interest		-	-	-	-
		<u>4,441</u>	<u>(8,392)</u>	<u>199</u>	<u>(10,541)</u>
Earnings (loss) per share for the period attributable to the equity holders of the company (Baht)		<u>0.0053</u>	<u>(0.0026)</u>	<u>0.0006</u>	<u>(0.0050)</u>

The accompanying notes are an integral parts of these financial statements.

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

"UNAUDITED"
"REVIEWED"

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Notes		2014	2013	2014	2013
REVENUES					
5, 17					
	Revenues from services - service business	119,195	117,447	119,195	117,447
	Revenues from sales - real estate development business	91,223	90,152	86,474	53,807
	Dividend income	24	114	24	114
	Other income	4,627	3,014	4,270	2,349
	Total Revenues	<u>215,069</u>	<u>210,727</u>	<u>209,963</u>	<u>173,717</u>
EXPENSES					
5, 17					
	Costs of services - service business	75,899	73,566	75,899	73,566
	Costs of sales - real estate development business	69,495	66,130	65,640	38,803
	Selling expenses	9,572	7,656	9,375	2,742
	Administrative expenses	41,606	42,805	36,027	40,987
	Loss from sale of available for sale securities	20,083	-	20,083	-
	Impairment loss on investment in subsidiary	-	-	4,125	-
5	Management benefit expenses	8,685	8,176	8,135	6,907
	Finance costs	1	13	1	311
	Total Expenses	<u>225,341</u>	<u>198,346</u>	<u>219,285</u>	<u>163,316</u>
	PROFIT (LOSS) BEFORE INCOME TAX	(10,272)	12,381	(9,322)	10,401
16	Income tax revenues (expenses)	92	(5,360)	215	(5,197)
	PROFIT (LOSS) FOR THE PERIOD	(10,180)	7,021	(9,107)	5,204
	Other comprehensive income				
	- Change in fair value of available - for - sale securities	(399)	1,805	(399)	1,805
	- Gain from change in fair value from sale of available for sale securities	11,244	-	11,244	-
	- Reclassified change in fair value of available - for - sale securities to loss on sale	20,083	-	20,083	-
	Total other comprehensive income	<u>30,928</u>	<u>1,805</u>	<u>30,928</u>	<u>1,805</u>
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>20,748</u>	<u>8,826</u>	<u>21,821</u>	<u>7,009</u>
	Profit (loss) for the period attributable to :				
	Equity holders of the company	(10,180)	7,021	(9,107)	5,204
	Non - controlling interest	-	-	-	-
		<u>(10,180)</u>	<u>7,021</u>	<u>(9,107)</u>	<u>5,204</u>
	Total comprehensive income for the period attributable to :				
	Equity holders of the company	20,748	8,826	21,821	7,009
	Non - controlling interest	-	-	-	-
		<u>20,748</u>	<u>8,826</u>	<u>21,821</u>	<u>7,009</u>
	Earnings (loss) per share for the period attributable to the equity holders of the company (Baht)	<u>(0.0113)</u>	<u>0.0078</u>	<u>(0.0101)</u>	<u>0.0058</u>

The accompanying notes are an integral parts of these financial statements.

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

"UNAUDITED"
 "REVIEWED"

	In Thousand Baht							
	Consolidated financial statements							
	Issued and fully paid - up share capital	Premium on share capital	Retained earnings (Deficit)		Unrealized gain (loss) from available - for - sale investments	Total equity holder of the company	Non - controlling interests	Total shareholders' equity
			Appropriated for legal reserve	Unappropriated				
Balance as at January 1, 2014	900,000	195,672	7,615	29,765	(44,969)	1,088,083	-	1,088,083
Comprehensive income for the period								
Loss for the period	-	-	-	(10,180)	-	(10,180)	-	(10,180)
Other comprehensive income	-	-	-	-	30,928	30,928	-	30,928
Total comprehensive income for the period	-	-	-	(10,180)	30,928	20,748	-	20,748
Balance as at June 30, 2014	<u>900,000</u>	<u>195,672</u>	<u>7,615</u>	<u>19,585</u>	<u>(14,041)</u>	<u>1,108,831</u>	<u>-</u>	<u>1,108,831</u>
Balance as at January 1, 2013	900,000	195,672	7,085	19,127	(69,344)	1,052,540	-	1,052,540
Comprehensive income for the period								
Profit for the period	-	-	-	7,021	-	7,021	-	7,021
Other comprehensive income	-	-	-	-	1,805	1,805	-	1,805
Total comprehensive income for the period	-	-	-	7,021	1,805	8,826	-	8,826
Balance as at June 30, 2013	<u>900,000</u>	<u>195,672</u>	<u>7,085</u>	<u>26,148</u>	<u>(67,539)</u>	<u>1,061,366</u>	<u>-</u>	<u>1,061,366</u>

