

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 June 2015, the related consolidated and company statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated and company statements of changes in shareholders' equity and cash flows for the six-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".

Paiboon Tunkoon
Certified Public Accountant (Thailand) No. 4298
PricewaterhouseCoopers ABAS Ltd.

Bangkok
14 August 2015

SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED

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

30 JUNE 2015

Sri Trang Agro-Industry Public Company Limited
Statements of Financial Position
As at 30 June 2015

	Notes	Consolidated		Company	
		Unaudited	Audited	Unaudited	Audited
		30 June	31 December	30 June	31 December
		2015	2014	2015	2014
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents		1,582,193,200	2,131,618,737	296,175,674	351,506,312
Derivative financial instruments	6	77,568,010	89,767,267	55,858,607	33,730,806
Trade accounts receivable and other receivables, net	7	4,908,210,005	4,688,380,158	2,185,353,193	2,297,828,991
Amounts due from futures brokers		259,104,032	392,450,064	49,438,868	85,663,956
Inventories, net	8	11,078,497,375	10,029,943,739	4,940,180,416	4,743,353,158
Current portion of long-term loans to a subsidiary	18.4	-	-	339,095,798	-
Other current assets		412,935,410	352,224,156	110,906,801	76,857,998
Total current assets		18,318,508,032	17,684,384,121	7,977,009,357	7,588,941,221
Non-current assets					
Long-term loans to subsidiaries	18.4	-	-	678,191,597	992,656,135
Fixed deposits pledged as collateral		48,594,283	34,585,973	13,654,468	13,622,863
Investments in subsidiaries	9.1	-	-	10,289,300,515	9,684,640,514
Investments in associates	9.2	1,224,969,015	1,157,810,054	649,177,500	649,177,500
Investments in joint ventures	9.3	3,048,676,425	2,878,241,133	83,099,800	83,099,800
Long-term investments		57,038,379	63,672,236	56,017,744	62,666,431
Property, plant and equipment, net	10	14,682,624,766	14,355,033,514	5,998,361,509	5,845,366,056
Rubber and palm plantations, net	11	1,041,642,951	901,246,752	2,976,826	4,080,879
Intangible assets, net	12	37,428,499	31,639,642	27,532,276	12,311,158
Investment properties		173,772,867	170,255,147	27,769,750	27,769,750
Withholding tax deducted at source		335,231,012	332,854,932	250,167,420	250,167,419
Deferred income tax assets, net	13	167,819,621	146,540,958	-	-
Other non-current assets		42,105,332	34,265,689	13,796,648	12,718,800
Total non-current assets		20,859,903,150	20,106,146,030	18,090,046,053	17,638,277,305
Total assets		39,178,411,182	37,790,530,151	26,067,055,410	25,227,218,526

Director _____

Director _____

The accompanying notes on page 15 to 38 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 June 2015

	Notes	Consolidated		Company	
		Unaudited 30 June 2015 Baht	Audited 31 December 2014 Baht	Unaudited 30 June 2015 Baht	Audited 31 December 2014 Baht
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable and other payables	14	2,402,210,866	2,579,501,245	1,287,957,476	1,486,686,421
Short-term borrowings from financial institutions	15	10,465,925,696	9,408,410,287	5,076,101,000	4,261,484,000
Current portion of long-term borrowings from financial institutions	15	184,264,000	140,264,000	150,000,000	50,000,000
Current portion of debentures	15	300,000,000	-	300,000,000	-
Current portion of finance lease liabilities	15	28,819,856	30,046,135	1,814,213	3,585,007
Derivative financial instruments	6	169,273,247	212,826,685	148,028,111	155,819,745
Current income tax liabilities		51,510,449	48,559,037	-	-
Other current liabilities		39,809,158	44,348,586	14,914,618	20,985,956
Total current liabilities		13,641,813,272	12,463,955,975	6,978,815,418	5,978,561,129
Non-current liabilities					
Long-term borrowings from financial institutions	15	3,181,510,000	2,913,462,000	3,178,750,000	2,910,000,000
Debentures	15	1,150,000,000	1,450,000,000	1,150,000,000	1,450,000,000
Finance lease liabilities	15	19,550,520	33,310,507	3,842,597	3,979,795
Deferred income tax liabilities, net	13	154,275,602	172,496,107	33,482,626	36,649,938
Provision for retirement benefit obligations		123,818,396	115,226,468	55,904,951	53,448,249
Other non-current liabilities		45,217,429	50,210,804	-	-
Total non-current liabilities		4,674,371,947	4,734,705,886	4,421,980,174	4,454,077,982
Total liabilities		18,316,185,219	17,198,661,861	11,400,795,592	10,432,639,111

The accompanying notes on page 15 to 38 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 June 2015

	Consolidated		Company	
	Unaudited 30 June 2015 Baht	Audited 31 December 2014 Baht	Unaudited 30 June 2015 Baht	Audited 31 December 2014 Baht
Liabilities and shareholders' equity (Cont'd)				
Shareholders' equity				
Share capital				
Authorised share capital				
Ordinary shares, 1,280,000,000 shares of par Baht 1 each (2014: 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 (2014: 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	1,437,590,036	1,470,543,779	661,201,197	691,242,473
Unrealised gains on available-for-sale investments	12,717,044	18,864,175	12,260,467	18,417,816
Cumulative currency differences on translation	(467,425,338)	(445,858,809)	-	-
Retained earnings				
Appropriated - legal reserve	128,000,000	128,000,000	128,000,000	128,000,000
Unappropriated	10,000,904,603	9,662,264,944	4,033,808,333	4,125,929,305
Total equity attributable to owners of the parent	20,769,641,678	20,491,669,422	14,666,259,818	14,794,579,415
Non-controlling interests	92,584,285	100,198,868	-	-
Total shareholders' equity	20,862,225,963	20,591,868,290	14,666,259,818	14,794,579,415
Total liabilities and shareholders' equity	39,178,411,182	37,790,530,151	26,067,055,410	25,227,218,526

The accompanying notes on page 15 to 38 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 June 2015

	Consolidated		Company	
	Unaudited 2015 Baht	Unaudited 2014 Baht	Unaudited 2015 Baht	Unaudited 2014 Baht
Revenues from sales of goods and services	15,076,907,030	18,409,608,732	6,420,248,450	9,193,020,516
Cost of sales and services	(13,782,532,793)	(17,731,031,799)	(5,845,965,500)	(8,730,304,534)
Gross profit	1,294,374,237	678,576,933	574,282,950	462,715,982
Other income	47,090,828	40,524,559	371,404,190	1,074,237,109
Selling expenses	(508,950,621)	(571,928,938)	(373,769,885)	(494,110,462)
Administrative expenses	(383,884,384)	(341,258,665)	(223,744,114)	(150,073,739)
Gains on exchange rate, net	54,864,713	97,457,565	21,675,777	61,595,398
Other gains, net	21,237,064	285,959,627	1,043,543	236,115,010
Operating profit	524,731,837	189,331,081	370,892,461	1,190,479,298
Share of profit from investments in associates and joint ventures	149,930,481	149,997,503	-	-
Profit before net finance costs and income tax	674,662,318	339,328,584	370,892,461	1,190,479,298
Finance income	13,080,540	13,484,448	18,527,197	19,376,688
Finance costs	(174,907,528)	(217,928,112)	(83,252,369)	(67,228,639)
Finance costs, net	(161,826,988)	(204,443,664)	(64,725,172)	(47,851,951)
Profit before income tax	512,835,330	134,884,920	306,167,289	1,142,627,347
Income tax	2,831,317	26,043,389	2,778,924	(18,781,755)
Profit for the periods	515,666,647	160,928,309	308,946,213	1,123,845,592
Other comprehensive income:				
<i>An item that will not be reclassified to profit or loss</i>				
Change in tax rate used in deferred tax recognition	-	(6,078,494)	-	-
Asset revaluation surplus, net of tax	2,276,957	-	2,276,957	-
Total item that will not be reclassified to profit or loss	2,276,957	(6,078,494)	2,276,957	-
<i>Items that will be reclassified subsequently to profit or loss</i>				
Change in tax rate used in deferred tax recognition	-	(96,423)	-	-
Change in fair value of available-for-sale investments, net of tax	(5,114,991)	3,833,142	(5,122,165)	3,770,971
Currency differences on translation	74,254,657	(87,617,175)	-	-
Total items that will be reclassified subsequently to profit or loss	69,139,666	(83,880,456)	(5,122,165)	3,770,971
Other comprehensive income (expenses) for the periods, net of tax	71,416,623	(89,958,950)	(2,845,208)	3,770,971
Total comprehensive income for the periods	587,083,270	70,969,359	306,101,005	1,127,616,563

