

**SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND COMPANY  
FINANCIAL INFORMATION  
(UNAUDITED)**

**30 SEPTEMBER 2014**

## **AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To the Shareholders and the Board of Directors of Sri Trang Agro-Industry Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position as at 30 September 2014, the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month and nine-month period then ended, and condensed notes to interim financial information of Sri Trang Agro-Industry Public Company Limited and its subsidiaries and of Sri Trang Agro-Industry Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 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 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 interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Unakorn Phruithithada  
Certified Public Accountant (Thailand) No. 3257  
PricewaterhouseCoopers ABAS Ltd.

Bangkok  
13 November 2014

**Sri Trang Agro-Industry Public Company Limited**  
**Statements of Financial Position**  
**As at 30 September 2014**

	Notes	Consolidated		Company	
		Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,574,503,922	1,892,728,704	267,017,037	558,713,673
Derivative financial instruments	6	371,584,772	75,974,417	262,740,640	60,511,268
Trade accounts receivable and other receivables, net	7	5,229,372,959	7,441,236,911	2,438,974,437	3,893,124,720
Amounts due from futures brokers		212,370,080	320,815,698	44,795,015	152,662,325
Inventories, net	8	9,157,521,499	16,581,938,622	4,011,224,770	7,196,300,579
Other current assets		346,928,967	285,719,524	142,259,235	51,450,218
<b>Total current assets</b>		<b>16,892,282,199</b>	<b>26,598,413,876</b>	<b>7,167,011,134</b>	<b>11,912,762,783</b>
<b>Non-current assets</b>					
Long-term borrowings to an associate and subsidiaries	17.4	-	65,355,600	975,037,311	1,053,927,701
Fixed deposits pledged as collateral		49,582,969	61,185,033	13,524,534	13,128,278
Investments in subsidiaries	9.1	-	-	9,364,640,514	8,744,640,514
Investments in associates	9.2	1,123,244,570	3,541,181,387	649,177,500	712,177,500
Interests in joint ventures	9.3	2,776,549,494	489,247,987	83,099,800	20,099,800
Available-for-sale investments		66,224,640	52,438,932	65,145,947	51,520,878
Property, plant and equipment, net	10	14,353,751,328	12,925,857,984	5,724,970,910	4,980,761,634
Intangible assets, net	11	26,428,723	27,046,829	12,727,623	14,032,131
Investment properties		174,261,789	176,254,186	27,769,750	27,769,750
Withholding tax deducted at source		246,511,595	240,009,472	171,483,080	171,483,080
Deferred income tax assets, net	12	179,285,049	121,784,907	-	-
Other non-current assets		30,371,463	21,326,641	13,116,408	11,749,609
<b>Total non-current assets</b>		<b>19,026,211,620</b>	<b>17,721,688,958</b>	<b>17,100,693,377</b>	<b>15,801,290,875</b>
<b>Total assets</b>		<b>35,918,493,819</b>	<b>44,320,102,834</b>	<b>24,267,704,511</b>	<b>27,714,053,658</b>

Director \_\_\_\_\_

Director \_\_\_\_\_

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 30 September 2014**

	Notes	Consolidated		Company	
		Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade accounts payable and other payables	13	2,341,822,800	3,821,538,312	1,273,963,538	1,898,141,014
Short-term borrowings from financial institutions	14	6,811,288,698	14,223,084,711	1,945,047,000	5,985,183,000
Current portion of long-term borrowings from financial institutions	14	111,204,000	113,404,000	-	-
Current portion of debentures	14	1,600,000,000	1,600,000,000	1,600,000,000	1,600,000,000
Current portion of finance lease liabilities	14	30,205,192	17,873,880	3,848,897	4,399,946
Derivative financial instruments	6	267,643,181	532,851,063	131,709,881	433,015,611
Current income tax payable		31,664,425	20,490,118	3,315,262	-
Other current liabilities		42,705,499	46,473,277	14,748,897	12,667,203
<b>Total current liabilities</b>		<b>11,236,533,795</b>	<b>20,375,715,361</b>	<b>4,972,633,475</b>	<b>9,933,406,774</b>
<b>Non-current liabilities</b>					
Long-term borrowings from financial institutions	14	2,650,873,000	2,113,726,000	2,640,000,000	2,020,000,000
Debentures	14	1,450,000,000	1,450,000,000	1,450,000,000	1,450,000,000
Finance lease liabilities	14	40,696,920	28,665,810	4,844,755	5,150,373
Deferred income tax liabilities, net	12	108,447,752	68,256,032	60,219,001	21,097,006
Provision for retirement benefit obligations		124,441,364	106,867,154	49,371,055	44,583,916
Other non-current liabilities		60,065,395	110,571,098	-	-
<b>Total non-current liabilities</b>		<b>4,434,524,431</b>	<b>3,878,086,094</b>	<b>4,204,434,811</b>	<b>3,540,831,295</b>
<b>Total liabilities</b>		<b>15,671,058,226</b>	<b>24,253,801,455</b>	<b>9,177,068,286</b>	<b>13,474,238,069</b>

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 30 September 2014**

	Consolidated		Company	
	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht	Unaudited 30 September 2014 Baht	Audited 31 December 2013 Baht
<b>Liabilities and shareholders' equity (Cont'd)</b>				
<b>Shareholders' equity</b>				
Share capital				
Authorised share capital				
Ordinary shares, 1,280,000,000 shares of par Baht 1 each (2013: 1,280,000,000 shares of par Baht 1 each)				
	1,280,000,000	1,280,000,000	1,280,000,000	1,280,000,000
Issued and paid-up share capital				
Ordinary shares, 1,280,000,000 shares of par Baht 1 each (2013: 1,280,000,000 shares of par Baht 1 each)				
	1,280,000,000	1,280,000,000	1,280,000,000	1,280,000,000
Premium on share capital	8,550,989,821	8,550,989,821	8,550,989,821	8,550,989,821
Deduction arising from acquisition of additional interest in subsidiaries from non-controlling interests	(173,134,488)	(173,134,488)	-	-
Asset revaluation surplus, net of accumulated depreciation	1,186,988,028	1,206,286,840	753,145,041	769,785,087
Unrealised gains on available-for-sale investments	21,228,076	8,546,917	20,714,095	8,095,919
Cumulative currency differences on translation	(480,080,005)	(453,395,072)	-	-
Retained earnings				
Appropriated - legal reserve	128,000,000	128,000,000	128,000,000	128,000,000
Unappropriated	9,646,575,424	9,430,734,049	4,357,787,268	3,502,944,762
<b>Equity attributable to owners of the parent</b>	<b>20,160,566,856</b>	<b>19,978,028,067</b>	<b>15,090,636,225</b>	<b>14,239,815,589</b>
Non-controlling interests	86,868,737	88,273,312	-	-
<b>Total shareholders' equity</b>	<b>20,247,435,593</b>	<b>20,066,301,379</b>	<b>15,090,636,225</b>	<b>14,239,815,589</b>
<b>Total liabilities and shareholders' equity</b>	<b>35,918,493,819</b>	<b>44,320,102,834</b>	<b>24,267,704,511</b>	<b>27,714,053,658</b>

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statement of Comprehensive Income**  
**For the three-month period ended 30 September 2014**

	<b>Consolidated</b>		<b>Company</b>	
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Note</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Revenues from sales and services	16,812,091,394	21,495,338,260	7,912,570,894	9,279,778,814
Cost of sales and services	(15,871,103,632)	(20,086,770,159)	(7,330,442,991)	(8,713,408,786)
<b>Gross profit</b>	<b>940,987,762</b>	<b>1,408,568,101</b>	<b>582,127,903</b>	<b>566,370,028</b>
Other income	25,640,359	31,446,383	12,875,781	11,300,950
Selling expenses	(565,985,271)	(650,646,935)	(415,346,242)	(465,254,297)
Administrative expenses	(417,610,707)	(263,029,534)	(252,478,774)	(122,850,933)
Gains on exchange rate, net	72,786,176	192,670,379	53,862,745	13,845,513
Other gains (losses), net	450,741,395	(103,426,554)	398,065,441	(70,804,438)
<b>Operating profit (loss)</b>	<b>506,559,714</b>	<b>615,581,840</b>	<b>379,106,854</b>	<b>(67,393,177)</b>
Share of profit from investments in associates and interests in joint ventures	153,500,464	96,121,196	-	-
<b>Profit (loss) before net finance costs and income tax</b>	<b>660,060,178</b>	<b>711,703,036</b>	<b>379,106,854</b>	<b>(67,393,177)</b>
Finance income	11,747,752	11,693,174	18,319,319	18,033,001
Finance costs	(197,336,957)	(437,095,175)	(98,822,413)	(74,224,562)
Finance costs, net	(185,589,205)	(425,402,001)	(80,503,094)	(56,191,561)
<b>Profit (loss) before income tax</b>	<b>474,470,973</b>	<b>286,301,035</b>	<b>298,603,760</b>	<b>(123,584,738)</b>
Income tax expense	15 (20,717,811)	(52,222,551)	(20,115,792)	(13,485,644)
<b>Profit (loss) for the periods</b>	<b>453,753,162</b>	<b>234,078,484</b>	<b>278,487,968</b>	<b>(137,070,382)</b>
<b>Other comprehensive income:</b>				
Change in fair value of available-for-sale investments, net of tax	3,872,030	(2,829,518)	3,882,779	(2,809,697)
Currency differences on translation	(25,623,235)	(178,229,001)	-	-
Other comprehensive income (expense) for the periods, net of tax	(21,751,205)	(181,058,519)	3,882,779	(2,809,697)
<b>Total comprehensive income (expense) for the periods</b>	<b>432,001,957</b>	<b>53,019,965</b>	<b>282,370,747</b>	<b>(139,880,079)</b>