The accompanying notes are an integral parts of these financial statements.

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

In Thousand Baht						
Separate Financial Statements						
	Issued and fully paid - up share capital	Premium on share capital	Retained earnings (Deficit)		Other component of shareholders' equity	Total shareholders' equity
			Appropriated for legal reserve	Unappropriated	Unrealized gain (loss) from available - for - sale investments	
Balance as at January 1, 2014	900,000	195,672	7,615	41,313	(44,969)	1,099,631
Comprehensive income for the period						
Loss for the period	-	-	-	(9,107)	-	(9,107)
Other comprehensive income	-	-	-	-	30,928	30,928
Total comprehensive income for the period	-	-	-	(9,107)	30,928	21,821
Balance as at June 30, 2014	<u>900,000</u>	<u>195,672</u>	<u>7,615</u>	<u>32,206</u>	<u>(14,041)</u>	<u>1,121,452</u>
Balance as at January 1, 2013	900,000	195,672	7,085	31,456	(69,344)	1,064,869
Comprehensive income for the period						
Profit for the period	-	-	-	5,204	-	5,204
Other comprehensive income	-	-	-	-	1,805	1,805
Total comprehensive income for the period	-	-	-	5,204	1,805	7,009
Balance as at June 30, 2013	<u>900,000</u>	<u>195,672</u>	<u>7,085</u>	<u>36,660</u>	<u>(67,539)</u>	<u>1,071,878</u>

The accompanying notes are an integral parts of these financial statements.

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES "UNAUDITED"
STATEMENT OF CASH FLOWS "REVIEWED"
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (Loss) before income tax	(10,272)	12,381	(9,322)	10,401
Adjustments for				
Depreciation and amortization	12,343	12,374	12,104	12,135
Written-off cost of land held for development	4,093	-	-	-
Interest income	(483)	(859)	(335)	(199)
Dividend income	(24)	(114)	-	(114)
Finance costs	-	14	-	311
Gain from fixed assets sold	(374)	-	(374)	-
Written-off withholding tax	-	294	-	-
Impairment loss on investment in subsidiary	-	-	4,125	-
Loss from sale of available - for - sales securities	20,083	-	20,083	-
Doubtful accounts (Reversal)	1,076	(126)	1,076	(126)
Fixed assets and intangible assets written-off	116	-	116	-
Penalty and surcharge	-	10,231	-	10,231
Employee benefit obligations	1	17	1	1
Profit from operating activities before change in operating assets and liabilities	26,559	34,212	27,474	32,640
Decrease (Increase) in operating assets				
Trade and other receivables	(6,835)	(17,321)	(6,873)	(14,258)
Real estate development cost	61,562	59,741	60,180	31,641
Supplies	36	(66)	36	(66)
Other assets	(31,377)	184	(31,354)	(2)
Increase (Decrease) in operating liabilities				
Trade and other payables	11,627	(5,333)	4,266	(4,206)
Employee benefit obligations	(619)	-	1	-
Accrued environmental protection fund	(2,382)	-	(2,382)	-
Cash generated from operations	58,571	71,417	51,348	45,749
Interest paid	-	(6)	-	(541)
Income tax paid	(4,856)	(4,779)	(4,807)	(4,422)
Withholding tax refund	-	40,330	-	40,330
Net Cash Provided by Operating Activities	53,715	106,962	46,541	81,116

The accompanying notes are an integral parts of these financial statements.