The accompanying notes on page 15 to 38 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 June 2015

	Consolidated		Company	
	Unaudited 2015 Baht	Unaudited 2014 Baht	Unaudited 2015 Baht	Unaudited 2014 Baht
Profit for the periods attributable to:				
Owners of the parent	518,119,338	166,592,613	308,946,213	1,123,845,592
Non-controlling interests	(2,452,691)	(5,664,304)	-	-
Profit for the periods	515,666,647	160,928,309	308,946,213	1,123,845,592
Total comprehensive income for the periods attributable to:				
Owners of the parent	589,709,675	82,068,132	306,101,005	1,127,616,563
Non-controlling interests	(2,626,405)	(11,098,773)	-	-
Total comprehensive income for the periods	587,083,270	70,969,359	306,101,005	1,127,616,563
Earnings per share				
Basic earnings per share	0.40	0.13	0.24	0.88

Sri Trang Agro-Industry Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the six-month period ended 30 June 2015

	Note	Consolidated		Company	
		Unaudited 2015 Baht	Unaudited 2014 Baht	Unaudited 2015 Baht	Unaudited 2014 Baht
Revenues from sales of goods and services		29,589,135,663	41,174,515,750	13,571,016,108	20,822,235,129
Cost of sales and services		(27,255,081,747)	(39,897,432,435)	(12,476,230,742)	(19,851,597,410)
Gross profit		2,334,053,916	1,277,083,315	1,094,785,366	970,637,719
Other income		114,103,387	77,451,506	424,106,400	1,088,664,619
Selling expenses		(996,504,693)	(982,989,023)	(776,105,948)	(861,443,072)
Administrative expenses		(698,912,084)	(690,084,305)	(371,140,721)	(329,503,314)
Gains on exchange rate, net		160,320,003	220,724,648	72,413,119	155,389,362
Other gains, net		97,272,145	689,103,372	72,291,228	533,060,477
Operating profit		1,010,332,674	591,289,513	516,349,444	1,556,805,791
Share of profit from investments in associates and joint ventures		218,316,468	253,448,149	-	-
Profit before net finance costs and income tax		1,228,649,142	844,737,662	516,349,444	1,556,805,791
Finance income		24,898,448	25,418,804	35,596,602	37,936,784
Finance costs		(424,303,966)	(292,436,292)	(167,231,012)	(181,713,511)
Finance costs, net		(399,405,518)	(267,017,488)	(131,634,410)	(143,776,727)
Profit before income tax		829,243,624	577,720,174	384,715,034	1,413,029,064
Income tax	16	(18,969,621)	(8,226,431)	2,845,761	(21,314,572)
Profit for the periods		810,274,003	569,493,743	387,560,795	1,391,714,492
Other comprehensive income:					
<i>An item that will not be reclassified to profit or loss</i>					
Change in tax rate used in deferred tax recognition		-	(6,078,494)	-	-
Asset revaluation surplus, net of tax		2,276,957	9,684,158	2,276,957	-
Total item that will not be reclassified to profit or loss		2,276,957	3,605,664	2,276,957	-
<i>Items that will be reclassified subsequently to profit or loss</i>					
Change in tax rate used in deferred tax recognition		-	(96,423)	-	-
Change in fair value of available-for-sale investments, net of tax		(6,147,131)	8,850,470	(6,157,349)	8,735,397
Currency differences on translation		(26,427,658)	(720,149)	-	-
Total items that will be reclassified subsequently to profit or loss		(32,574,789)	8,033,898	(6,157,349)	8,735,397
Other comprehensive income (expenses) for the periods, net of tax		(30,297,832)	11,639,562	(3,880,392)	8,735,397
Total comprehensive income for the periods		779,976,171	581,133,305	383,680,403	1,400,449,889

The accompanying notes on page 15 to 38 are an integral part of these interim financial information.

Sri Trang Agro-Industry Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the six-month period ended 30 June 2015

	Consolidated		Company	
	Unaudited 2015 Baht	Unaudited 2014 Baht	Unaudited 2015 Baht	Unaudited 2014 Baht
Profit for the periods attributable to:				
Owners of the parent	815,408,959	568,552,705	387,560,795	1,391,714,492
Non-controlling interests	(5,134,956)	941,038	-	-
Profit for the periods	810,274,003	569,493,743	387,560,795	1,391,714,492
Total comprehensive income for the periods attributable to:				
Owners of the parent	789,972,256	578,297,729	383,680,403	1,400,449,889
Non-controlling interests	(9,996,085)	2,835,576	-	-
Total comprehensive income for the periods	779,976,171	581,133,305	383,680,403	1,400,449,889
Earnings per share				
Basic earnings per share	0.64	0.44	0.30	1.09

Consolidated (Unaudited)												
Attributable to 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			
Opening balance as at 1 January 2015		1,280,000,000	8,550,989,821	(173,134,488)	1,470,543,779	18,864,175	(445,858,809)	128,000,000	9,662,264,944	20,491,669,422	100,198,868	20,591,868,290
Profit for the period		-	-	-	-	-	-	-	815,408,959	815,408,959	(5,134,956)	810,274,003
Other comprehensive income												
Asset revaluation surplus, net of tax		-	-	-	2,276,957	-	-	-	-	2,276,957	-	2,276,957
Disposal of assets, net of tax		-	-	-	(25,432,581)	-	-	-	25,432,581	-	-	-
Depreciation on assets revaluation, net of tax		-	-	-	(9,798,119)	-	-	-	9,798,119	-	-	-
Change in fair value of available-for-sale investments, net of tax		-	-	-	-	(6,147,131)	-	-	-	(6,147,131)	-	(6,147,131)
Currency differences on translation		-	-	-	-	-	(21,566,529)	-	-	(21,566,529)	(4,861,129)	(26,427,658)
Total other comprehensive income, net of tax		-	-	-	(32,953,743)	(6,147,131)	(21,566,529)	-	35,230,700	(25,436,703)	(4,861,129)	(30,297,832)
Total comprehensive income		-	-	-	(32,953,743)	(6,147,131)	(21,566,529)	-	850,639,659	789,972,256	(9,996,085)	779,976,171
Transactions with shareholders' equity												
Non-controlling interests invested in subsidiaries		-	-	-	-	-	-	-	-	-	2,381,701	2,381,701
Dividend payment	17	-	-	-	-	-	-	-	(512,000,000)	(512,000,000)	-	(512,000,000)
Dividend payment from subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	-	(199)	(199)
Total transactions with shareholders' equity		-	-	-	-	-	-	-	(512,000,000)	(512,000,000)	2,381,502	(509,618,498)
Closing balance as at 30 June 2015		1,280,000,000	8,550,989,821	(173,134,488)	1,437,590,036	12,717,044	(467,425,338)	128,000,000	10,000,904,603	20,769,641,678	92,584,285	20,862,225,963