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statement of Comprehensive Income (Cont'd)**  
**For the three-month period ended 30 September 2014**

	<b>Consolidated</b>		<b>Company</b>	
	<b>Unaudited 2014 Baht</b>	<b>Unaudited 2013 Baht</b>	<b>Unaudited 2014 Baht</b>	<b>Unaudited 2013 Baht</b>
<b>Profit (loss) for the periods attributable to:</b>				
Owners of the parent	456,439,276	227,607,184	278,487,968	(137,070,382)
Non-controlling interests	(2,686,114)	6,471,300	-	-
<b>Profit (loss) for the periods</b>	<b>453,753,162</b>	<b>234,078,484</b>	<b>278,487,968</b>	<b>(137,070,382)</b>
<b>Total comprehensive income (expense) for the periods attributable to:</b>				
Owners of the parent	436,241,060	58,274,791	282,370,747	(139,880,079)
Non-controlling interests	(4,239,103)	(5,254,826)	-	-
<b>Total comprehensive income (expense) for the periods</b>	<b>432,001,957</b>	<b>53,019,965</b>	<b>282,370,747</b>	<b>(139,880,079)</b>
<b>Earnings (loss) per share</b>				
Basic earnings (loss) per share	0.36	0.18	0.22	(0.11)

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statement of Comprehensive Income (Cont'd)**  
**For the nine-month period ended 30 September 2014**

	<b>Consolidated</b>		<b>Company</b>	
	<b>Unaudited 2014 Baht</b>	<b>Unaudited 2013 Baht</b>	<b>Unaudited 2014 Baht</b>	<b>Unaudited 2013 Baht</b>
<b>Note</b>				
Revenues from sales and services	57,986,607,144	68,254,795,108	28,734,806,023	31,371,418,396
Cost of sales and services	(55,768,536,067)	(64,528,557,025)	(27,182,040,401)	(29,551,733,107)
<b>Gross profit</b>	<b>2,218,071,077</b>	<b>3,726,238,083</b>	<b>1,552,765,622</b>	<b>1,819,685,289</b>
Other income	103,091,865	171,926,619	1,101,540,400	876,308,714
Selling expenses	(1,548,974,294)	(1,933,625,144)	(1,276,789,314)	(1,413,923,585)
Administrative expenses	(1,107,695,012)	(811,365,432)	(581,982,088)	(396,166,665)
Gains on exchange rate, net	293,510,824	535,177,873	209,252,107	234,139,667
Other gains, net	1,139,844,767	294,407,139	931,125,918	43,212,600
<b>Operating profit</b>	<b>1,097,849,227</b>	<b>1,982,759,138</b>	<b>1,935,912,645</b>	<b>1,163,256,020</b>
Share of profit from investments in associates and interests in joint ventures	406,948,613	343,078,105	-	-
<b>Profit before net finance costs and income tax</b>	<b>1,504,797,840</b>	<b>2,325,837,243</b>	<b>1,935,912,645</b>	<b>1,163,256,020</b>
Finance income	37,166,556	31,829,966	56,256,103	46,833,582
Finance costs	(489,773,249)	(808,099,364)	(280,535,924)	(221,130,636)
Finance costs, net	(452,606,693)	(776,269,398)	(224,279,821)	(174,297,054)
<b>Profit before income tax</b>	<b>1,052,191,147</b>	<b>1,549,567,845</b>	<b>1,711,632,824</b>	<b>988,958,966</b>
Income tax expense	15 (28,944,242)	(148,012,371)	(41,430,364)	(44,745,154)
<b>Profit for the periods</b>	<b>1,023,246,905</b>	<b>1,401,555,474</b>	<b>1,670,202,460</b>	<b>944,213,812</b>
<b>Other comprehensive income:</b>				
Adjustment of differences from asset revaluation surplus, net of tax	9,684,158	(9,303,707)	-	-
Change in tax rate used in deferred tax recognition	(6,174,917)	70,526,843	-	70,526,843
Change in fair value of available-for-sale investments, net of tax	12,722,500	(2,283,115)	12,618,176	(2,159,121)
Currency differences on translation	(26,343,384)	(184,101,789)	-	-
Other comprehensive income (expense) for the periods, net of tax	(10,111,643)	(125,161,768)	12,618,176	68,367,722
<b>Total comprehensive income for the periods</b>	<b>1,013,135,262</b>	<b>1,276,393,706</b>	<b>1,682,820,636</b>	<b>1,012,581,534</b>

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.



**Sri Trang Agro-Industry Public Company Limited**  
**Statement of Comprehensive Income (Cont'd)**  
**For the nine-month period ended 30 September 2014**

	<b>Consolidated</b>		<b>Company</b>	
	<b>Unaudited 2014 Baht</b>	<b>Unaudited 2013 Baht</b>	<b>Unaudited 2014 Baht</b>	<b>Unaudited 2013 Baht</b>
<b>Profit for the periods</b>				
<b>attributable to:</b>				
Owners of the parent	1,024,991,981	1,385,842,568	1,670,202,460	944,213,812
Non-controlling interests	(1,745,076)	15,712,906	-	-
<b>Profit for the periods</b>	<u>1,023,246,905</u>	<u>1,401,555,474</u>	<u>1,670,202,460</u>	<u>944,213,812</u>
<b>Total comprehensive income</b>				
<b>for the periods attributable to:</b>				
Owners of the parent	1,014,538,789	1,274,519,373	1,682,820,636	1,012,581,534
Non-controlling interests	(1,403,527)	1,874,333	-	-
<b>Total comprehensive income</b>	<u>1,013,135,262</u>	<u>1,276,393,706</u>	<u>1,682,820,636</u>	<u>1,012,581,534</u>
<b>Earnings per share</b>				
Basic earnings per share	<u>0.80</u>	<u>1.08</u>	<u>1.30</u>	<u>0.74</u>

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

Sri Trang Agro-Industry Public Company Limited  
Statement of Changes in Shareholders' Equity  
For the nine-month period ended 30 September 2014

Consolidated (Unaudited)											
Owners of the parent											
Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Deduction arising from acquisition of additional interest in subsidiaries from non-controlling interests Baht	Asset revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Cumulative currency differences on translation Baht	Retained earnings		Total owners of the parent Baht	Non-controlling interests Baht	Total shareholders' equity Baht
							Appropriated - legal reserve Baht	Unappropriated Baht			
<b>Opening balance as at 1 January 2014</b>	1,280,000,000	8,550,989,821	(173,134,488)	1,206,286,840	8,546,917	(453,395,072)	128,000,000	9,430,734,049	19,978,028,067	88,273,312	20,066,301,379
<b>Profit for the period</b>	-	-	-	-	-	-	-	1,024,991,981	1,024,991,981	(1,745,076)	1,023,246,905
<b>Other comprehensive income</b>											
Adjustment of differences from asset revaluation surplus, net of tax	-	-	-	9,684,158	-	-	-	-	9,684,158	-	9,684,158
Change in tax rate used in deferred tax recognition	-	-	-	(6,078,494)	(41,341)	-	-	(55,082)	(6,174,917)	-	(6,174,917)
Depreciation transfer on assets revaluation, net of tax	-	-	-	(22,904,476)	-	-	-	22,904,476	-	-	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	-	12,722,500	-	-	-	12,722,500	-	12,722,500
Currency differences on translation	-	-	-	-	-	(26,684,933)	-	-	(26,684,933)	341,549	(26,343,384)
Total other comprehensive income, net of tax	-	-	-	(19,298,812)	12,681,159	(26,684,933)	-	22,849,394	(10,453,192)	341,549	(10,111,643)
<b>Total comprehensive income</b>	-	-	-	(19,298,812)	12,681,159	(26,684,933)	-	1,047,841,375	1,014,538,789	(1,403,527)	1,013,135,262
<b>Transactions with shareholders' equity</b>											
Dividend payment	16	-	-	-	-	-	-	(832,000,000)	(832,000,000)	-	(832,000,000)
Dividend payment from subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	(1,048)	(1,048)
<b>Total transactions with shareholders' equity</b>		-	-	-	-	-	-	(832,000,000)	(832,000,000)	(1,048)	(832,001,048)
<b>Closing balance as at 30 September 2014</b>	1,280,000,000	8,550,989,821	(173,134,488)	1,186,988,028	21,228,076	(480,080,005)	128,000,000	9,646,575,424	20,160,566,856	86,868,737	20,247,435,593