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES "UNAUDITED"
STATEMENT OF CASH FLOWS (CONTINUED) "REVIEWED"
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash paid for purchases of long-term investments in available - for - sales	(6,468)	(6,160)	(6,468)	(6,160)
Cash received from sale of long-term investments in available - for - sales	45,590	-	45,590	-
Cash received from decrease in share capital of subsidiary	-	-	-	30,000
Cash paid for purchases of land and structures held for development	(54,859)	(1,035)	(51,333)	-
Cash paid for investment property	(25,064)	-	-	-
Cash paid for acquisitions of property, plant and equipment	(5,341)	(7,163)	(5,341)	(7,163)
Proceeds from sales assets	374	-	374	-
Interest received	507	277	398	204
Dividend received	24	114	-	114
Net Cash Provided by (Used in) Investing Activities	<u>(45,237)</u>	<u>(13,967)</u>	<u>(16,780)</u>	<u>16,995</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayments of short-term loan from related companies	-	-	-	(22,532)
Repayments of long-term loan	-	(1,129)	-	-
Net Cash Used in Financing Activities	<u>-</u>	<u>(1,129)</u>	<u>-</u>	<u>(22,532)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,478	91,866	29,761	75,579
Cash and Cash Equivalents at Beginning of Period	<u>151,263</u>	<u>41,619</u>	<u>91,896</u>	<u>27,831</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>159,741</u></u>	<u><u>133,485</u></u>	<u><u>121,657</u></u>	<u><u>103,410</u></u>

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

These notes form an integral part of the interim financial statements.

The financial statements were authorized for issue by the directors on August 14, 2014.

1. GENERAL INFORMATION

General Environmental Conservation Public Company Limited (“the Company”) was incorporated in Thailand and Presently, the Company’s offices located at the following addresses:

Head office	: 447 Bondstreet Rd.,Bangpood, Parkkred, Nonthaburi
Industrial Waste Facility at Samaedam Center	: 68/39 Moo 3 Samaedam Rd., Bangkhuntien, Bangkok
Industrial Waste Facility at Map Ta Phut Center	: 5 Muangmai Map Ta Phut Line 6 Rd., Hauypong, Muang Rayong, Rayong

The Company and its subsidiaries operate on Thailand and principally activity are the treatment of industrial waste and unavoidable by - products of manufacturing processes and real estate business.

2. BASIS OF INTERIM FINANCIAL STATEMENT PREPARATION

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 (revised 2012) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared and presented in Thai Baht, which is the Company and its subsidiaries’ functional currency.

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2013. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2013.

The Company and its subsidiaries has adopted all the new and revised TFRSs that are effective for annual periods beginning on or after January 1, 2014. The adoption of these new and revised TFRSs did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Company and its subsidiaries.

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

3. BASIS OF CONSOLIDATION

The consolidated financial statements as at June 30, 2014 and December 31, 2013 include the accounts of the Company and its subsidiaries which the Company has controlling power or directly and indirectly holdings on those subsidiaries as follows:

Name of Companies	Type of business	In Thousand Baht		Percentage of direct and indirect holdings (%)	
		Paid-up share capital		June 30, 2014	December 31, 2013
		June 30, 2014	December 31, 2013		
Asia Patana Land Co., Ltd.	Buy, sale, and land development	170,000	170,000	99.99	99.99
Industrial Waste Management (Asia) Co., Ltd.	Industrial waste treatment	200,000	200,000	99.99	99.99

All significant intercompany transactions between the Company and its subsidiaries included in the consolidated financial statements have been eliminated

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2013.

5. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related companies. Related parties are those parties controlled by the Company, directly or indirectly or significant influence, to govern the financial and operating policies of the Company.

Types of relationship of related companies are as follows:

The Company's name	Type of business	Type of relationship
The Department of Industrial Works	The Government enterprise	Shareholders & Co directors
Industrial Estate Authority of Thailand	The Government enterprise	Shareholders & Co directors
Pattra House and Property Public Company Limited	Buy and rental real estate	Shareholders & Co directors
Asia Patana Land Co., Ltd.	Buy, sale, and land or real estate development	Subsidiary
Industrial Waste Management (Asia) Co., Ltd.	Industrial waste treatment	Subsidiary
Mr. Itthirit Viphusiri	-	Director

Pricing policies for each transaction are described as follows:

Transactions	Pricing policies
Interest income	Mutual agreement/Contract price
Rental and royalty fee	Market price
Other expenses	Contract price
Purchase of land	Price reference with appraisal value by an independent appraiser

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

Significant revenues and expenses derived from transactions with related parties for the three-month and six-month periods ended June 30, 2014 and 2013 are summarized as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2014	2013	2014	2013
Rental and royalty fee				
Industrial Estate Authority of Thailand	1,282	1,324	2,601	2,635
The Department of Industrial Works	1,115	1,099	2,306	2,285
Other expenses				
Industrial Estate Authority of Thailand	465	513	947	951

	In Thousand Baht			
	Separate Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2014	2013	2014	2013
Interest income				
Asia Patana Land Co., Ltd.	-	-	-	311
Rental and royalty fee				
Industrial Estate Authority of Thailand	1,282	1,324	2,601	2,635
The Department of Industrial Works	1,115	1,099	2,306	2,285
Other expenses				
Industrial Estate Authority of Thailand	465	513	947	951

Key managements personnel compensation and directors remuneration for the three-month and six-month periods ended June 30, 2014 and 2013 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2014	2013	2014	2013
Key managements personnel compensation and directors remuneration				
Short-term employment benefits	4,338	4,441	8,685	8,176

	In Thousand Baht			
	Separate Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2014	2013	2014	2013
Key managements personnel compensation and directors remuneration				
Short-term employment benefits	4,098	3,871	8,135	6,907

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

The balances of receivables from and payables to related parties as of June 30, 2014 and December 31, 2013 are summarized as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separated Financial Statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Purchase of Land				
Pattra House and Property PCL.	-	91,534	-	91,534
Advance Payment				
Mr. Itthirit Viphusiri	1,000	1,000	-	-
Prepaid rent				
Industrial Estate Authority of Thailand	-	1,968	-	1,968
Deposit for rent				
Industrial Estate Authority of Thailand	34	24	34	24
Trade and other payables				
Industrial Estate Authority of Thailand	3,178	42	3,178	42
The Department of Industrial Works	744	424	744	424
Asia Patana Land Co., Ltd.	-	-	255	255
Total	3,922	466	4,177	721

Accordinging of the minute of Board of Directors' meeting No. 10/2013, dated December 20, 2013, the Board of directors has a resolution to purchase 2 plots of land amount of Baht 91.53 million from Pattra House and Property Public Company Limited, a related company for development for resident and/or commercial buildings for sale. The land acquisition transaction is in criteria of related party transaction. However, the annual general meeting of company's shareholder of year 2014 had resolution to approved the ratification to purchase such land from related company.

In addition, the Company entered into significant contracts with related parties as follows:

- a) Rental and exclusive right agreement (Note 18 (1))
- b) Land lease agreement (Note 18 (2))

6. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Cash	500	500	500	500
Current deposits and saving deposits	158,967	150,493	120,883	91,126
Fixed deposit	274	270	274	270
Total	159,741	151,263	121,657	91,896

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

7. TRADE AND OTHER RECEIVABLES

	In Thousand Baht			
	Consolidated Financial Statements		Separated Financial Statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Trade receivables - Billed receivables	38,720	40,840	38,720	40,840
Trade receivables - Unbilled receivables	14,401	12,085	14,401	12,085
Trade receivables - real estate	7,969	103	7,969	103
Prepaid rental to related party	-	1,968	-	1,968
Prepaid expenses	2,414	2,142	2,414	2,104
Advance payments	3,915	3,689	2,705	2,479
Other receivables	1,700	1,481	1,240	1,060
Total	69,119	62,308	67,449	60,639
Less allowance for doubtful accounts	(8,483)	(7,407)	(8,483)	(7,407)
Net	60,636	54,901	58,966	53,232

As at June 30, 2014 and December 31, 2013, the trade account receivables are classified by aging as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separated Financial Statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Trade receivables - Billed receivables				
Current	21,187	23,046	21,187	23,046
Overdue				
Less than 3 months	9,914	10,736	9,914	10,736
Over 3 months to 6 months	1,265	177	1,265	177
Over 6 months to 12 months	60	284	60	284
Over 12 months	6,294	6,597	6,294	6,597
	38,720	40,840	38,720	40,840
Trade receivables - real estate				
Current	7,866	-	7,866	-
Overdue				
Less than 3 months	-	-	-	-
Over 3 months to 6 months	-	-	-	-
Over 6 months to 12 months	-	-	-	-
Over 12 months	103	103	103	103
	7,969	103	7,969	103
Total	46,689	40,943	46,689	40,943
Less allowance for doubtful accounts	(8,483)	(7,407)	(8,483)	(7,407)
Net	38,206	33,536	38,206	33,536