Consolidated (Unaudited)											
Attributable to 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			
Opening balance as at 1 January 2014	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
Profit for the period	-	-	-	-	-	-	-	568,552,705	568,552,705	941,038	569,493,743
Other comprehensive income											
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 on assets revaluation, net of tax	-	-	-	(15,185,008)	-	-	-	15,185,008	-	-	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	-	8,850,470	-	-	-	8,850,470	-	8,850,470
Currency differences on translation	-	-	-	-	-	(2,614,687)	-	-	(2,614,687)	1,894,538	(720,149)
Total other comprehensive income, net of tax	-	-	-	(11,579,344)	8,809,129	(2,614,687)	-	15,129,926	9,745,024	1,894,538	11,639,562
Total comprehensive income	-	-	-	(11,579,344)	8,809,129	(2,614,687)	-	583,682,631	578,297,729	2,835,576	581,133,305
Transactions with shareholders' equity											
Dividend payment	17	-	-	-	-	-	-	(832,000,000)	(832,000,000)	-	(832,000,000)
Dividend payment from subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	(1,048)	(1,048)
Total transactions with shareholders' equity		-	-	-	-	-	-	(832,000,000)	(832,000,000)	(1,048)	(832,001,048)
Closing balance as at 30 June 2014	<u>1,280,000,000</u>	<u>8,550,989,821</u>	<u>(173,134,488)</u>	<u>1,194,707,496</u>	<u>17,356,046</u>	<u>(456,009,759)</u>	<u>128,000,000</u>	<u>9,182,416,680</u>	<u>19,724,325,796</u>	<u>91,107,840</u>	<u>19,815,433,636</u>

Sri Trang Agro-Industry Public Company Limited
Statement of Changes in Shareholders' Equity (Cont'd)
For the six-month period ended 30 June 2015

		Company (Unaudited)						
				Asset				
		Issued and paid-up	Premium on	revaluation surplus,	Unrealised gains	Retained earnings		Total
		share capital	share capital	net of accumulated	on available-for-sale	Appropriated	Unappropriated	shareholders'
				depreciation	investments	- legal reserve		equity
Note	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 January 2015		1,280,000,000	8,550,989,821	691,242,473	18,417,816	128,000,000	4,125,929,305	14,794,579,415
Profit for the period		-	-	-	-	-	387,560,795	387,560,795
Other comprehensive income								
Asset revaluation surplus, net of tax		-	-	2,276,957	-	-	-	2,276,957
Disposal of assets, net of tax		-	-	(25,432,581)	-	-	25,432,581	-
Depreciation on assets revaluation, net of tax		-	-	(6,885,652)	-	-	6,885,652	-
Change in fair value of available-for-sale investments, net of tax		-	-	-	(6,157,349)	-	-	(6,157,349)
					-			-
Total other comprehensive income, net of tax		-	-	(30,041,276)	(6,157,349)	-	32,318,233	(3,880,392)
Total comprehensive income		-	-	(30,041,276)	(6,157,349)	-	419,879,028	383,680,403
Transactions with shareholders' equity								
Dividend payment	17	-	-	-	-	-	(512,000,000)	(512,000,000)
Total transactions with shareholders' equity		-	-	-	-	-	(512,000,000)	(512,000,000)
Closing balance as at 30 June 2015		1,280,000,000	8,550,989,821	661,201,197	12,260,467	128,000,000	4,033,808,333	14,666,259,818

The accompanying notes on page 15 to 38 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 six-month period ended 30 June 2015

Company (Unaudited)							
Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Asset	Unrealised gains on available-for-sale investments Baht	Retained earnings		Total shareholders' equity Baht
			revaluation surplus, net of accumulated depreciation Baht		Appropriated - legal reserve Baht	Unappropriated Baht	
Opening balance as at 1 January 2014	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
Profit for the period	-	-	-	-	-	1,391,714,492	1,391,714,492
Other comprehensive income							
Depreciation on assets revaluation, net of tax	-	-	(11,029,638)	-	-	11,029,638	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	8,735,397	-	-	8,735,397
Total other comprehensive income, net of tax	-	-	(11,029,638)	8,735,397	-	11,029,638	8,735,397
Total comprehensive income	-	-	(11,029,638)	8,735,397	-	1,402,744,130	1,400,449,889
Transactions with shareholders' equity							
Dividend payment	-	-	-	-	-	(832,000,000)	(832,000,000)
Total transactions with shareholders' equity	-	-	-	-	-	(832,000,000)	(832,000,000)
Closing balance as at 30 June 2014	1,280,000,000	8,550,989,821	758,755,449	16,831,316	128,000,000	4,073,688,892	14,808,265,478

The accompanying notes on page 15 to 38 are an integral part of these interim financial information.

Statement of Cash Flows

For the six-month period ended 30 June 2015

	Notes	Consolidated		Company	
		Unaudited	Unaudited	Unaudited	Unaudited
		2015	2014	2015	2014
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax		829,243,624	577,720,174	384,715,034	1,413,029,064
Adjustments for:					
Unrealised (gains) losses on foreign					
currency translations		356,251,411	160,704,706	(24,631,260)	11,817,170
Unrealised gains from revaluation of derivative					
financial instruments		(31,354,181)	(417,234,568)	(29,919,435)	(320,118,547)
(Reversal of) allowance for impairment of					
trade accounts receivable		(150,000)	8,319,051	-	6,266,700
(Reversal of) allowance for inventory cost in					
excess of net realisable value		(30,285,862)	341,848,624	12,144,247	94,509,095
Provision for retirement benefit obligations		9,739,428	12,384,111	3,604,202	3,258,093
Depreciation charges	10	476,838,977	403,502,924	212,819,846	159,013,824
Amortisation charges - rubber and palm plantations	11	387,918	5,752,488	228,180	4,167,145
Amortisation charges - intangible assets	12	5,073,759	4,783,047	2,481,228	2,365,046
Finance costs		424,303,966	292,436,292	167,231,012	181,713,511
Dividend income		(999,880)	(1,227,136)	(350,995,333)	(1,057,037,936)
Share of profit from investments in associates					
and joint ventures		(218,316,468)	(253,448,149)	-	-
(Gains) losses on disposal and write-off of property,					
plant and equipment, rubber and palm plantations					
and intangible assets		(36,864,778)	93,865	(34,258,123)	145,824
Changes in operating assets and liabilities:					
(Increase) decrease in operating assets					
- Trade accounts receivable and other receivables		(219,679,847)	2,302,408,134	112,475,798	1,057,207,935
- Amounts due from futures brokers		133,346,032	(151,396,376)	36,225,088	130,769,247
- Inventories		(1,020,782,446)	5,840,275,550	(208,971,505)	2,971,069,169
- Other current assets		(14,886,745)	(7,288,608)	(4,618,751)	(8,874,382)
- Other non-current assets		(7,839,643)	(11,363,485)	(1,077,848)	100,745
Increase (decrease) in operating liabilities					
- Trade accounts payable and other payables		(188,306,825)	(1,506,435,558)	(221,768,093)	(610,716,044)
- Other current liabilities		(4,539,428)	(4,845,338)	(6,071,338)	726,286
Cash provided by operating activities		461,179,012	7,596,989,748	49,612,949	4,039,411,945
Interest paid		(419,405,112)	(314,941,101)	(166,292,939)	(202,581,236)
Income tax paid		(109,773,900)	(25,927,860)	(29,441,961)	(42,662,279)
Employee benefits paid		(1,147,500)	(100,000)	(1,147,500)	(100,000)
Net cash provided by (used in) operating activities		(69,147,500)	7,256,020,787	(147,269,451)	3,794,068,430

The accompanying notes on page 15 to 38 are an integral part of these interim financial information.