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

## Statement of Changes in Shareholders' Equity (Cont'd)

For the nine-month period ended 30 September 2014

Consolidated (Unaudited)											
Owners of the parent											
Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Deduction arising from acquisition of additional interest in subsidiaries from non-controlling interests Baht	Asset revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Cumulative currency differences on translation Baht	Retained earnings		Total owners of the parent Baht	Non-controlling interests Baht	Total shareholders' equity Baht
							Appropriated - legal reserve Baht	Unappropriated Baht			
<b>Opening balance as at 1 January 2013</b>	1,280,000,000	8,550,989,821	(173,134,488)	1,176,400,847	13,525,669	(347,927,852)	128,000,000	8,224,092,866	18,851,946,863	84,850,059	18,936,796,922
<b>Profit for the period</b>	-	-	-	-	-	-	-	1,385,842,568	1,385,842,568	15,712,906	1,401,555,474
<b>Other comprehensive income</b>											
Adjustment of differences from asset revaluation surplus, net of tax	-	-	-	(9,303,707)	-	-	-	-	(9,303,707)	-	(9,303,707)
Change in tax rate used in deferred tax recognition	-	-	-	68,774,888	1,225,376	-	-	526,579	70,526,843	-	70,526,843
Depreciation transfer on assets revaluation, net of tax	-	-	-	(22,262,956)	-	-	-	22,262,956	-	-	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	-	(2,283,115)	-	-	-	(2,283,115)	-	(2,283,115)
Currency differences on translation	-	-	-	-	-	(170,263,216)	-	-	(170,263,216)	(13,838,573)	(184,101,789)
Total other comprehensive income, net of tax	-	-	-	37,208,225	(1,057,739)	(170,263,216)	-	22,789,535	(111,323,195)	(13,838,573)	(125,161,768)
<b>Total comprehensive income</b>	-	-	-	37,208,225	(1,057,739)	(170,263,216)	-	1,408,632,103	1,274,519,373	1,874,333	1,276,393,706
<b>Transactions with shareholders' equity</b>											
Dividend payment	16	-	-	-	-	-	-	(640,000,000)	(640,000,000)	-	(640,000,000)
Dividend payment from subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	(1,147)	(1,147)
<b>Total transactions with shareholders' equity</b>		-	-	-	-	-	-	(640,000,000)	(640,000,000)	(1,147)	(640,001,147)
<b>Closing balance as at 30 September 2013</b>	1,280,000,000	8,550,989,821	(173,134,488)	1,213,609,072	12,467,930	(518,191,068)	128,000,000	8,992,724,969	19,486,466,236	86,723,245	19,573,189,481

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

Sri Trang Agro-Industry Public Company Limited  
Statement of Changes in Shareholders' Equity (Cont'd)  
For the nine-month period ended 30 September 2014

		Company (Unaudited)						
		Asset			Retained earnings		Total	
		Issued and	Premium on	revaluation surplus,	Unrealised gains	Appropriated	Unappropriated	shareholders'
		paid-up	share capital	net of accumulated	on available-for-sale	- legal reserve		equity
		share capital	share capital	depreciation	investments			
Note	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>Opening balance as at 1 January 2014</b>	1,280,000,000	8,550,989,821	769,785,087	8,095,919	128,000,000	3,502,944,762	14,239,815,589	
<b>Profit for the period</b>	-	-	-	-	-	1,670,202,460	1,670,202,460	
<b>Other comprehensive income</b>								
Depreciation transfer on assets revaluation, net of tax	-	-	(16,640,046)	-	-	16,640,046	-	
Change in fair value of available-for-sale investments, net of tax	-	-	-	12,618,176	-	-	12,618,176	
Total other comprehensive income, net of tax	-	-	(16,640,046)	12,618,176	-	16,640,046	12,618,176	
<b>Total comprehensive income</b>	-	-	(16,640,046)	12,618,176	-	1,686,842,506	1,682,820,636	
<b>Transactions with shareholders' equity</b>								
Dividend payment	16	-	-	-	-	(832,000,000)	(832,000,000)	
<b>Total transactions with shareholders' equity</b>	-	-	-	-	-	(832,000,000)	(832,000,000)	
<b>Closing balance as at 30 September 2014</b>	1,280,000,000	8,550,989,821	753,145,041	20,714,095	128,000,000	4,357,787,268	15,090,636,225	

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

Sri Trang Agro-Industry Public Company Limited  
Statement of Changes in Shareholders' Equity (Cont'd)  
For the nine-month period ended 30 September 2014

		Company (Unaudited)						
		Issued and	Premium on	Asset	Unrealised	Retained earnings		Total
		paid-up	share capital	revaluation surplus,	gains	Appropriated	Unappropriated	shareholders'
		share capital	share capital	net of accumulated	on available-for-sale	- legal reserve		equity
		Baht	Baht	depreciation	investments	Baht	Baht	Baht
Note		Baht	Baht	Baht	Baht	Baht	Baht	Baht
	<b>Opening balance as at 1 January 2013</b>	1,280,000,000	8,550,989,821	723,419,437	12,889,314	128,000,000	3,203,163,659	13,898,462,231
	<b>Profit for the period</b>	-	-	-	-	-	944,213,812	944,213,812
	<b>Other comprehensive income</b>							
	Depreciation transfer on assets revaluation, net of tax	-	-	(16,747,480)	-	-	16,747,480	-
	Change in tax rate used in deferred tax recognition	-	-	68,774,888	1,225,376	-	526,579	70,526,843
	Change in fair value of available-for-sale investments, net of tax	-	-	-	(2,159,121)	-	-	(2,159,121)
	Total other comprehensive income, net of tax	-	-	52,027,408	(933,745)	-	17,274,059	68,367,722
	<b>Total comprehensive income</b>	-	-	52,027,408	(933,745)	-	961,487,871	1,012,581,534
	<b>Transactions with shareholders' equity</b>							
	Dividend payment	16	-	-	-	-	(640,000,000)	(640,000,000)
	<b>Total transactions with shareholders' equity</b>	-	-	-	-	-	(640,000,000)	(640,000,000)
	<b>Closing balance as at 30 September 2013</b>	<u>1,280,000,000</u>	<u>8,550,989,821</u>	<u>775,446,845</u>	<u>11,955,569</u>	<u>128,000,000</u>	<u>3,524,651,530</u>	<u>14,271,043,765</u>

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statement of Cash Flows**  
**For the nine-month period ended 30 September 2014**

	Notes	Consolidated		Company	
		Unaudited 2014 Baht	Unaudited 2013 Baht	Unaudited 2014 Baht	Unaudited 2013 Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		1,052,191,147	1,549,567,845	1,711,632,824	988,958,966
Adjustments for:					
Unrealised (gains) losses on foreign currency translations		212,710,250	211,354,599	13,710,390	(47,048,723)
Unrealised (gains) losses from revaluation of derivative financial instruments		(560,818,236)	217,036,988	(503,535,102)	187,706,133
(Reversal of) allowance for impairment of trade accounts receivable		9,621,609	(7,625,048)	6,266,700	27,727,875
(Reversal of) allowance for inventory cost in excess of net realisable value		160,025,111	21,812,850	(613,071)	17,154,436
Provision for retirement benefit obligations		17,674,210	15,663,221	4,887,139	4,586,343
Depreciation charge	10	641,985,040	539,127,495	266,353,547	200,826,199
Amortisation charge	11	7,299,958	6,225,988	3,580,882	2,873,187
Loss from asset revaluation		-	36,740,002	-	-
Finance costs		489,773,249	808,099,364	280,535,924	221,130,636
Dividend income		(1,527,434)	(1,418,771)	(1,057,337,479)	(739,638,239)
Share of profit from investments in associates and interests in joint ventures		(406,948,613)	(343,078,105)	-	-
(Gains) losses on disposal and write-off of property, plant and equipment and intangible assets, net		896,545	(2,925,780)	(327,276)	849,760
Changes in operating assets and liabilities:					
(Increase) decrease in operating assets					
- Trade accounts receivable and other receivables		2,202,242,343	595,151,508	1,447,883,583	500,461,850
- Amounts due from futures brokers		108,445,618	69,840,669	107,867,310	(20,582,346)
- Inventories		7,264,392,012	(527,239,910)	3,185,688,880	310,651,689
- Other current assets		(30,443,455)	(29,320,747)	(27,588,054)	(22,185,184)
- Other non-current assets		(9,044,822)	4,185,697	(1,366,799)	(866,664)
Increase (decrease) in operating liabilities					
- Trade accounts payable and other payables		(1,405,373,772)	360,263,171	(545,306,586)	281,550,789
- Other current liabilities		(3,767,778)	17,283,243	2,081,694	(3,205,144)
<b>Cash provided by operating activities</b>		<b>9,749,332,982</b>	<b>3,540,744,279</b>	<b>4,894,414,506</b>	<b>1,910,951,563</b>
Interest paid		(490,627,259)	(772,392,361)	(278,806,741)	(189,885,985)
Income tax paid		(84,926,973)	(123,958,927)	(63,220,963)	(54,469,789)
Employee benefits paid		(100,000)	-	(100,000)	-
<b>Net cash provided by operating activities</b>		<b>9,173,678,750</b>	<b>2,644,392,991</b>	<b>4,552,286,802</b>	<b>1,666,595,789</b>

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statement of Cash Flows (Cont'd)**  
**For the nine-month period ended 30 September 2014**