	In Thousand Baht			
	Consolidated Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2014	2013	2014	2013
Doubtful accounts (Reversal)	1,185	(81)	1,076	(126)

	In Thousand Baht			
	Separated Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2014	2013	2014	2013
Doubtful accounts (Reversal)	1,185	(81)	1,076	(126)

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

8. REAL ESTATE DEVELOPMENT COST

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Commercial building for sales	115,516	24,653	118,567	25,698
Condominium for sales	354,042	280,765	312,397	237,733
Construction in progress	15,618	-	-	-
Total	485,176	305,418	430,964	263,431
Less allowance for decline in value of real estate development cost	(14,000)	(14,000)	(14,000)	(14,000)
Net	471,176	291,418	416,964	249,431

9. LONG - TERM INVESTMENTS - AVAILABLE - FOR - SALES

	In Thousand Baht			
	Consolidated Financial Statements and Separate Financial Statements			
	June 30, 2014		December 31, 2013	
	Cost	Fair Value	Cost	Fair value
Available-for-sale securities :				
Investment in marketable equity securities	83,440	10,194	97,280	38,471
Purchases during the period	6,468	-	6,160	-
Sales during the period	(65,673)	-	-	-
Loss from impairment recognized in profit or loss	-	-	(20,000)	-
Unrealized loss recognized in shareholders' equity	(14,041)	-	(44,969)	-
Net	10,194	10,194	38,471	38,471

10. INVESTMENTS IN SUBSIDIARIES

	Separate Financial Statements					
	In Thousand Baht					
	Percentage of holdings		Paid - up share capital		Investment	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Asia Patana Land Co., Ltd.	99.99	99.99	170,000	170,000	170,000	170,000
Industrial Waste Management (Asia) Co., Ltd.	99.99	99.99	200,000	200,000	200,000	200,000
Total					370,000	370,000
Less Impairment loss on investments					(79,022)	(74,897)
Net					290,978	295,103

	In Thousand Baht			
	Separated Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2014	2013	2014	2013
Impairment loss	4,125	-	4,125	-

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

11. LAND AND STRUCTURES HELD FOR DEVELOPMENT

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Net book value as at January 1, 2014	446,705	276,182
Acquisitions during the period	54,859	51,333
Written-off during the period	(4,093)	-
Transfer to real estate development cost	(241,321)	(227,712)
Net book value as at June 30, 2014	256,150	99,803

12. INVESTMENT PROPERTY

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Net book value as at January 1, 2014	10,155	-
Acquisitions during the period	25,064	-
Net book value as at June 30, 2014	35,219	-

13. PROPERTY, PLANT AND EQUIPMENT

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Net book value as at January 1, 2014	160,430	159,594
Acquisitions during the period	5,341	5,341
Written-off during the period	(116)	(116)
Depreciation during the period	(12,343)	(12,104)
Net book value as at June 30, 2014	153,312	152,715

As at June 30, 2014 and December 31, 2013, the Company's buildings and machinery at Map Ta Phut Industrial Waste Treatment Facilities are mortgaged as collateral for a letter of guarantee line obtained from a local bank totaling approximately Baht 25 million. The net carrying value of such amounted to approximately Baht 33.5 million and Baht 36.7 million, respectively

14. SHARE CAPITAL

Authorized share capital and paid up share capital are movement as follows :