	Consolidated		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	2015	2014	2015	2014
Note	Baht	Baht	Baht	Baht
Cash flows from investing activities				
(Increase) decrease in fixed deposits				
pledged as collateral	(14,008,310)	3,273,218	(31,605)	(350,245)
Dividends received	999,879	525,690,800	350,995,333	1,057,037,936
Cash paid for investments in subsidiaries	-	-	(604,660,000)	(326,000,000)
Proceeds from disposal of property, plant and equipment, rubber and palm plantations and intangible assets	91,413,869	3,098,781	86,788,337	1,036,738
Cash paid for purchases of property, plant and equipment, rubber and palm plantations and intangible assets	(1,099,650,145)	(1,335,441,276)	(410,612,260)	(706,309,897)
Net cash provided by (used in) investing activities	(1,021,244,707)	(803,378,477)	(577,520,195)	25,414,532
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	753,523,434	(6,237,014,726)	814,617,000	(3,442,956,000)
Proceeds from long-term borrowings	368,750,000	326,000,000	368,750,000	326,000,000
Repayments of long-term borrowings	(56,702,000)	(56,702,000)	-	-
Proceeds from issuance of shares from non-controlling interests	2,381,701	-	-	-
Payments on finance lease liabilities	(14,986,266)	(10,803,972)	(1,907,992)	(2,629,477)
Dividend payment	17 (512,000,000)	(832,000,000)	(512,000,000)	(832,000,000)
Dividend payment from subsidiaries to non-controlling interests	(199)	(1,048)	-	-
Net cash provided by (used in) financing activities	540,966,670	(6,810,521,746)	669,459,008	(3,951,585,477)
Net decrease in cash and cash equivalents	(549,425,537)	(357,879,436)	(55,330,638)	(132,102,515)
Cash and cash equivalents at beginning of the periods	2,131,618,737	1,892,728,704	351,506,312	558,713,673
Cash and cash equivalents at end of the periods	1,582,193,200	1,534,849,268	296,175,674	426,611,158
Supplementary information for cash flows				
Cash paid for purchases of property, plant and equipment, rubber and palm plantations and intangible assets:				
Property, plant and equipment, rubber and palm plantation and intangible assets acquired	(1,100,774,362)	(1,320,977,894)	(432,713,335)	(633,564,520)
Increase in liabilities under finance lease contracts	-	30,714,716	-	2,887,200
Increase (decrease) in payable from purchases of assets	1,124,217	(45,178,098)	22,101,075	(75,632,577)
Cash paid for purchases of property, plant and equipment, rubber and palm plantations and intangible assets	(1,099,650,145)	(1,335,441,276)	(410,612,260)	(706,309,897)

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 listed its new ordinary shares on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 31 January 2011.

On 29 April 2014, the Company changed its listing status from a primary listing to a secondary listing on the main board of Singapore Exchange Securities Trading Limited. 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 was authorised for issue by the Board of Directors on 14 August 2015.

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

2 Accounting policies

2.1 Basis of preparation

This interim consolidated and company financial information was 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 financial information are prepared in a condensed format according to Thai Accounting Standard 34 (revised 2014), ‘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 2014.

An English version of the interim consolidated and company financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim 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 2014.

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

New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the group.

a) Financial reporting standards, which may have a significant impact to the Group are as follows:

TAS 1 (revised 2014)	Presentation of financial statements
TAS 16 (revised 2014)	Property, plant and equipment
TAS 19 (revised 2014)	Employee benefits
TAS 27 (revised 2014)	Separate financial statements
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 34 (revised 2014)	Interim financial reporting
TFRS 10	Consolidated financial statements
TFRS 11	Joint arrangements
TFRS 12	Disclosure of interests in other entities
TFRS 13	Fair value measurement
TFRIC 14 (revised 2014)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

b) Financial reporting standards with minor changes and do not have impact to the Group are as follows:

TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of cash flows
TAS 8 (revised 2014)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2014)	Events after the reporting period
TAS 11 (revised 2014)	Construction contracts
TAS 12 (revised 2014)	Income taxes
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 20 (revised 2014)	Accounting for government grants & disclosure of government assistance
TAS 21 (revised 2014)	The effects of changes in foreign exchange rates
TAS 23 (revised 2014)	Borrowing costs
TAS 24 (revised 2014)	Related party disclosures
TAS 26 (revised 2014)	Accounting and reporting by retirement benefit plans
TAS 29 (revised 2014)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2014)	Earnings per share
TAS 36 (revised 2014)	Impairment of assets
TAS 37 (revised 2014)	Provisions, contingent liabilities and contingent assets
TAS 38 (revised 2014)	Intangible assets
TAS 40 (revised 2014)	Investment property
TFRS 2 (revised 2014)	Share-based payment
TFRS 3 (revised 2014)	Business combinations
TFRS 5 (revised 2014)	Non-current asset held for sale and discontinued operations
TFRS 6 (revised 2014)	Exploration for and evaluation of mineral resources
TFRS 8 (revised 2014)	Operating segments
TSIC 10 (revised 2014)	Government assistance - No specific relation to operating activities
TSIC 15 (revised 2014)	Operating leases - Incentives
TSIC 25 (revised 2014)	Income taxes - Changes in the tax status of an entity or its shareholders

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the group. (Cont'd)

b) Financial reporting standards with minor changes and do not have impact to the Group are as follows: (Cont'd)

TSIC 27 (revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2014)	Service concession arrangements: Disclosures
TSIC 31 (revised 2014)	Revenue barter transactions involving advertising services
TSIC 32 (revised 2014)	Intangible assets - Web site costs
TFRIC 1 (revised 2014)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2014)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2014)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2014)	Applying the restatement approach under IAS 29 Financial reporting in hyperinflationary economies
TFRIC 10 (revised 2014)	Interim financial reporting and impairment
TFRIC 12 (revised 2014)	Service concession arrangements
TFRIC 13 (revised 2014)	Customer loyalty programmes
TFRIC 15 (revised 2014)	Agreements for the construction of real estate
TFRIC 17 (revised 2014)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2014)	Transfers of assets from customers
TFRIC 20 (revised 2014)	Stripping costs in the production phase of a surface mine

New financial reporting standard which is effective on 1 January 2016 and does not have impact to the Group is as follow:

TFRIC 4 (revised 2014)	Insurance contracts
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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 2014.

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

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 and liabilities

Level 2 : Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (e.g. 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.

	Consolidated (Unaudited)			
	Level 1 Baht'000	Level 2 Baht'000	Level 3 Baht'000	Total Baht'000
At 30 June 2015				
Available-for-sale investments				
- Equity securities	46,611	-	-	46,611
Financial assets at fair value through profit or loss				
- Trading derivatives	75,997	1,571	-	77,568
Financial liabilities at fair value through profit or loss				
- Trading derivatives	30,312	138,961	-	169,273
	Company (Unaudited)			
	Level 1 Baht'000	Level 2 Baht'000	Level 3 Baht'000	Total Baht'000
At 30 June 2015				
Available-for-sale investments				
- Equity securities	45,591	-	-	45,591
Financial assets at fair value through profit or loss				
- Trading derivatives	55,859	-	-	55,859
Financial liabilities at fair value through profit or loss				
- Trading derivatives	10,678	137,350	-	148,028

There were no transfers between Levels 1 and 2 during the period.

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 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.

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

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 minors services provided externally.

As at 30 June 2015, the Group operates two business segments in seven main geographical areas (30 June 2014: six main geographical areas). The allocation of revenue to each geographical area is based on the origin of sales.

Sales between segments are carried out independently on an arm's length basis. 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.