	Note	Consolidated		Company	
		Unaudited 2014 Baht	Unaudited 2013 Baht	Unaudited 2014 Baht	Unaudited 2013 Baht
<b>Cash flows from investing activities</b>					
Cash paid for long-term loans to subsidiaries		-	-	-	(900,000,000)
Cash received from long-term borrowings to an associate		65,180,000	-	65,180,000	-
(Increase) decrease in fixed deposits pledged as collateral		11,602,064	(7,386,240)	(396,256)	(135,947)
Increase in available-for-sale investments		(40,000)	-	-	-
Dividends received		525,991,097	459,848,258	1,057,337,479	739,638,239
Cash paid for investments in subsidiaries and associates		-	-	(620,000,000)	(2,051,675,000)
Proceeds from disposal of property, plant and equipment and intangible assets		17,422,089	39,082,186	1,873,306	658,072
Cash paid for purchases of property, plant and equipment and intangible assets		(2,182,214,623)	(3,003,696,164)	(1,092,098,100)	(1,138,144,811)
<b>Net cash used in investing activities</b>		<b>(1,562,059,373)</b>	<b>(2,512,151,960)</b>	<b>(588,103,571)</b>	<b>(3,349,659,447)</b>
<b>Cash flows from financing activities</b>					
Decrease in short-term loans from financial institutions		(7,614,842,726)	(1,540,243,912)	(4,040,136,000)	(242,219,000)
Proceeds from long-term loans		620,000,000	1,541,000,000	620,000,000	1,541,000,000
Repayments of long-term loans		(85,053,000)	(86,000,000)	-	-
Proceeds from issuance of debentures		-	900,000,000	-	900,000,000
Payments on finance lease liabilities		(17,947,385)	(26,059,666)	(3,743,867)	(5,784,456)
Dividend payment	16	(832,000,000)	(640,000,000)	(832,000,000)	(640,000,000)
Dividend payment from subsidiaries to non-controlling interests		(1,048)	(1,147)	-	-
<b>Net cash provided by (used in) financing activities</b>		<b>(7,929,844,159)</b>	<b>148,695,275</b>	<b>(4,255,879,867)</b>	<b>1,552,996,544</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(318,224,782)</b>	<b>280,936,306</b>	<b>(291,696,636)</b>	<b>(130,067,114)</b>
Cash and cash equivalents at the beginning of the periods		1,892,728,704	1,534,031,967	558,713,673	514,399,840
<b>Cash and cash equivalents at the end of the periods</b>		<b>1,574,503,922</b>	<b>1,814,968,273</b>	<b>267,017,037</b>	<b>384,332,726</b>
<b>Supplementary information for cash flows:</b>					
Cash paid for purchases of property, plant and equipment and intangible assets:					
Property, plant and equipment and intangible assets acquired		(2,100,530,996)	(3,117,783,604)	(1,014,385,227)	(1,206,612,589)
Increase in liabilities under finance lease contracts		42,309,806	58,771,890	2,887,200	9,062,800
Increase (decrease) in payable from purchases of assets		(123,993,433)	55,315,550	(80,600,073)	59,404,978
<b>Cash paid for purchases of property, plant and equipment and intangible assets</b>		<b>(2,182,214,623)</b>	<b>(3,003,696,164)</b>	<b>(1,092,098,100)</b>	<b>(1,138,144,811)</b>

The accompanying notes on page 15 to 36 are an integral part of these interim financial information.

## **1 General information**

Sri Trang Agro-Industry Public Company Limited (“the Company”) is a public limited company, incorporated and resident in Thailand. The Company was listed on the Stock Exchange of Thailand on 22 August 1991. In addition, the Company placed new ordinary shares on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 31 January 2011. The address of its registered office is as follows:

10 Soi 10, Phetkasem Road, Hat Yai, Songkhla, Thailand.

For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The Group interim consolidated and company financial information were authorised for issue by the Board of Directors 13 November 2014.

The Group interim consolidated and company financial information has been reviewed, not audited.

## **2 Accounting policies**

### **2.1 Basis of preparation**

These interim consolidated and company financial information were prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e., statement of financial position, statement of comprehensive income, statement of changes in shareholders’ equity and statement of cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the interim financial information are prepared in a condensed format according to Thai Accounting Standard 34 (revised 2012), “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2013.

An English version of the interim consolidated and company financial information has been prepared from the interim consolidated and company financial information that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim consolidated and company financial information shall prevail.

The accounting policies used in the preparation of the interim consolidated and company financial information are consistent with those used in the annual consolidated and company financial statements for the year ended 31 December 2013.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.



## **2 Accounting policies (Cont'd)**

### **2.2 Revised accounting standards, revised financial reporting standards, and related interpretations**

The following amendments and related interpretations are effective for the periods beginning on or after 1 January 2014 and are relevant to the Group but there is no significant impact to the Group.

TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of cash flows
TAS 12 (revised 2012)	Income taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee benefits
TAS 21 (revised 2012)	The effects of changes in foreign exchange rates
TAS 24 (revised 2012)	Related party disclosures
TAS 28 (revised 2012)	Investments in associates
TAS 31 (revised 2012)	Interest in joint ventures
TAS 34 (revised 2012)	Interim financial reporting
TAS 36 (revised 2012)	Impairment of assets
TAS 38 (revised 2012)	Intangible assets
TFRS 2 (revised 2012)	Share-based payment
TFRS 3 (revised 2012)	Business combinations
TFRS 5 (revised 2012)	Non-current assets held for sale and discontinued operations
TFRS 8 (revised 2012)	Operating segments
TFRIC 1	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4	Determining whether an arrangement contains a lease
TFRIC 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7	Applying the restatement approach under TAS 29 financial reporting in hyperinflationary economies
TFRIC 10	Interim financial reporting and impairment
TFRIC 12	Service concession arrangements
TFRIC 13	Customer loyalty programmes
TFRIC 17	Distributions of non-cash assets to owners
TFRIC 18	Transfers of assets from customers
TSIC 15	Operating leases - incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease
TSIC 29	Service concession arrangements: Disclosure
TSIC 32	Intangible assets - Web site costs

## **3 Estimates**

The preparation of interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgments made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2013.

**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 30 September 2014**

**4 Fair value measurements**

Assets and liabilities measured at fair value are classified by level of the following fair value measurement hierarchy:

- Level 1 : Quoted prices in active markets for financial assets or liabilities  
 Level 2 : Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly  
 Level 3 : Inputs for the assets or liabilities that are not based on observable market data

The following tables present the Group's and Company's assets and liabilities that are measured at fair value.

	<b>Consolidated (Unaudited)</b>			
	<b>Level 1 Baht'000</b>	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	<b>Total Baht'000</b>
<b>At 30 September 2014</b>				
Available-for-sale investments				
- Equity securities	55,798	-	10,427	66,225
Financial assets at fair value through profit or loss				
- Trading derivatives	363,067	8,518	-	371,585
Financial liabilities at fair value through profit or loss				
- Trading derivatives	117,823	149,820	-	267,643

	<b>Company (Unaudited)</b>			
	<b>Level 1 Baht'000</b>	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	<b>Total Baht'000</b>
<b>At 30 September 2014</b>				
Available-for-sale investments				
- Equity securities	54,719	-	10,427	65,146
Financial assets at fair value through profit or loss				
- Trading derivatives	260,298	2,443	-	262,741
Financial liabilities at fair value through profit or loss				
- Trading derivatives	-	131,710	-	131,710

The fair value of financial instruments traded in active markets is based on quoted market prices at the date of statement of financial position. A market is regarded as active if quoted prices are readily and regularly available. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily equity securities classified as available-for-sale.

The fair value of financial instruments that are not traded in active markets (interest rate swap, forward or option) is determined by using fair value obtained from financial institutions and using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable and fair value is readily available from financial institutions, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

During the current financial period, there was no movement in those instruments included in Level 3 (2013: no movement).

Specific valuation techniques used to value financial instruments include:

- Quoted market prices
- Financial institution quotes for derivatives
- Fair value of forward foreign exchange contracts determined using forward exchange rate at the date of the statement of financial position, with the resulting value discounted back to present value
- Fair value of physical forward contracts determined based on quoted market prices at the date of the statement of financial position

**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 30 September 2014**

**5 Segment information**

The chief operating decision-maker (CODM) has been identified as the Managing Director (MD). The MD reviews the Group's internal reporting regularly in order to assess performance and allocate resources. The MD measures the business based on a measure of segment profit, which is derived on a basis consistent with the measurement of profit for the period in the consolidated financial information.

Operating segments are defined as components of the Group for which separate financial information available on a company basis is evaluated regularly by the MD.

There are two reportable segments as follows:

- (1) **Natural Rubber Products:** This segment is engaged in the manufacture, sale and trading of ribbed smoked sheets, concentrated latex and block rubbers. This segment also includes the manufacture and sale of powdered and powder-free latex examination gloves, escalator handrails, rubber injection-moulded goods, and high-pressure hydraulic hoses.
- (2) **Other businesses:** This segment is engaged in logistics services, research and development relating to machinery and production processes, and IT services. These services are provided mainly to the Group, with some services provided externally.

As at 30 September 2014, the Group operates two business segments in 6 main geographical areas (30 September 2013: 5 main geographical areas). The allocation of revenue to each geographical area is based on the origin of sales.

Sales between segments are carried out at arm's length. The revenue from external parties reported to the strategic steering committee is measured in a manner consistent with that in the statement of comprehensive income.

Reportable segments by geographical area of interim consolidated financial information for the nine-month period ended 30 September 2014:

	Consolidated (Unaudited)							Total Baht'000
	Natural Rubber Products					Other Businesses		
	Thailand Baht'000	Indonesia Baht'000	Singapore Baht'000	USA Baht'000	China Baht'000	Vietnam Baht'000	Thailand Baht'000	
Segment revenues	42,109,305	7,590,392	14,212,506	2,420,666	574,830	-	1,881,795	68,789,494
Inter-segment revenues	(3,741,017)	(5,528,621)	(719,226)	(24,558)	-	-	(789,465)	(10,802,887)
<b>Revenues from external customers</b>	<b>38,368,288</b>	<b>2,061,771</b>	<b>13,493,280</b>	<b>2,396,108</b>	<b>574,830</b>	<b>-</b>	<b>1,092,330</b>	<b>57,986,607</b>
Depreciation and amortisation	(457,539)	(140,679)	(8,406)	(1,250)	(2,272)	-	(39,139)	(649,285)
Finance income	33,541	1,379	395	-	1,083	2	767	37,167
Finance costs	(332,206)	(113,881)	(13,398)	(28,001)	-	-	(2,287)	(489,773)
Share of profit from investments in associates and interests in joint ventures	406,949	-	-	-	-	-	-	406,949
Profit (loss) before income tax	2,092,561	(176,681)	253,388	(55,312)	67,035	(1,780)	104,685	2,283,896
Income tax	(35,104)	43,148	(21,305)	33,599	(16,797)	-	(32,485)	(28,944)
Profit (loss) for the period	<b>2,057,457</b>	<b>(133,533)</b>	<b>232,083</b>	<b>(21,713)</b>	<b>50,238</b>	<b>(1,780)</b>	<b>72,200</b>	<b>2,254,952</b>
Intersegmental balances								(1,231,705)
<b>Total profit for the period</b>								<b>1,023,247</b>
Total assets	29,715,516	4,426,505	3,531,052	1,637,229	461,381	1,530	6,807,698	46,580,911
Intersegmental balances								(10,662,417)
<b>Total assets</b>								<b>35,918,494</b>