	Consolidated Financial Statements and Separate Financial Statements					
	2014			2013		
	Par Value (Baht)	Number of Share (Thousand shares)	Amount (Thousand Baht)	Par Value (Baht)	Number of Share (Thousand shares)	Amount (Thousand Baht)
Authorized share capital						
Ordinary shares at beginning of period	1.00	900,000	900,000	1.00	900,000	900,000
Add Increase ordinary Shares	1.00	180,000	180,000	1.00	-	-
Less Decrease ordinary Shares	1.00	-	-	1.00	-	-
Ordinary shares at end of period	1.00	1,080,000	1,080,000	1.00	900,000	900,000
Issue and paid-up share capital						
Ordinary shares at beginning of period	1.00	900,000	900,000	1.00	900,000	900,000
Add Increase ordinary Shares	1.00	-	-	1.00	-	-
Ordinary shares at end of period	1.00	900,000	900,000	1.00	900,000	900,000

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

According to the resolution of Annual General Meeting of Shareholders of the year 2014, dated April 29, 2014, the shareholders had a resolution to approve the increase of the Company's registered capital by Baht 180,000,000 from the existing Baht 900,000,000 to new capital registered Baht 1,080,000,000 by issuing 180,000,000 new ordinary shares at par value of Baht 1 per share, which will be reserved for the exercise of rights by holders of warrant No.1

15. WARRANTS

Type of warrants	:	Warrants # 1 appropriated for the former shareholders of the Company (Warrants # 1 or "GENCO-W1")
Number of warrants	:	179,999,606 units
Term of warrants	:	3 years commencing from the issued date
Issue Date	:	May 19, 2014
Rights of warrants	:	Exercise Ratio, 1 unit of warrant per 1 ordinary share at exercise price Baht 1.10 (Exercise ratio and Exercise price may be subsequently adjusted in accordance with the conditions on the right adjustment)
Exercise Price	:	At Baht 1.10 per share (par value at Baht 1.00)
Outstanding unit as at June 30, 2014	:	179,999,606 units

The Company issued and offered warrants as follows:

Type of warrants	Date of issue and offer of warrants	Exercise price (Baht per Share)	Exercise right (warrant per ordinary share)	Number of allotted shares (units)	Number of reserved shares (units)	Last exercise date of warrants
GENCO-W1	May 19, 2014	1.10	1 : 1	-	179,999,606	May 18, 2017

16. INCOME TAX EXPENSES

Income tax revenues (expenses) for the three-month and six-month periods ended June 30, 2014 and 2013 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2014	2013	2014	2013
Current income tax expenses:				
Income tax expenses for the period	-	(2,423)	-	(4,951)
Deferred tax:				
Relating to origination and reversal of temporary differences	238	(14)	92	(20)
Decrease in income tax rates	-	-	-	(389)
Income tax revenues (expenses) reported in profit or loss	238	(2,437)	92	(5,360)

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

	In Thousand Baht			
	Separate Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2014	2013	2014	2013
Current income tax expenses:				
Income tax expenses for the period	-	(2,423)	-	(4,951)
Deferred tax:				
Relating to origination and reversal of temporary differences	237	(17)	215	(25)
Decrease in income tax rates	-	-	-	(221)
Income tax revenues (expenses) reported in profit or loss	<u>237</u>	<u>(2,440)</u>	<u>215</u>	<u>(5,197)</u>

The components of deferred tax assets as at June 30, 2014 and December 31, 2013 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Deferred tax assets				
Allowance for doubtful accounts	1,697	1,482	1,697	1,482
Employee benefits obligations	219	342	176	175
Others	649	649	-	-
Total	<u>2,565</u>	<u>2,473</u>	<u>1,873</u>	<u>1,657</u>

As at June 30, 2014 and December 31, 2013 the Company and its subsidiaries had temporary differences for future tax deductible which have not been recognised as deferred tax assets in the statement of financial position, the consolidated financial statement amount of Baht 113.49 million and Baht 156.17 million and the separate financial statement amount of Baht 111.19 million and Baht 153.87 million because it is not probable that it will be able to utilise the tax benefit in the foreseeable future.

17. BUSINESS SEGMENT INFORMATION

Segment information is presented in respect of the Company and its subsidiaries' business segments.

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

Segment results and operating assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments

The Company and its subsidiaries comprise 2 main business segments as follows:

- Segment 1 : Treatment of industrial waste and unavoidable by - products of manufacturing processes
- Segment 2 : Real estate business

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

Geographic segments

Management considers that the Company and its subsidiaries operate in a single geographic area, mainly in Thailand, and has, therefore, only one major geographic segment.