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

5 Segment information (Cont'd)

Reportable segments by geographical area of interim consolidated financial information for the six-month period ended 30 June 2015:

	Consolidated (Unaudited)								
	Natural Rubber Products							Other business	Total Baht'000
	Thailand Baht'000	Indonesia Baht'000	Singapore Baht'000	USA Baht'000	China Baht'000	Vietnam Baht'000	Myanmar Baht'000	Thailand Baht'000	
Segment revenues	19,768,543	4,095,064	8,943,861	1,343,749	440,916	-	-	1,307,904	35,900,037
Inter-segment revenues	(1,972,976)	(2,715,037)	(1,023,270)	(16,145)	-	-	-	(583,473)	(6,310,901)
Revenues from external customers	17,795,567	1,380,027	7,920,591	1,327,604	440,916	-	-	724,431	29,589,136
Depreciation and amortisation	(341,609)	(101,049)	(5,596)	(1,043)	(1,463)	-	-	(31,541)	(482,301)
Finance income	19,896	3,536	-	102	763	27	-	574	24,898
Finance costs	(184,950)	(216,004)	(5,393)	(16,397)	-	-	-	(1,560)	(424,304)
Share of profit from investments in associates and joint ventures	218,316	-	-	-	-	-	-	-	218,316
Profit (loss) before income tax	984,881	(152,190)	331,308	(58,940)	(7,115)	(492)	-	82,319	1,179,771
Income tax	778	38,664	(46,695)	11,871	3,157	-	-	(26,745)	(18,970)
Profit (loss) for the period	<u>985,659</u>	<u>(113,526)</u>	<u>284,613</u>	<u>(47,069)</u>	<u>(3,958)</u>	<u>(492)</u>	<u>-</u>	<u>55,574</u>	<u>1,160,801</u>
Intersegmental balances									(350,527)
Total profit for the period									810,274
Total assets	<u>31,297,362</u>	<u>5,114,885</u>	<u>4,731,479</u>	<u>1,146,277</u>	<u>795,708</u>	<u>31,674</u>	<u>31,182</u>	<u>8,104,619</u>	<u>51,253,186</u>
Intersegmental balances									(12,074,775)
Total assets									39,178,411

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

	Consolidated (Unaudited)								
	Natural Rubber Products							Other Businesses	Total Baht'000
	Thailand Baht'000	Indonesia Baht'000	Singapore Baht'000	USA Baht'000	China Baht'000	Vietnam Baht'000	Thailand Baht'000		
Segment revenues	30,251,214	5,566,112	10,051,746	1,648,597	205,866	-	-	1,242,576	48,966,111
Inter-segment revenues	(2,789,974)	(4,010,670)	(449,137)	(24,674)	-	-	-	(517,140)	(7,791,595)
Revenues from external customers	27,461,240	1,555,442	9,602,609	1,623,923	205,866	-	-	725,436	41,174,516
Depreciation and amortisation	(289,588)	(91,483)	(5,623)	(823)	(1,556)	-	-	(24,965)	(414,038)
Finance income	22,880	1,046	30	-	709	2	-	752	25,419
Finance costs	(221,678)	(39,926)	(10,544)	(18,966)	-	-	-	(1,322)	(292,436)
Share of profit from investments in associates and interests in joint ventures	253,448	-	-	-	-	-	-	-	253,448
Profit (loss) before income tax	1,685,069	(94,432)	177,535	(32,513)	47,780	(630)	-	71,556	1,854,365
Income tax	(17,972)	21,413	(17,727)	39,527	(11,920)	-	-	(21,547)	(8,226)
Profit (loss) for the period	<u>1,667,097</u>	<u>(73,019)</u>	<u>159,808</u>	<u>7,014</u>	<u>35,860</u>	<u>(630)</u>	<u>-</u>	<u>50,009</u>	<u>1,846,139</u>
Intersegmental balances									(1,276,645)
Total profit for the period									569,494
Total assets	<u>29,991,872</u>	<u>4,547,327</u>	<u>3,941,956</u>	<u>1,758,733</u>	<u>531,695</u>	<u>2,681</u>	<u>-</u>	<u>6,530,600</u>	<u>47,304,864</u>
Intersegmental balances									(10,859,400)
Total assets									36,445,464

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

5 Segment information (Cont'd)

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 June 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Thailand	13,871,733	13,421,341
Indonesia	1,907,071	1,868,692
Singapore	180,806	181,942
USA	5,385	5,975
China	11,257	12,389
Myanmar	1,084	2,094
Vietnam	238	8
Total	15,977,574	15,492,441

6 Derivative financial instruments

	Consolidated			
	(Unaudited) 30 June 2015		(Audited) 31 December 2014	
	Assets Baht'000	Liabilities Baht'000	Assets Baht'000	Liabilities Baht'000
Foreign exchange swaps	-	(114,619)	-	(89,118)
Forward foreign exchange contracts	1,571	(24,342)	7,222	(53,616)
Rubber futures	56,067	(12,618)	37,799	(37,017)
Physical forward contracts	19,930	(17,694)	44,746	(33,076)
Total derivative financial instruments	77,568	(169,273)	89,767	(212,827)

	Company			
	(Unaudited) 30 June 2015		(Audited) 31 December 2014	
	Assets Baht'000	Liabilities Baht'000	Assets Baht'000	Liabilities Baht'000
Foreign exchange swaps	-	(114,619)	-	(89,118)
Forward foreign exchange contracts	-	(22,731)	-	(39,038)
Rubber futures	55,859	(10,678)	33,731	(27,664)
Total derivative financial instruments	55,859	(148,028)	33,731	(155,820)

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

7 Trade accounts receivable and other receivables, net

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Trade accounts receivable				
- other companies	4,249,659	4,407,507	1,456,695	1,724,600
<u>Less</u> Allowance for impairment of trade accounts receivable	(131,494)	(126,791)	(65,914)	(61,850)
Total trade accounts receivable				
- other companies, net	4,118,165	4,280,716	1,390,781	1,662,750
Trade accounts receivable				
- related companies (Note 18.3)	130,713	100,267	407,442	459,144
Total trade accounts receivable, net	4,248,878	4,380,983	1,798,223	2,121,894
Advances for inventories	174,044	48,287	27,105	6,465
Prepaid expenses	182,230	110,074	67,529	17,645
Accrued income and other receivables	303,058	149,036	292,496	151,825
Total trade accounts receivable and other receivables, net	4,908,210	4,688,380	2,185,353	2,297,829

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

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Within credit terms	3,719,887	3,960,804	1,534,695	1,955,459
Overdue 1 - 30 days	383,084	406,268	195,642	147,041
Overdue 31 - 60 days	99,703	8,318	57,128	7,695
Overdue 61 - 90 days	20,889	1,497	4,351	893
Overdue 91 - 120 days	20,412	1,967	3,030	1,956
Overdue 121 - 365 days	15,044	5,691	4,162	5,691
More than 365 days	121,353	123,229	65,129	65,009
	4,380,372	4,507,774	1,864,137	2,183,744
<u>Less</u> Allowance for impairment of trade accounts receivable	(131,494)	(126,791)	(65,914)	(61,850)
Total trade accounts receivable, net	4,248,878	4,380,983	1,798,223	2,121,894

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

8 Inventories, net

	Consolidated					
	At cost		Allowance for inventory cost in excess of net realisable value		Total inventories, net	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June 2015 Baht'000	31 December 2014 Baht'000	30 June 2015 Baht'000	31 December 2014 Baht'000	30 June 2015 Baht'000	31 December 2014 Baht'000
Finished goods	4,686,358	3,607,598	(30,964)	(82,866)	4,655,394	3,524,732
Work-in-progress	2,724,241	2,092,067	(25,117)	(13,696)	2,699,124	2,078,371
Raw materials, vessels and chemicals	3,635,579	4,321,694	(41,091)	(30,895)	3,594,488	4,290,799
Spare parts and supplies	129,491	136,042	-	-	129,491	136,042
Total	11,175,669	10,157,401	(97,172)	(127,457)	11,078,497	10,029,944