**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 30 September 2014**

**5 Segment information (Cont'd)**

Reportable segments by geographical area of interim consolidated financial information for the nine-month period ended 30 September 2013:

	Consolidated (Unaudited)						Total Baht'000
	Natural Rubber Products					Other Businesses	
	Thailand Baht'000	Indonesia Baht'000	Singapore Baht'000	USA Baht'000	China Baht'000	Thailand Baht'000	
Segment revenues	47,907,644	9,475,246	19,945,031	3,607,768	489,172	1,972,701	83,397,562
Inter-segment revenues	(6,489,862)	(7,124,580)	(779,783)	(126)	-	(748,416)	(15,142,767)
<b>Revenues from external customers</b>	<b>41,417,782</b>	<b>2,350,666</b>	<b>19,165,248</b>	<b>3,607,642</b>	<b>489,172</b>	<b>1,224,285</b>	<b>68,254,795</b>
Depreciation and amortisation	(387,535)	(119,127)	(6,607)	(1,112)	(1,796)	(29,176)	(545,353)
Finance income	28,556	1,556	149	-	800	769	31,830
Finance costs	(289,016)	(470,747)	(19,630)	(27,792)	-	(915)	(808,100)
Share of profit from investments in associates and interest in a joint venture	343,078	-	-	-	-	-	343,078
Profit before income tax	1,835,186	78,641	250,308	45,353	31,014	143,329	2,383,831
Income tax	(46,486)	(31,041)	(30,078)	(342)	(4,275)	(35,790)	(148,012)
Profit for the period	1,788,700	47,600	220,230	45,011	26,739	107,539	2,235,819
Intersegmental balances							(834,264)
<b>Total profit for the period</b>							<b>1,401,555</b>
Total assets	30,936,647	5,288,277	4,625,467	1,754,727	398,396	5,888,574	48,892,088
Intersegmental balances							(9,951,352)
<b>Total assets</b>							<b>38,940,736</b>

The non-current assets, excluding financial instruments, deferred income tax assets and withholding tax deducted at source, can be presented by geography as follows:

	Consolidated	
	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000
	Thailand	12,581,337
Indonesia	1,803,504	1,557,246
Singapore	181,307	191,334
USA	5,686	5,297
China	12,971	12,516
Vietnam	8	-
<b>Total</b>	<b>14,584,813</b>	<b>13,150,486</b>

**Sri Trang Agro-Industry Public Company Limited**  
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**6 Derivative financial instruments**

	<b>Consolidated</b>			
	<b>(Unaudited)</b>		<b>(Audited)</b>	
	<b>30 September 2014</b>		<b>31 December 2013</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Foreign exchange swaps	-	(79,928)	-	(107,411)
Foreign exchange options	-	(32,741)	-	(56,241)
Forward foreign exchange contracts	8,518	(37,151)	27,401	(313,217)
Rubber futures	276,886	-	35,157	(35,520)
Physical forward contracts	86,181	(117,823)	13,416	(20,462)
<b>Total derivative financial instruments</b>	<b>371,585</b>	<b>(267,643)</b>	<b>75,974</b>	<b>(532,851)</b>

  

	<b>Company</b>			
	<b>(Unaudited)</b>		<b>(Audited)</b>	
	<b>30 September 2014</b>		<b>31 December 2013</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Foreign exchange swaps	-	(79,928)	-	(107,411)
Foreign exchange options	-	(32,741)	-	(56,241)
Forward foreign exchange contracts	2,443	(19,041)	26,486	(234,468)
Rubber futures	260,298	-	34,025	(34,896)
<b>Total derivative financial instruments</b>	<b>262,741</b>	<b>(131,710)</b>	<b>60,511</b>	<b>(433,016)</b>

**7 Trade accounts receivable and other receivables, net**

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Trade accounts receivable				
- other companies	4,977,268	7,170,104	2,043,670	3,531,849
<u>Less</u> Allowance for impairment of trade accounts receivable	(128,123)	(118,667)	(63,658)	(57,439)
<b>Total trade accounts receivable</b>				
- other companies, net	4,849,145	7,051,437	1,980,012	3,474,410
Trade accounts receivable - related companies (Note 17.3)	107,575	127,622	365,681	289,611
<b>Total trade accounts receivable, net</b>	<b>4,956,720</b>	<b>7,179,059</b>	<b>2,345,693</b>	<b>3,764,021</b>
Advances for inventories	82,127	50,785	5,615	8,103
Prepaid expenses	139,807	139,475	47,512	34,538
Accrued income and other receivables	50,719	71,918	40,154	86,463
<b>Total trade accounts receivable and other receivables, net</b>	<b>5,229,373</b>	<b>7,441,237</b>	<b>2,438,974</b>	<b>3,893,125</b>

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**7 Trade accounts receivable and other receivables, net (Cont'd)**

The aging analysis of the trade accounts receivable from the due date is as follows:

	Consolidated		Company	
	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000
Within credit terms	4,616,893	6,319,023	2,129,807	3,335,602
Overdue 1 - 30 days	314,802	786,400	188,565	402,249
Overdue 31 - 60 days	7,038	63,675	7,957	11,187
Overdue 61 - 90 days	2,976	1,704	1,593	1,592
Overdue 91 - 120 days	1,621	1,819	1,603	1,819
Overdue 121 - 365 days	17,947	77,904	13,632	55,768
More than 365 days	123,566	47,201	66,194	13,243
	5,084,843	7,297,726	2,409,351	3,821,460
<u>Less</u> Allowance for impairment of trade accounts receivable	(128,123)	(118,667)	(63,658)	(57,439)
Total trade accounts receivable, net	<u>4,956,720</u>	<u>7,179,059</u>	<u>2,345,693</u>	<u>3,764,021</u>

**8 Inventories, net**

	Consolidated					
	At cost		Allowance for inventory cost in excess of net realisable value		Total inventories, net	
	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000
Finished goods	4,881,268	6,406,892	(149,413)	(41,157)	4,731,855	6,365,735
Work-in-progress	2,403,370	2,825,680	(60,149)	(34,790)	2,343,221	2,790,890
Raw materials, vessels and chemicals	1,968,643	7,279,947	(30,895)	(4,484)	1,937,748	7,275,463
Spare parts and supplies	144,697	149,851	-	-	144,697	149,851
Total	<u>9,397,978</u>	<u>16,662,370</u>	<u>(240,457)</u>	<u>(80,431)</u>	<u>9,157,521</u>	<u>16,581,939</u>

  

	Company					
	At cost		Allowance for inventory cost in excess of net realisable value		Total inventories, net	
	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000
Finished goods	1,945,815	2,682,492	-	-	1,945,815	2,682,492
Work-in-progress	1,087,257	1,043,659	-	-	1,087,257	1,043,659
Raw materials, vessels and chemicals	928,611	3,433,922	(29)	(642)	928,582	3,433,280
Spare parts and supplies	49,571	36,870	-	-	49,571	36,870
Total	<u>4,011,254</u>	<u>7,196,943</u>	<u>(29)</u>	<u>(642)</u>	<u>4,011,225</u>	<u>7,196,301</u>

**Sri Trang Agro-Industry Public Company Limited**  
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**9 Investments in subsidiaries, associates and interests in joint ventures**

**9.1 Investments in subsidiaries**

The significant investments of the Company and its subsidiaries are as follows:

	Activities	Consolidated Countries of incorporation	% Ownership interest	
			(Unaudited)	(Audited)
			30 September 2014	31 December 2013
<b>Subsidiaries</b>				
Sri Trang International Pte Ltd.	Distribution of rubber products	Singapore	100.00	100.00
Sri Trang USA, Inc.	Distribution of rubber products	USA	100.00	100.00
PT Sri Trang Lingga Indonesia	Manufacture of STR block rubber products	Indonesia	90.00	90.00
Anvar Parawood Co., Ltd.	Manufacture of parawood	Thailand	99.94	99.94
Rubberland Products Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99
Namhua Rubber Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99
Sadao P.S. Rubber Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99
Startex Rubber Co., Ltd.	Rubber and palm plantation	Thailand	99.99	99.99
Premier System Engineering Co., Ltd.	Providing engineering services	Thailand	99.99	99.99
Starlight Express Transport Co., Ltd.	Providing logistics services	Thailand	99.99	99.99
Sri Trang Rubber & Plantation Co., Ltd.	Rubber plantation	Thailand	99.99	99.99
Shi Dong Shanghai Rubber Co., Ltd.	Distribution of rubber products	China	100.00	100.00
<b>Indirect subsidiaries</b>				
Shi Dong Investments Pte Ltd. (Held by Sri Trang International Pte Ltd.)	Investment holding	Singapore	100.00	100.00
PT Star Rubber (Held by Shi Dong Investments Pte Ltd.)	Manufacture of STR block rubber products	Indonesia	99.00	99.00
Sri Trang Indochina (Vietnam) Co., Ltd. (Held by Sri Trang International Pte Ltd.)	Distribution of rubber products	Vietnam	100.00	100.00

The increases in investments in subsidiaries can be summarised as follows:

	Relationships	Company	
		(Unaudited)	(Audited)
		30 September 2014	31 December 2013
		Baht Million	Baht Million
Sri Trang Rubber & Plantation Co., Ltd.	A subsidiary	620	1,670
Sri Trang International Pte Ltd.	An overseas subsidiary	-	161
Rubberland Products Co., Ltd.	A subsidiary	-	500

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**9 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)**

**9.2 Investments in associates**

The significant investments of the Company and its subsidiaries are as follows:

	Activities	Consolidated Countries of incorporation	% Ownership interest	
			(Unaudited)	(Audited)
			30 September 2014	31 December 2013
<b>Direct Associates</b>				
Siam Sempermed Corp., Ltd. *	Manufacture of medical gloves	Thailand	-	40.23
Semperflex Asia Co., Ltd.	Manufacture of hydraulic hoses	Thailand	42.50	42.50
Sempermed USA, Inc.	Distribution of medical gloves	USA	45.12	45.12
Pattana Agro Futures Co., Ltd.	Futures broker	Thailand	40.00	40.00
Semperflex Shanghai Co., Ltd.	Manufacture of hydraulic hoses	China	50.00	50.00
Sempermed Singapore Pte Ltd.	Investment holding in the company selling medical gloves	Singapore	50.00	50.00
<b>Indirect associates</b>				
Sempermed Brazil Comercio Exterior LTDA. (Held by Sempermed Singapore Pte Ltd.)	Sales of medical gloves	Brazil	50.00	50.00
Shanghai Sempermed Gloves Co., Ltd. (Formerly Shanghai Foremost Plastic Industrial Co., Ltd. held by Siam Sempermed Corp., Ltd.)	Manufacture of medical gloves	China	40.23	40.23
Formtech Engineering (M) Sdn. Bhd. (Held by Sempermed Singapore Pte Ltd.)	Manufacture of glove formers	Malaysia	41.43	41.43

**9.3 Interests in joint ventures**

The significant interests of the Company are as follows:

	Activities	Consolidated Countries of incorporation	% Ownership interest	
			(Unaudited)	(Audited)
			30 September 2014	31 December 2013
<b>Joint ventures</b>				
Thaitech Rubber Corporation Co., Ltd.	Manufacture of STR block rubber products	Thailand	33.50	33.50
Siam Sempermed Corp., Ltd. *	Manufacture of medical gloves	Thailand	40.23	-

\* In June 2014, Siam Sempermed Corp., Ltd. changed the status from associate to joint venture.

On 22 January 1989, Sri Trang Agro-Industry Public Company Limited, at that time Sri Trang Agro-Industry Company Limited (“STA”), together with Rubberland Products Company Limited (“Rubberland”) and four Thai individuals entered into a joint venture agreement (“JVA”) with Semperit Technische Produkte Gesellschaft m.b.H. (“Semperit”) in order to set up and manage a company called Siam Sempermed Corp., Ltd (“SSC”). Semperit held 50% of the shares in SSC, and the other 50% was held between STA, Rubberland and the other four individual Thai shareholders. Later, Sri Trang Holdings Company Limited and another Thai individual respectively joined SSC to share in the 50% stake held by STA, Rubberland, and original four individual Thai shareholders (the Thai shareholders and non-listed entities in addition to STA are collectively called the “Thai Shareholders”). The proportion of shares held by Semperit on one side, STA together with Thai Shareholders remains 50:50 up until the present day.



**9 Investments in subsidiaries, associates and interests in joint ventures (Cont'd)**

**9.3 Interests in joint ventures (Cont'd)**

As the shareholders collectively have ultimate decision making power with regards to SSC operations; neither Semperit nor STA (together with the Thai Shareholders) alone are able to exercise the majority vote of 51% needed to pass shareholder resolutions, and consequently have control over SSC.

In June 2014, the Thai Shareholders formalised a pre-existing arrangement by entering into a written agreement (“Agreement”) whereby the Thai Shareholders explicitly agreed to act in concert with STA regarding their investment in SSC as they have done from the inception. As a result, the accounting treatment in both the separate financial statements of STA, and the consolidated financial statements of STA and its subsidiaries for its investment in SSC has been re-classified from “*Investment in Associate*” to “*Interest in Joint Venture*” starting from the date that the Agreement was signed.

**10 Property, plant and equipment, net**

	<b>Consolidate</b>	<b>Company</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>Baht'000</b>	<b>Baht'000</b>
<b>For the nine-month period ended 30 September 2014</b>		
Opening net book value	12,925,858	4,980,762
Additions	2,093,809	1,012,109
Disposals and write-offs, net	(18,319)	(1,546)
Asset revaluation surplus	12,105	-
Depreciation charge	(641,985)	(266,354)
Cumulative currency differences on translation	(17,717)	-
Closing net book value	<u>14,353,751</u>	<u>5,724,971</u>

**11 Intangible assets, net**

	<b>Consolidate</b>	<b>Company</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>Baht'000</b>	<b>Baht'000</b>
<b>For the nine-month period ended 30 September 2014</b>		
Opening net book value	27,047	14,032
Additions	6,722	2,277
Amortisation charge	(7,300)	(3,581)
Cumulative currency differences on translation	(40)	-
Closing net book value	<u>26,429</u>	<u>12,728</u>

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**12 Deferred income tax**

Deferred income taxes are calculated in full on temporary differences, using the liability method and using a principal tax rate of 1.7% - 37.8% (2013: 1.7% - 36.3%). The deferred income taxes are temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax assets are recognised for all deferred income tax assets to the extent that the realisation of the related tax benefit through future taxable profits is probable.

The movements of deferred income tax for the periods are as follows:

	<b>Consolidated (Unaudited)</b>		<b>Company (Unaudited)</b>	
	<b>2014 Baht'000</b>	<b>2013 Baht'000</b>	<b>2014 Baht'000</b>	<b>2013 Baht'000</b>
As at 1 January	53,529	(26,595)	(21,097)	(88,429)
Charged/credited to profit or loss	29,888	5,893	(38,115)	(16,492)
Charged/credited to other comprehensive income	(9,619)	73,800	(1,007)	70,699
Cumulative currency differences on translation	(2,961)	(12,014)	-	-
As at 30 September	<b>70,837</b>	<b>41,084</b>	<b>(60,219)</b>	<b>(34,222)</b>

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	<b>Consolidated</b>			
	<b>(Audited) 31 December 2013 Baht'000</b>	<b>Recorded to profit or loss Baht'000</b>	<b>Recorded to other comprehensive income Baht'000</b>	<b>(Unaudited) 30 September 2014 Baht'000</b>
<b>Deferred income tax assets</b>				
Tax losses carried forward	98,172	41,778	(884)	139,066
Unrealised gains (losses) on derivative financial instruments	35,321	(23,919)	(490)	10,912
Allowance for inventory cost in excess of net realisable value	16,452	27,597	(1,263)	42,786
Cumulative loss from asset revaluation	19,505	19	(46)	19,478
Provision for retirement benefit obligations	14,930	3,256	(71)	18,115
Others	24,621	1,170	(237)	25,554
	<b>209,001</b>	<b>49,901</b>	<b>(2,991)</b>	<b>255,911</b>
<b>Deferred income tax liabilities</b>				
Asset revaluation surplus	137,154	(2,440)	8,500	143,214
Fair value estimation of investment properties	1,108	-	-	1,108
Unrealised gains (losses) on derivative financial instruments	4,472	14,945	-	19,417
Adjustment of inventory from fair value to the lower of cost and net realisable value	10,253	7,789	(31)	18,011
Others	2,485	(281)	1,120	3,324
	<b>155,472</b>	<b>20,013</b>	<b>9,589</b>	<b>185,074</b>
<b>Deferred income tax assets, net</b>	<b>53,529</b>	<b>29,888</b>	<b>(12,580)</b>	<b>70,837</b>

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**12 Deferred income tax (Cont'd)**

	<b>Company</b>			
	<b>(Audited)</b> <b>31 December</b> <b>2013</b> <b>Baht'000</b>	<b>Recorded to</b> <b>profit or loss</b> <b>Baht'000</b>	<b>Recorded</b> <b>to other</b> <b>comprehensive</b> <b>income</b> <b>Baht'000</b>	<b>(Unaudited)</b> <b>30 September</b> <b>2014</b> <b>Baht'000</b>
<b>Deferred income tax assets</b>				
Unrealised gains (losses) on derivative financial instruments	31,999	(22,266)	-	9,733
Allowance for inventory cost in excess of net realisable value	3,293	(2,585)	-	708
Cumulative loss from asset revaluation	7,951	-	-	7,951
Provision for retirement benefit obligations	3,295	353	-	3,648
Others	17	-	-	17
	<u>46,555</u>	<u>(24,498)</u>	<u>-</u>	<u>22,057</u>
<b>Deferred income tax liabilities</b>				
Asset revaluation surplus	61,426	(1,328)	-	60,098
Fair value estimation of investment properties	1,108	-	-	1,108
Unrealised gains (losses) on derivative financial instruments	4,472	14,945	-	19,417
Others	646	-	1,007	1,653
	<u>67,652</u>	<u>13,617</u>	<u>1,007</u>	<u>82,276</u>
<b>Deferred income tax liabilities, net</b>	<b><u>(21,097)</u></b>	<b><u>(38,115)</u></b>	<b><u>(1,007)</u></b>	<b><u>(60,219)</u></b>