The segment financial information of the Company and its subsidiaries are as follows:

	In Thousand Baht					
	Consolidated Financial Statements					
	For the three-month periods ended June 30,					
	Treatment of industrial waste and unavoidable by - products		Real estate business		Total	
2014	2013	2014	2013	2014	2013	
Revenue from external customer	58,225	60,531	52,544	58,626	110,769	119,157
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>58,225</u>	<u>60,531</u>	<u>52,544</u>	<u>58,626</u>	<u>110,769</u>	<u>119,157</u>
Interest income	196	158	6	307	202	465
Interest expense	-	-	-	90	-	90
Depreciation and amortisation	<u>6,180</u>	<u>4,419</u>	<u>30</u>	<u>30</u>	<u>6,210</u>	<u>4,449</u>
Profit (loss) before income tax	<u>4,343</u>	<u>(1,722)</u>	<u>4,594</u>	<u>6,279</u>	<u>8,937</u>	<u>4,557</u>

	In Thousand Baht					
	Consolidated Financial Statements					
	For the six-month periods ended June 30,					
	Treatment of industrial waste and unavoidable by - products		Real estate business		Total	
2014	2013	2014	2013	2014	2013	
Revenue from external customer	119,195	117,447	91,223	90,152	210,418	207,599
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>119,195</u>	<u>117,447</u>	<u>91,223</u>	<u>90,152</u>	<u>210,418</u>	<u>207,599</u>
Interest income	335	199	116	943	451	1,142
Interest expense	-	310	-	185	-	495
Depreciation and amortization	<u>12,163</u>	<u>10,990</u>	<u>59</u>	<u>59</u>	<u>12,222</u>	<u>11,049</u>
Profit (loss) before income tax	<u>16,637</u>	<u>9,075</u>	<u>6,150</u>	<u>11,521</u>	<u>22,787</u>	<u>20,596</u>

	In Thousand Baht					
	Consolidated Financial Statements					
	Treatment of industrial waste and unavoidable by - products		Real estate business		Total	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Asset of segment	200,684	208,479	669,498	643,331	870,182	851,810
Capital expenditure	5,341	21,742	-	-	5,341	21,742
Liabilities of segment	34,000	36,382	-	-	34,000	36,382

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

Reconciliation of revenue, profit or loss for the three-month and six-month periods ended June 30, 2014 and 2013 are as follows:

	In Thousand Baht	
	Consolidated Financial Statements	
	For the three-month periods ended June 30,	
	2014	2013
Revenue		
Total revenue from main business segments	110,769	119,157
Other income	2,763	1,519
	<u>113,532</u>	<u>120,676</u>
Less Inter-segment revenue	-	-
Interest income and other	-	(90)
Total revenue	<u>113,532</u>	<u>120,586</u>
Profit or loss		
Total profit (loss) from main business segments	8,937	4,557
Elimination	-	-
	<u>8,937</u>	<u>4,557</u>
Unallocated amount		
- Other income	9	103
- Loss from sale of available for sale securities	-	-
- Management benefit expenses	(4,338)	(4,441)
- Other operation expense	(4,229)	(130)
Total	<u>379</u>	<u>89</u>
Elimination	(4,125)	-
Profit (loss) before income tax	<u>4,504</u>	<u>89</u>

	In Thousand Baht	
	Consolidated Financial Statements	
	For the six-month periods ended June 30,	
	2014	2013
Revenue		
Total revenue from main business segments	210,418	207,599
Other income	4,651	3,617
	<u>215,069</u>	<u>211,216</u>
Less Inter-segment revenue	-	-
Interest income and other	-	(489)
Total revenue	<u>215,069</u>	<u>210,727</u>
Profit or loss		
Total profit (loss) from main business segments	22,787	20,596
Elimination	-	-
	<u>22,787</u>	<u>20,596</u>
Unallocated amount		
- Other income	32	205
- Loss from sale of available for sale securities	(20,083)	-
- Management benefit expenses	(8,685)	(8,176)
- Other operation expense	(8,448)	(244)
Total	<u>(14,397)</u>	<u>12,381</u>
Elimination	(4,125)	-
Profit (loss) before income tax	<u>(10,272)</u>	<u>12,381</u>