	Company					
	At cost		Allowance for inventory cost in excess of net realisable value		Total inventories, net	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June 2015 Baht'000	31 December 2014 Baht'000	30 June 2015 Baht'000	31 December 2014 Baht'000	30 June 2015 Baht'000	31 December 2014 Baht'000
Finished goods	1,921,073	1,248,361	(6,956)	-	1,914,117	1,248,361
Work-in-progress	1,369,865	899,707	-	-	1,369,865	899,707
Raw materials, vessels and chemicals	1,615,508	2,550,788	(5,188)	-	1,610,320	2,550,788
Spare parts and supplies	45,878	44,497	-	-	45,878	44,497
Total	4,952,324	4,743,353	(12,144)	-	4,940,180	4,743,353

9 Investments in subsidiaries, associates and interests in joint ventures

9.1 Investments in subsidiaries

Significant investments of the Company and its subsidiaries are as follows:

			Consolidated	
			% Ownership interest	
			(Unaudited)	(Audited)
Activities	Countries of incorporation	30 June 2015	31 December 2014	
Subsidiaries				
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
Indirect subsidiaries				
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
Sri Trang Ayeyar Rubber Industry Co., Ltd. (Held by Sri Trang International Pte Ltd.)	Manufacture of STR block rubber products	Myanmar	59.00	59.00

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

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

9.1 Investments in subsidiaries (Cont'd)

The increase in investments in subsidiaries can be summarised as follow:

	Relationships	Consolidated	
		(Unaudited) 30 June 2015 Baht Million	(Audited) 31 December 2014 Baht Million
Sri Trang Rubber & Plantation Co., Ltd	A subsidiary	369	940
Sri Trang International Pte Ltd.	A subsidiary	236	-

In the second quarter of 2015, Sri Trang International Pte Ltd. which is a subsidiary of the Group was registered additional 7,000,000 ordinary shares at par of US Dollar 1 per share. Sri Trang Agro-Industry Public Company Limited purchased additional shares amounting to US Dollar 7 million (equivalent to Baht 236 million) of which the percentage ownership is the same at 100%.

In addition, Sri Trang International Pte Ltd. purchased additional shares of the Shi Dong Investments Pte Ltd. amounting to US Dollar 7 million (equivalent to Baht 236 million) which percentage ownership is the same at 100%. Lastly, PT Star Rubber which is a subsidiary of the Group was registered additional share capital of US Dollar 7 million. Shi Dong Investments Pte Ltd. purchased shares amounting to US Dollar 6.93 million and non-controlling shareholders purchased shares amounting to US Dollar 70,000 of which percentage ownership of Shi Dong Investments Pte Ltd. held in PT Star Rubber is the same at 99%.

9.2 Investments in associates

Significant investments of the Company and its subsidiaries are as follows:

Activities	Countries of incorporation	% Ownership interest		
		(Unaudited) 30 June 2015	(Audited) 31 December 2014	
Direct associates				
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
Indirect associates				
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

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

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

9.3 Interests in joint ventures

The jointly controlled entities are as follows:

	Activities	Consolidated Countries of incorporation	% Ownership interest	
			(Unaudited) 30 June 2015	(Audited) 31 December 2014
			Joint ventures	
Thaitech Rubber Corp., Ltd.	Manufacture of STR block rubber products	Thailand	33.50	33.50
Siam Sempermed Corp., Ltd.	Manufacture of medical gloves	Thailand	40.23	40.23

10 Property, plant and equipment, net

	Consolidated (Unaudited) Baht'000	Company (Unaudited) Baht'000
For the six-month period ended 30 June 2015		
Opening net book value	14,355,034	5,845,366
Additions	970,860	415,011
Disposals and write-offs, net	(53,653)	(51,654)
Asset revaluation surplus	2,459	2,459
Depreciation charges	(476,839)	(212,820)
Depreciation capitalised to assets	(22,503)	-
Cumulative currency differences on translation	(92,733)	-
Closing net book value	14,682,625	5,998,362

11 Rubber and palm plantations, net

	Consolidated (Unaudited) Baht'000	Company (Unaudited) Baht'000
For the six-month period ended 30 June 2015		
Opening net book value	901,247	4,081
Additions	119,169	-
Disposals and write-offs, net	(888)	(876)
Amortisation charges	(388)	(228)
Depreciation capitalised to assets	22,503	-
Closing net book value	1,041,643	2,977

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

12 Intangible assets, net

	Consolidated	Company
	(Unaudited)	(Unaudited)
	Baht'000	Baht'000
For the six-month period ended 30 June 2015		
Opening net book value	31,640	12,311
Additions	10,746	17,702
Write-offs, net	(9)	-
Amortisation charges	(5,074)	(2,481)
Cumulative currency differences on translation	125	-
Closing net book value	<u>37,428</u>	<u>27,532</u>

13 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% - 36.3% (2014: 1.7% - 37.7%). 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:

	Consolidated		Company	
	(Unaudited)		(Unaudited)	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
As at 1 January	(25,955)	53,529	(36,650)	(21,097)
Charged/credited to profit or loss	44,638	38,754	2,858	(18,829)
Charged/credited to other comprehensive income	305	(9,304)	309	(697)
Cumulative currency differences on translation	(5,444)	(468)	-	-
As at 30 June	<u>13,544</u>	<u>82,511</u>	<u>(33,483)</u>	<u>(40,623)</u>

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

13 Deferred income tax (Cont'd)

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

	Consolidated				(Unaudited) 30 June 2015 Baht'000
	(Audited) 31 December 2014 Baht'000	Charged to profit or loss Baht'000	Charged to other comprehensive income Baht'000	Cumulative currency differences on translation Baht'000	
Deferred income tax assets					
Tax losses carried forward	110,694	45,221	-	(5,644)	150,271
Unrealised gains (losses) on derivative financial instruments	17,705	(8,040)	-	2,070	11,735
Allowance for inventory cost in excess of net realisable value	24,069	(2,713)	-	(1,594)	19,762
Cumulative loss from asset revaluation	25,020	-	-	(465)	24,555
Provision for retirement benefit obligations	14,950	738	-	605	16,293
Others	36,845	(4,139)	-	(566)	32,140
	229,283	31,067	-	(5,594)	254,756
Deferred income tax liabilities					
Asset revaluation surplus	228,161	(3,056)	182	-	225,287
Fair value estimation of investment properties	1,108	-	-	-	1,108
Unrealised gains (losses) on derivative financial instruments	2,493	1,146	-	-	3,639
Adjustments of inventory from fair value to the lower of cost and net realisable value	20,505	(11,959)	-	(106)	8,440
Others	2,971	298	(487)	(44)	2,738
	255,238	(13,571)	(305)	(150)	241,212
Deferred income tax assets (liabilities), net	(25,955)	44,638	305	(5,444)	13,544

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

13 Deferred income tax (Cont'd)

	Company			(Unaudited) 30 June 2015 Baht'000
	(Audited) 31 December 2014 Baht'000	Charged to profit or loss Baht'000	Charged to other comprehensive income Baht'000	
Deferred income tax assets				
Unrealised gains (losses) on derivative financial instruments	11,514	487	-	12,001
Allowance for inventory cost in excess of net realisable value	214	757	-	971
Cumulative loss from asset revaluation	7,885	-	-	7,885
Provision for retirement benefit obligations	3,949	181	-	4,130
Others	17	-	-	17
	<u>23,579</u>	<u>1,425</u>	<u>-</u>	<u>25,004</u>
Deferred income tax liabilities				
Asset revaluation surplus	55,159	(2,579)	182	52,762
Fair value estimation of investment properties	1,108	-	-	1,108
Unrealised gains (losses) on derivative financial instruments	2,493	1,146	-	3,639
Others	1,469	-	(491)	978
	<u>60,229</u>	<u>(1,433)</u>	<u>(309)</u>	<u>58,487</u>
Deferred income tax liabilities, net	<u>(36,650)</u>	<u>2,858</u>	<u>309</u>	<u>(33,483)</u>