**13 Trade accounts payable and other payables**

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b> <b>30 September</b> <b>2014</b> <b>Baht'000</b>	<b>(Audited)</b> <b>31 December</b> <b>2013</b> <b>Baht'000</b>	<b>(Unaudited)</b> <b>30 September</b> <b>2014</b> <b>Baht'000</b>	<b>(Audited)</b> <b>31 December</b> <b>2013</b> <b>Baht'000</b>
Trade accounts payable				
- other companies	1,105,669	2,475,113	592,745	1,250,460
Trade accounts payable				
- related companies (Note 17.3)	203,782	276,286	261,509	286,672
Accrued expenses	571,774	597,027	345,893	290,916
Deferred income	329,107	289,628	38,931	45,504
Deposits and retentions received from customers	131,491	183,484	34,886	24,589
	<u>2,341,823</u>	<u>3,821,538</u>	<u>1,273,964</u>	<u>1,898,141</u>
<b>Total trade accounts payable and other payables</b>				

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**14 Borrowings**

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b> <b>30 September</b> <b>2014</b> <b>Baht'000</b>	<b>(Audited)</b> <b>31 December</b> <b>2013</b> <b>Baht'000</b>	<b>(Unaudited)</b> <b>30 September</b> <b>2014</b> <b>Baht'000</b>	<b>(Audited)</b> <b>31 December</b> <b>2013</b> <b>Baht'000</b>
<b>Current</b>				
Overdrafts	-	20	-	-
Borrowings for packing credit	226,077	588,963	226,077	588,963
Short-term borrowings from financial institutions	6,226,449	12,406,009	1,718,970	5,396,220
Bills payable	358,763	1,228,093	-	-
Total short-term borrowings from financial institutions	6,811,289	14,223,085	1,945,047	5,985,183
Current portion of long-term borrowings from financial institutions	111,204	113,404	-	-
Current portion of debentures	1,600,000	1,600,000	1,600,000	1,600,000
Current portion of finance lease liabilities	30,205	17,874	3,849	4,400
Total current borrowings	8,552,698	15,954,363	3,548,896	7,589,583
<b>Non-current</b>				
Long-term borrowings from financial institutions	2,650,873	2,113,726	2,640,000	2,020,000
Debentures	1,450,000	1,450,000	1,450,000	1,450,000
Finance lease liabilities	40,697	28,666	4,845	5,150
Total non-current borrowings	4,141,570	3,592,392	4,094,845	3,475,150
Total borrowings	12,694,268	19,546,755	7,643,741	11,064,733

The movements in borrowings can be analysed as follows:

	<b>Consolidate</b> <b>(Unaudited)</b> <b>Baht'000</b>	<b>Company</b> <b>(Unaudited)</b> <b>Baht'000</b>
<b>For the nine-month period ended 30 September 2014</b>		
Opening balance as at 1 January 2014	19,546,754	11,064,733
Changes in short-term loans from financial institutions	(7,614,843)	(4,040,136)
Additions of long-term loans from financial institutions and finance lease liabilities	662,310	622,887
Repayments of long-term loans from financial institutions and finance lease liabilities	(103,000)	(3,743)
Cumulative currency differences on translation	203,047	-
Closing balance as at 30 September 2014	12,694,268	7,643,741

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**14 Borrowings (Cont'd)**

	<u>Consolidate</u> <u>(Unaudited)</u> <u>Baht'000</u>	<u>Company</u> <u>(Unaudited)</u> <u>Baht'000</u>
<b>For the nine-month period ended 30 September 2013</b>		
Opening balance as at 1 January 2013	14,853,327	6,047,465
Changes in short-term loans from financial institutions	(1,540,244)	(242,219)
Additions of long-term loans from financial institutions and finance lease liabilities	2,499,772	2,450,063
Repayments of long-term loans from financial institutions and finance lease liabilities	(112,060)	(5,785)
Cumulative currency differences on translation	156,866	-
Closing balance as at 30 September 2013	<u>15,857,661</u>	<u>8,249,524</u>

On 13 February 2013, the Company issued and offered the unsubordinated, unsecured, with name registered, and with debenture holders' representative debentures, amounting to 900,000 units. The debentures are divided into 2 tranches as follows:

- Debentures of Sri Trang Agro-Industry Public Company Limited No. 1/2013 Tranche 1 due 2016
- Debentures of Sri Trang Agro-Industry Public Company Limited No. 1/2013 Tranche 2 due 2018

**15 Income tax**

The interim income tax was accrued based on management's estimate, using the tax rate that would be applicable to the expected total annual earnings. The estimated average effective tax rate for the interim consolidated financial information for the nine-month period ended 30 September 2014 was 2.8% (the average effective tax rate for the year ended 31 December 2013 was 7.5%), and for the interim company financial information, it was 2.4% (the average effective tax rate for the year ended 31 December 2013 was 1.5%).

**16 Dividends**

At the Annual General Meeting of Shareholders held on 29 April 2014, it was resolved that dividend be paid to shareholders in respect of 2013 operating results at Baht 0.65 per share, totaling Baht 832 million. The dividend was paid in May 2014 to the shareholders.

At the Annual General Meeting of Shareholders held on 25 April 2013, it was resolved that dividend be paid to shareholders in respect of 2012 operating results at Baht 0.50 per share, totaling Baht 640 million. The dividend was paid in May 2013 to the shareholders.

**Sri Trang Agro-Industry Public Company Limited**  
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**17 Related party transactions**

The following transactions were carried out with related companies:

**17.1 Revenues from sales and services and other income**

For the three-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	30 September 2014 Baht'000	30 September 2013 Baht'000	30 September 2014 Baht'000	30 September 2013 Baht'000
<b>Revenues from sales to:</b>				
Subsidiaries	-	-	610,558	565,280
Associates	8,025	994,791	-	204,114
A joint venture	932,102	-	311,625	-
	<u>940,127</u>	<u>994,791</u>	<u>922,183</u>	<u>769,394</u>
<b>Service income from:</b>				
Subsidiaries	-	-	6,459	14,074
Associates	5,725	56,143	195	3,004
A joint venture	76,050	-	3,389	-
	<u>81,775</u>	<u>56,143</u>	<u>10,043</u>	<u>17,078</u>
<b>Rental income:</b>				
Subsidiaries	-	-	213	153
Associates	-	3,041	-	192
A joint venture	3,011	-	162	-
	<u>3,011</u>	<u>3,041</u>	<u>375</u>	<u>345</u>
<b>Interest income:</b>				
Subsidiaries	-	-	7,702	7,581
An associate	699	848	699	847
	<u>699</u>	<u>848</u>	<u>8,401</u>	<u>8,428</u>

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**17 Related party transactions (Cont'd)**

**17.1 Revenues from sales and services and other income (Cont'd)**

For the nine-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	30 September 2014 Baht'000	30 September 2013 Baht'000	30 September 2014 Baht'000	30 September 2013 Baht'000
<b>Revenues from sales to:</b>				
Subsidiaries	-	-	2,090,869	2,778,307
Associates	23,630	2,892,180	-	935,238
A joint venture	2,665,855	-	779,501	-
	<u>2,689,485</u>	<u>2,892,180</u>	<u>2,870,370</u>	<u>3,713,545</u>
<b>Service income from:</b>				
Subsidiaries	-	-	19,738	44,298
Associates	14,291	152,779	717	8,293
A joint venture	194,939	-	10,909	-
	<u>209,230</u>	<u>152,779</u>	<u>31,364</u>	<u>52,591</u>
<b>Dividend income:</b>				
Subsidiaries	-	-	581,999	59,633
Associates	113,454	406,840	100,106	327,000
Joint ventures	411,010	51,589	323,710	51,589
	<u>524,464</u>	<u>458,429</u>	<u>1,005,815</u>	<u>438,222</u>
<b>Rental income:</b>				
A subsidiary	-	-	638	359
Associates	-	6,871	-	576
A joint venture	9,092	-	546	-
	<u>9,092</u>	<u>6,871</u>	<u>1,184</u>	<u>935</u>
<b>Interest income:</b>				
Subsidiaries	-	-	22,968	18,635
An associate	2,564	2,464	2,564	2,464
	<u>2,564</u>	<u>2,464</u>	<u>25,532</u>	<u>21,099</u>

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**17 Related party transactions (Cont'd)**

**17.2 Purchases of goods and services**

For the three-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	30 September 2014 Baht'000	30 September 2013 Baht'000	30 September 2014 Baht'000	30 September 2013 Baht'000
<b>Purchases of goods from:</b>				
Subsidiaries	-	-	321,819	1,072,341
Associates	15	198,951	-	169,719
Joint ventures	270,516	488,099	174,910	-
	<u>270,531</u>	<u>687,050</u>	<u>496,729</u>	<u>1,242,060</u>
<b>Service expenses from:</b>				
Subsidiaries	-	-	186,418	161,529
Associates	457	780	457	770
A joint venture	17	-	-	-
	<u>474</u>	<u>780</u>	<u>186,875</u>	<u>162,299</u>
<b>Rental expense:</b>				
A subsidiary	-	-	307	307
	<u>-</u>	<u>-</u>	<u>307</u>	<u>307</u>
For the nine-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	30 September 2014 Baht'000	30 September 2013 Baht'000	30 September 2014 Baht'000	30 September 2013 Baht'000
<b>Purchases of goods from:</b>				
Subsidiaries	-	-	1,610,296	3,593,420
Associates	65	539,644	-	473,350
Joint ventures	1,625,766	2,200,663	511,600	-
	<u>1,625,831</u>	<u>2,740,307</u>	<u>2,121,896</u>	<u>4,066,770</u>
<b>Service expenses from:</b>				
Subsidiaries	-	-	619,692	453,953
Associates	1,761	2,067	1,761	2,044
A joint venture	38	-	-	-
	<u>1,799</u>	<u>2,067</u>	<u>621,453</u>	<u>455,997</u>
<b>Rental expense:</b>				
Subsidiaries	-	-	922	1,114
	<u>-</u>	<u>-</u>	<u>922</u>	<u>1,114</u>