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

Reconciliation of asset and liabilities as at June 30, 2014 and December 31, 2013 are as follows:

	In Thousand Baht	
	Consolidated Financial Statements	
	June 30, 2014	December 31, 2013
Asset		
Total asset of segment main business segments	870,182	851,810
Elimination	(3,810)	(3,811)
	866,372	847,999
Unallocated amount	326,406	315,954
Total assets	<u>1,192,778</u>	<u>1,163,953</u>

	In Thousand Baht	
	Consolidated Financial Statements	
	June 30, 2014	December 31, 2013
Liabilities		
Total liabilities of segment main business segments	34,000	36,382
Elimination	(294)	(294)
	33,706	36,088
Unallocated amount	50,241	39,782
Total liabilities	<u>83,947</u>	<u>75,870</u>

18. AGREEMENTS

As at June 30, 2014 and December 2013, the Company and its subsidiaries entered into the following agreements:

1) Rental and exclusive right agreement with the Department of Industrial Works whereby the Company is granted the right to operate in the Industrial Waste Facility at Samae Dam including the Research and Development Center for Environmental Conservation (Ratchaburi) for a period of 10 years. Under the terms of the agreement, the Company agreed to pay annual rental fee from year 1st to year 5th amounting to approximately Baht 1.1 million per year, year 6th to year 10th amounting to approximately Baht 1.4 million per year and royalty fee at a certain percentage of waste served. The agreement is effective from October 1, 2006 to September 30, 2016.

Future minimum payments under the above rental agreement are as follows:

	In Million Baht	
	June 30, 2014	December 31, 2013
1 year	1.4	1.4
2 to 5 years	1.7	2.4

Furthermore, as described in the agreement, the lesser has to invest not less than Baht 36 million for maintenance and developing its operational center which is leased according to a maintenance and developing plan of lessee or such plan of lesser which has an approval from lessee.

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month and six-month periods ended June 30, 2014 (Reviewed)

2) Three land lease agreements with The Industrial Estate Authority of Thailand (which is one of the Company's shareholders) for a period of 30 years up to May 2026, August 2026 and March 2031. The Company is committed to pay fees at the rate specified in the agreements.

Future minimum payments under the above operating lease agreements are as follows:

	In Million Baht	
	June 30, 2014	December 31, 2013
1 year	5.3	5.3
2 to 5 years	22.3	22.1
Over 5 years	48.7	51.6

3) Land lease agreements with third party for a period of 16 years. The Company agreed to pay annual rental fee from year 1st to year 4th amounting to approximately Baht 0.2 million per year, year 5th to year 8th amounting to approximately Baht 0.2 million per year, year 9th to year 12th amounting to approximately Baht 0.3 million per year and year 13th to year 16th amounting to approximately Baht 0.3 million per year. The agreement is effective from September 5, 2012 to September 5, 2028. The Company is committed to pay fees at the rate specified in the agreements.

Future minimum payments under the above operating lease agreements are as follows:

	In Million Baht	
	June 30, 2014	December 31, 2013
1 year	0.2	0.2
2 to 5 years	1.1	1.0
Over 5 years	3.0	3.1

19. COMMITMENTS AND CONTINGENT LIABILITIES

As at June 30, 2014 and December 31, 2013 the Consolidated and Separate financial statement had

- 1) Contingent liabilities to a local bank for letters of guarantee to guarantee rental agreements and treatment service agreements amounting to Baht 21.5 million and Baht 21.1 million, respectively.
- 2) Contingent liability to a local bank for letter of guarantee to guarantee for performance under utility construction, which has secured by company's fixed deposit account amounting to Baht 0.8 million.
- 3) Commitment capital expenditure and construction agreements for real estate development amounting to Baht 88.5 million and Baht 15.6 million, respectively.

20. EVENTS AFTER THE REPORTING PERIOD

At the board of directors' Meeting NO.7/2014 on July 14, 2014 approved for increased its authorized share capital of Asia Pattana land co., Ltd., subsidiary for another Baht 60,000,000 from the former registered capital of Baht 170,000,000 to new registered capital of Baht 230,000,000 (by issue new common shares of 6,000,000 shares at Baht 10 par value) The subsidiary registered such changes with the Department of Business Development, Ministry of Commerce on August 6, 2014.