14 Trade accounts payable and other payables

	Consolidated		Company	
	(Unaudited) 30 June 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 30 June 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Trade accounts payable				
- other companies	1,063,651	1,272,262	542,412	701,252
Trade accounts payable				
- related companies (Note 18.3)	499,163	218,285	303,343	278,576
Accrued expenses	578,166	743,523	376,971	413,540
Deferred income	148,872	246,678	43,736	72,839
Deposits and retentions received from customers	112,359	98,753	21,495	20,479
	<u>2,402,211</u>	<u>2,579,501</u>	<u>1,287,957</u>	<u>1,486,686</u>
Total trade accounts payable and other payables	<u>2,402,211</u>	<u>2,579,501</u>	<u>1,287,957</u>	<u>1,486,686</u>

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

15 Borrowings

	Consolidated		Company	
	(Unaudited) 30 June 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 30 June 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Current				
Loans for packing credit	211,601	264,184	211,601	264,184
Short-term borrowings from financial Institutions	9,387,843	8,796,812	4,864,500	3,997,300
Bills payable	866,482	347,414	-	-
Total short-term borrowings from financial institutions	10,465,926	9,408,410	5,076,101	4,261,484
Current portion of long-term borrowings from financial institutions	184,264	140,264	150,000	50,000
Current portion of debentures	300,000	-	300,000	-
Current portion of finance lease liabilities	28,820	30,046	1,814	3,585
Total current borrowings	10,979,010	9,578,720	5,527,915	4,315,069
Non-current				
Long-term borrowings from financial institutions	3,181,510	2,913,462	3,178,750	2,910,000
Debentures	1,150,000	1,450,000	1,150,000	1,450,000
Finance lease liabilities	19,550	33,311	3,843	3,980
Total non-current borrowings	4,351,060	4,396,773	4,332,593	4,363,980
Total borrowings	15,330,070	13,975,493	9,860,508	8,679,049

The movements in borrowings can be analysed as follows:

	Consolidated (Unaudited) Baht'000	Company (Unaudited) Baht'000
For the six-month period ended 30 June 2015		
Opening balance as at 1 January 2015	13,975,493	8,679,049
Changes in short-term borrowings from financial institutions	753,523	814,617
Additions of long-term borrowings from financial institutions and finance lease liabilities	368,750	368,750
Repayments of long-term borrowings from financial institutions and finance lease liabilities	(71,688)	(1,908)
Cumulative currency differences on translation	303,992	-
Closing balance as at 30 June 2015	15,330,070	9,860,508

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

15 Borrowings (Cont'd)

	Consolidated	Company
	(Unaudited)	(Unaudited)
	Baht'000	Baht'000
For the six-month period ended 30 June 2014		
Opening balance as at 1 January 2014	19,546,754	11,064,733
Changes in short-term borrowings from financial institutions	(6,237,015)	(3,442,956)
Additions of long-term borrowings from financial institutions and finance lease liabilities	356,715	328,887
Repayments of long-term borrowings from financial institutions and finance lease liabilities	(67,506)	(2,629)
Cumulative currency differences on translation	161,231	-
Closing balance as at 30 June 2014	<u>13,760,179</u>	<u>7,948,035</u>

On 13 February 2013, the Company issued and offered the unsubordinated, unsecured, with name registered, and with debenture holders' representatives, 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 in 2016
- Debentures of Sri Trang Agro-Industry Public Company Limited No. 1/2013 Tranche 2 due in 2018

16 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 six-month period ended 30 June 2015 was 2.3% (the average effective tax rate for the year ended 31 December 2014 was 3.7%), and for the interim company financial information, it was 0.7% (the average effective tax rate for the year ended 31 December 2014 was 1.4%).

17 Dividends

At the Annual General Meeting of Shareholders held on 29 April 2015, it was resolved that dividend be paid to shareholders in respect of 2014 operating results at Baht 0.40 per share, totaling of Baht 512 million. The dividend was paid in May 2015 to the shareholders.

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 of Baht 832 million. The dividend was paid in May 2014 to the shareholders.

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

18 Related party transactions

The following transactions were carried out with related companies:

18.1 Revenues from sales and services and other income

For the three-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	30 June 2015 Baht'000	30 June 2014 Baht'000	30 June 2015 Baht'000	30 June 2014 Baht'000
Revenues from sales to:				
Subsidiaries	-	-	576,711	690,450
Associates	8,693	8,418	-	-
A joint venture	770,278	857,282	254,914	253,563
	<u>778,971</u>	<u>865,700</u>	<u>831,625</u>	<u>944,013</u>
Service income from:				
Subsidiaries	-	-	7,381	6,354
Associates	4,756	4,286	366	283
A joint venture	75,288	61,261	4,416	3,733
	<u>80,044</u>	<u>65,547</u>	<u>12,163</u>	<u>10,370</u>
Dividend income:				
Subsidiaries	-	-	350,000	581,999
Associates	-	113,454	-	100,106
Joint ventures	-	411,010	-	323,710
	<u>-</u>	<u>524,464</u>	<u>350,000</u>	<u>1,005,815</u>
Rental income:				
Subsidiaries	-	-	306	213
Associates	-	-	-	-
A joint venture	3,011	3,041	162	192
	<u>3,011</u>	<u>3,041</u>	<u>468</u>	<u>405</u>
Interest income:				
Subsidiaries	-	-	8,435	7,676
An associate	-	984	-	984
	<u>-</u>	<u>984</u>	<u>8,435</u>	<u>8,660</u>

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

18 Related party transactions (Cont'd)

The following transactions were carried out with related companies: (Cont'd)

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

For the six-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	30 June 2015 Baht'000	30 June 2014 Baht'000	30 June 2015 Baht'000	30 June 2014 Baht'000
Revenues from sales to:				
Subsidiaries	-	-	1,286,279	1,480,311
Associates	13,754	15,605	-	-
A joint venture	1,562,431	1,733,753	555,732	467,876
	<u>1,576,185</u>	<u>1,749,358</u>	<u>1,842,011</u>	<u>1,948,187</u>
Service income from:				
Subsidiaries	-	-	13,845	13,279
Associates	8,997	8,566	609	522
A joint venture	145,243	118,889	8,184	7,519
	<u>154,240</u>	<u>127,455</u>	<u>22,638</u>	<u>21,320</u>
Dividend income:				
Subsidiaries	-	-	350,000	581,999
Associates	-	113,454	-	100,106
Joint ventures	-	411,010	-	323,710
	<u>-</u>	<u>524,464</u>	<u>350,000</u>	<u>1,005,815</u>
Rental income:				
Subsidiaries	-	-	427	425
A joint venture	6,021	6,081	324	384
	<u>6,021</u>	<u>6,081</u>	<u>751</u>	<u>809</u>
Interest income:				
Subsidiaries	-	-	15,849	15,266
An associate	-	1,865	-	1,865
	<u>-</u>	<u>1,865</u>	<u>15,849</u>	<u>17,131</u>