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**17 Related party transactions (Cont'd)**

**17.3 Outstanding balances arising from sales/purchases of goods/services and other income**

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited) 30 September 2014 Baht'000</b>	<b>(Audited) 31 December 2013 Baht'000</b>	<b>(Unaudited) 30 September 2014 Baht'000</b>	<b>(Audited) 31 December 2013 Baht'000</b>
<b>Trade accounts receivable: (Note 7)</b>				
Subsidiaries	-	-	333,050	275,836
Associates	3,617	127,622	-	13,775
A joint venture	103,958	-	32,631	-
	<u>107,575</u>	<u>127,622</u>	<u>365,681</u>	<u>289,611</u>
<b>Amounts due from futures broker:</b>				
An associate	<u>44,795</u>	<u>152,662</u>	<u>44,795</u>	<u>152,662</u>
<b>Other receivables:</b>				
Subsidiaries	-	-	12,758	20,043
Associates	656	5,774	362	1,135
A joint venture	4,272	-	13	-
	<u>4,928</u>	<u>5,774</u>	<u>13,133</u>	<u>21,178</u>
<b>Trade accounts payable: (Note 13)</b>				
Subsidiaries	-	-	128,666	203,278
An associate	10	105,299	-	83,394
Joint ventures	203,772	170,987	132,843	-
	<u>203,782</u>	<u>276,286</u>	<u>261,509</u>	<u>286,672</u>
<b>Other payables:</b>				
Subsidiaries	-	-	29,012	32,875
Associates	210	45,973	-	10
A joint venture	44,685	-	19	-
	<u>44,895</u>	<u>45,973</u>	<u>29,031</u>	<u>32,885</u>

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**17 Related party transactions (Cont'd)**

**17.4 Outstanding balances arising from long-term borrowings to subsidiaries and an associate**

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited) 30 September 2014 Baht'000</b>	<b>(Audited) 31 December 2013 Baht'000</b>	<b>(Unaudited) 30 September 2014 Baht'000</b>	<b>(Audited) 31 December 2013 Baht'000</b>
<b>Accrued interest income:</b>				
Subsidiaries	-	-	4,084	12,029
An associate	913	995	913	994
	<u>913</u>	<u>995</u>	<u>4,997</u>	<u>13,023</u>
<b>Long-term borrowing to:</b>				
Subsidiaries	-	-	975,037	988,572
An associate	-	65,356	-	65,356
	<u>-</u>	<u>65,356</u>	<u>975,037</u>	<u>1,053,928</u>

Long-term borrowings to an associate and subsidiaries are as follows:

<b>Relationships</b>		<b>Company (Unaudited)</b>		<b>Interest rates</b>	<b>Borrowing periods</b>
		<b>Principles</b>	<b>(Equivalent)</b>		
		<b>USD million</b>	<b>Baht million</b>	<b>%</b>	
PT Sri Trang Lingga Indonesia	A subsidiary	5	162	3.33	5 years
PT Sri Trang Lingga Indonesia	A subsidiary	10	325	2.66	3 years
PT Star Rubber	An indirect subsidiary	15	488	3.33	5 years

**17.5 Key management compensation**

Key management includes directors (executive and non-executive), executives and head of internal audit department. The compensation paid or payable to key management is as below:

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b>		<b>(Unaudited)</b>	
<b>For the three-month periods ended</b>	<b>30 September 2014 Baht'000</b>	<b>30 September 2013 Baht'000</b>	<b>30 September 2014 Baht'000</b>	<b>30 September 2013 Baht'000</b>
Salaries and other employee benefits	<u>38,147</u>	<u>31,953</u>	<u>9,766</u>	<u>8,373</u>
<b>For the nine-month periods ended</b>	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b>		<b>(Unaudited)</b>	
	<b>30 September 2014 Baht'000</b>	<b>30 September 2013 Baht'000</b>	<b>30 September 2014 Baht'000</b>	<b>30 September 2013 Baht'000</b>
Salaries and other employee benefits	<u>133,436</u>	<u>134,581</u>	<u>37,944</u>	<u>51,925</u>

**18 Contingencies and commitments**

**18.1 Sale and purchase commitments**

The Group and the Company are committed to certain sales and purchases. Some of the contractual prices are fixed and are to be settled at future dates and some for which the contractual prices are not determined at the contract date. However, the values of these commitments are presented at the fixed contractual prices or the market prices at the end of the period in case the contractual prices are not determined at the contract date as follows:

	<b>Consolidated</b> <b>(Unaudited)</b> <b>30 September</b> <b>2014</b> <b>Baht'000</b>	<b>Company</b> <b>(Unaudited)</b> <b>30 September</b> <b>2014</b> <b>Baht'000</b>
Purchases from		
A joint venture	309,553	-
Third parties	2,320,130	-
	<u>2,629,683</u>	<u>-</u>
Sales to		
A joint venture	493,457	261,026
Third parties	20,678,235	10,250,201
	<u>21,171,692</u>	<u>10,511,227</u>

**18.2 Capital commitments**

The Group and the Company have capital commitments as follows:

	<b>Consolidated</b> <b>(Unaudited)</b> <b>30 September</b> <b>2014</b> <b>Baht'000</b>	<b>Company</b> <b>(Unaudited)</b> <b>30 September</b> <b>2014</b> <b>Baht'000</b>
Capital commitments	<u>1,328,739</u>	<u>83,311</u>

**18 Contingent liabilities and commitments (Cont'd)**

**18.3 Commitments to guarantee borrowings of subsidiaries, associates and a joint venture and contingent liabilities**

18.3.1 The Group and the Company have commitments to guarantee the borrowings of subsidiaries, an associates and a joint venture as follows:

	Relationships	Currencies	Consolidated(Unaudited)	
			30 September 2014	
			Amount	(Equivalent) Baht Million
Sri Trang USA, Inc.	An overseas subsidiary	USD Million	45	1,445
PT Sri Trang Lingga Indonesia	An overseas subsidiary	USD Million	31	1,024
		Rupiah Billion	165	440
PT Star Rubber	An overseas subsidiary	USD Million	8	260
Thaitech Rubber Corporation Co., Ltd.	A joint venture	Baht Million	-	34
Sempermed USA, Inc.	An overseas associated company	USD Million	2	65

18.3.2 The Group has contingent liabilities for bank guarantees issued in favor of government agency totaling Baht 63 million and has pledged its fixed deposits of Baht 14 million as collateral for these bank guarantees.

**18.4 Operating lease commitments - where the Group and the Company are the lessees**

The future aggregate minimum lease payments under non-cancellable operating leases of the Group and the Company are as follows:

	Consolidated (Unaudited) 30 September 2014 Baht'000	Company (Unaudited) 30 September 2014 Baht'000
Not later than 1 year	104,281	36,788
Later than 1 year but not later than 5 years	128,219	28,466
Later than 5 years	1,547	-
Total	234,047	65,254

**19 Significant legal proceedings**

**Commercial dispute relating to the Joint Venture Agreement**

On 5 September 2014, Semperit Technische Produkte Gesellschaft m.b.H. (“Semperit”) filed requests for arbitration in Switzerland to the ICC International Court of Arbitration, alleging that (a) the Company; (b) Rubberland Products Co., Ltd. (“Rubberland”) (a subsidiary); and (c) other shareholders of Siam Sempermed Corp., Ltd. (“SSC”) (a joint venture company) had breached the Joint Venture Agreement and other related agreements. Semperit claimed initial damages of approximately EUR 35 million (equivalent to approximately Baht 1,448 million) and requested the arbitral tribunal to issue an order demanding that the Company and Rubberland (and other shareholders of SSC) undertake or refrain from undertaking any act with respect to the management of SSC.

The Company and Rubberland entered into the Joint Venture Agreement and related agreements and have complied with the agreements since their execution. The dispute arose because the parties to the Joint Venture Agreement did not agree on the business plan of SSC in order to maintain and enhance its business competitiveness. In this regard, the Company and Semperit had entered into several negotiations in order to solve the conflicts among the parties for the maximum benefit of SSC but these efforts had proved to be unsuccessful results.

According to the legal advisor of the Company, the management of the Company believes that the Company is not obligated to pay the initial damages of approximately EUR 35 million as stated in the requests for arbitration submitted by Semperit because the Company and Rubberland did not breach any provision of the Joint Venture Agreement and other related agreements with Semperit, as the contractual parties. Furthermore, the allegations made by Semperit are not supported by any concrete evidence. Therefore, the management of the Company believes that the outcome of these disputes should not have any material impact on the financial position of the Company.

In addition to the requests for arbitration proceedings against the Company and Rubberland as the shareholders of SSC, Semperit filed another request for arbitration against SSC. Semperit alleged that SSC had breached the JVA and other commercial agreements between SSC and Semperit. Semperit claimed initial damages of approximately EUR3 million (equivalent to approximately Baht 124 million). According to the legal advisor of the Company, the management of the Company believes that SSC is not obligated to pay the damages of approximately EUR 3 million as stated in the request for arbitration submitted by Semperit because the allegations made by Semperit are not supported by concrete evidence and are not consistent with the long-standing practice between the parties. Therefore, the management of the Company believes that the result of the dispute should not have any material impact upon the operation and financial position of SSC and the Company.

These disputes are pending the appointment of the chairman of the arbitral tribunals. However, in order to be conservative, the management of the Company has set aside accrued expenses in the financial statements with respect to defending the dispute in the arbitral proceedings.