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2015

18 Related party transactions (Cont'd)

18.2 Purchases of goods and services

	Consolidated (Unaudited)		Company (Unaudited)	
	30 June 2015 Baht'000	30 June 2014 Baht'000	30 June 2015 Baht'000	30 June 2014 Baht'000
For the three-month periods ended				
Purchases of goods from:				
Subsidiaries	-	-	462,552	350,924
Associates	8	41	-	-
Joint ventures	1,401,670	565,201	290,676	160,989
	<u>1,401,678</u>	<u>565,242</u>	<u>753,228</u>	<u>511,913</u>
Service expenses from:				
Subsidiaries	-	-	203,601	194,652
Associates	3	616	141	616
A joint venture	-	16	-	-
	<u>3</u>	<u>632</u>	<u>203,742</u>	<u>195,268</u>
Rental expenses:				
Subsidiaries	-	-	307	307
For the six-month periods ended				
Purchases of goods from:				
Subsidiaries	-	-	874,566	1,288,477
Associates	11	50	-	-
Joint ventures	2,773,013	1,355,250	577,695	336,690
	<u>2,773,024</u>	<u>1,355,300</u>	<u>1,452,261</u>	<u>1,625,167</u>
Service expenses from:				
Subsidiaries	-	-	402,892	433,274
Associates	278	1,305	278	1,305
A joint venture	57	20	-	-
	<u>335</u>	<u>1,325</u>	<u>403,170</u>	<u>434,579</u>
Rental expense:				
Subsidiaries	-	-	614	614

18 Related party transactions (Cont'd)

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

	Consolidated		Company	
	(Unaudited) 30 June 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 30 June 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Trade accounts receivable: (Note 7)				
Subsidiaries	-	-	352,616	445,418
Associates	3,619	4,019	101	-
Joint ventures	127,094	96,248	54,725	13,726
	<u>130,713</u>	<u>100,267</u>	<u>407,442</u>	<u>459,144</u>
Amounts due from futures broker:				
An associate	<u>49,439</u>	<u>85,664</u>	<u>49,439</u>	<u>85,664</u>
Other receivables:				
Subsidiaries	-	-	10,465	15,917
Associates	627	895	200	629
Joint ventures	6,067	4,995	24	8
	<u>6,694</u>	<u>5,890</u>	<u>10,689</u>	<u>16,554</u>
Trade accounts payable: (Note 14)				
Subsidiaries	-	-	183,693	162,847
An associate	-	10	-	-
Joint ventures	499,163	218,275	119,650	115,729
	<u>499,163</u>	<u>218,285</u>	<u>303,343</u>	<u>278,576</u>
Other payables:				
Subsidiaries	-	-	25,515	23,559
An associate	732	470	2	-
Joint ventures	8,673	20,830	79	28
	<u>9,405</u>	<u>21,300</u>	<u>25,596</u>	<u>23,587</u>

18 Related party transactions (Cont'd)

18.4 Outstanding balances arising from long-term borrowings to subsidiaries

	Consolidated		Company	
	(Unaudited) 30 June 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 30 June 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Accrued interest income:				
Subsidiaries	-	-	12,074	12,078
	-	-	12,074	12,078
Long-term loans to:				
Subsidiaries	-	-	1,017,287	992,656
	-	-	1,017,287	992,656

Long-term loans to subsidiaries are as follows:

	Relationships	Company (Unaudited)		Interest rates %	Loan period
		USD million	(Equivalent) Baht million		
PT Sri Trang Lingga Indonesia	A subsidiary	5	169	3.33	5 years
PT Sri Trang Lingga Indonesia	A subsidiary	10	339	2.66	3 years
PT Star Rubber	An indirect subsidiary	15	509	3.33	5 years

18.5 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:

	Consolidated (Unaudited)		Company (Unaudited)	
	30 June 2015 Baht'000	30 June 2014 Baht'000	30 June 2015 Baht'000	30 June 2014 Baht'000
For the three-month periods ended				
Salaries and other short-term employee benefits	37,088	37,681	9,062	9,353
Post-employment benefits	419	768	312	334
Total	37,507	38,449	9,374	9,687
For the six-month periods ended				
Salaries and other short-term employee benefits	80,714	93,753	23,335	27,511
Post-employment benefits	1,654	1,536	634	667
Total	82,368	95,289	23,969	28,178

19 Contingent liabilities and commitments

19.1 Sales and purchases commitments

The Group and the Company are committed through certain sales and purchases contracts. 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 that the contractual prices are not determined at the contract date as follows:

	<u>Consolidated</u> <u>(Unaudited)</u> 30 June 2015 Baht'000	<u>Company</u> <u>(Unaudited)</u> 30 June 2015 Baht'000
Purchases from:		
A joint venture	253,934	-
Third parties	2,767,874	-
	<u>3,021,808</u>	<u>-</u>
Sales to:		
A joint venture	1,041,511	589,601
Third parties	15,369,292	8,377,841
	<u>16,410,803</u>	<u>8,967,442</u>

19.2 Capital commitments

The Group and the Company have capital commitments as follows:

	<u>Consolidated</u> <u>(Unaudited)</u> 30 June 2015 Baht'000	<u>Company</u> <u>(Unaudited)</u> 30 June 2015 Baht'000
Capital commitments - purchase of fixed assets	<u>963,096</u>	<u>140,786</u>

19 Contingent liabilities and commitments (Cont'd)

19.3 Commitments to guarantee borrowings of subsidiaries and an associate and contingent liabilities

19.3.1 The Group and the Company have guarantee commitments from the borrowings of subsidiaries and an associate as follows:

	Consolidated (Unaudited)			
	Relationships	Currencies	30 June 2015	
			Amount	(Equivalent to) Baht Million
Sri Trang USA, Inc.	An overseas subsidiary	USD Million	31	1,037
PT Sri Trang Lingga Indonesia	An overseas subsidiary	USD Million Rupiah Billion	31 287	1,061 725
PT Star Rubber	An overseas subsidiary	USD Million Rupiah Billion	14 50	472 126
Sempermed USA, Inc.	An overseas associated company	USD Million	1	25

19.3.2 The Group has contingent liabilities for bank guarantees issued in favor of government agencies totaling Baht 69 million and has pledged its fixed deposits of Baht 15 million as collateral for these bank guarantees.

19.4 Operating lease commitments - where the Group and the Company are the lessees

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

	Consolidated (Unaudited) 30 June 2015 Baht'000	Company (Unaudited) 30 June 2015 Baht'000
Not later than 1 year	118,129	51,491
Later than 1 year but not later than 5 years	160,315	79,723
Later than 5 years	900	-
Total	279,344	131,214

20 Significant legal proceedings

Commercial dispute relating to the Joint Venture Agreement

On 5 September 2014, Semperit Technische Produkte Gesellschaft m.b.H. (“Semperit”) filed two requests for arbitration proceedings 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 1,334 million) and requested the arbitral tribunals to issue orders demanding that the Company and Rubberland (and other shareholders of SSC) undertake or refrain from undertaking certain acts with respect to SSC. Afterwards, Semperit submitted full statements of claims on 8 May 2015 and 8 July 2015.

The Company and Rubberland, *among others*, entered into the Joint Venture Agreement and other related agreements and have complied with the agreements since their execution. The dispute arose because, *among others*, 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 proceedings submitted by Semperit because the Company and Rubberland did not breach any provisions of the Joint Venture Agreement and other related agreements with Semperit. 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 upon the operation or the financial position of the Company and its subsidiaries.

In addition to the requests for arbitration proceedings against the Company and Rubberland as the parties to the Joint Venture Agreement, Semperit filed another request for arbitration against SSC. Semperit alleged that SSC had breached the Joint Venture Agreement and other commercial agreements entered into between SSC and Semperit. Semperit claimed initial damages of approximately EUR 3 million (equivalent to approximately Baht 114 million). Semperit submitted a full statement of claims on 8 June 2015.

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 agreements and 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 or the financial position of SSC and the Company.

The Company has filed a statement of defense for one arbitration matter and is in the process of preparing a statement of defense for another arbitration matter. SSC is also in the process of preparing a statement of defense. The arbitral tribunals in these three cases have scheduled hearings to be between late 2015 and early 2016.

In order to be conservative, the management of the Company has set aside accrued expenses in the financial statements with respect to defending the disputes in the arbitral proceedings.