

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

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

**31 MARCH 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 31 March 2014, the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the three-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  
12 May 2014

**Sri Trang Agro-Industry Public Company Limited**  
**Statements of Financial Position**  
**As at 31 March 2014**

	Notes	Consolidated		Company	
		Unaudited	Audited	Unaudited	Audited
		31 March 2014 Baht	31 December 2013 Baht	31 March 2014 Baht	31 December 2013 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		2,025,578,482	1,892,728,704	421,002,790	558,713,673
Derivative financial instruments	6	254,437,109	75,974,417	149,755,563	60,511,268
Trade accounts receivable and other receivables, net	7	6,742,166,053	7,441,236,911	3,920,305,172	3,893,124,720
Amounts due from futures brokers		387,593,497	320,815,698	96,125,523	152,662,325
Inventories, net	8	15,013,846,458	16,581,938,622	7,028,022,704	7,196,300,579
Current portion of long-term borrowings to an associate	19.4	64,610,000	-	64,610,000	-
Other current assets		329,591,966	285,719,524	83,508,200	51,450,218
<b>Total current assets</b>		<b>24,817,823,565</b>	<b>26,598,413,876</b>	<b>11,763,329,952</b>	<b>11,912,762,783</b>
<b>Non-current assets</b>					
Long-term borrowings to an associate and subsidiaries	19.4	-	65,355,600	977,294,118	1,053,927,701
Fixed deposits pledged as collateral		68,112,627	61,185,033	13,334,365	13,128,278
Investments in subsidiaries	9.1	-	-	8,971,640,514	8,744,640,514
Investments in associates	9.2	3,643,804,677	3,541,181,387	712,177,500	712,177,500
Investment in a joint venture	9.3	474,977,041	489,247,987	20,099,800	20,099,800
Available-for-sale investments		57,855,596	52,438,932	56,881,449	51,520,878
Property, plant and equipment, net	10	13,310,072,722	12,925,857,984	5,059,108,052	4,980,761,634
Intangible assets, net	11	26,017,516	27,046,829	13,177,898	14,032,131
Investment properties		174,578,093	176,254,186	27,769,750	27,769,750
Withholding tax deducted at source		241,167,378	240,009,472	171,483,080	171,483,080
Deferred income tax assets, net	12	140,528,213	121,784,907	-	-
Other non-current assets		31,388,205	21,326,641	11,849,025	11,749,609
<b>Total non-current assets</b>		<b>18,168,502,068</b>	<b>17,721,688,958</b>	<b>16,034,815,551</b>	<b>15,801,290,875</b>
<b>Total assets</b>		<b>42,986,325,633</b>	<b>44,320,102,834</b>	<b>27,798,145,503</b>	<b>27,714,053,658</b>

Director \_\_\_\_\_

Director \_\_\_\_\_

The accompanying notes on page 13 to 33 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 31 March 2014**

	Notes	Consolidated		Company	
		Unaudited	Audited	Unaudited	Audited
		31 March 2014 Baht	31 December 2013 Baht	31 March 2014 Baht	31 December 2013 Baht
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade accounts payable and other payables	13	3,008,049,610	3,932,109,410	1,564,520,603	1,898,141,014
Short-term borrowings from financial institutions	14	13,307,354,931	14,223,084,711	6,088,513,000	5,985,183,000
Current portion of long-term borrowings					
from financial institutions	14	113,404,000	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	23,099,237	17,873,880	4,253,156	4,399,946
Derivative financial instruments	6	301,438,611	532,851,063	248,984,763	433,015,611
Current income tax payable		36,687,206	20,490,118	7,456,356	-
Other current liabilities		55,808,237	46,473,277	6,699,920	12,667,203
<b>Total current liabilities</b>		<b>18,445,841,832</b>	<b>20,486,286,459</b>	<b>9,520,427,798</b>	<b>9,933,406,774</b>
<b>Non-current liabilities</b>					
Long-term borrowings from financial institutions	14	2,312,375,000	2,113,726,000	2,247,000,000	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	36,774,158	28,665,810	5,707,044	5,150,373
Deferred income tax liabilities, net	12	50,346,448	68,256,032	16,569,613	21,097,006
Provision for retirement benefit obligations		114,522,870	106,867,154	45,792,133	44,583,916
<b>Total non-current liabilities</b>		<b>3,964,018,476</b>	<b>3,767,514,996</b>	<b>3,765,068,790</b>	<b>3,540,831,295</b>
<b>Total liabilities</b>		<b>22,409,860,308</b>	<b>24,253,801,455</b>	<b>13,285,496,588</b>	<b>13,474,238,069</b>

The accompanying notes on page 13 to 33 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 31 March 2014**

	Note	Consolidated		Company	
		Unaudited 31 March 2014 Baht	Audited 31 December 2013 Baht	Unaudited 31 March 2014 Baht	Audited 31 December 2013 Baht
<b>Liabilities and shareholders' equity (Cont'd)</b>					
<b>Shareholders' equity</b>					
Share capital	15				
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	15	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		1,208,368,951	1,206,286,840	764,257,278	769,785,087
Unrealised gains on available-for-sale investments		13,564,245	8,546,917	13,060,345	8,095,919
Cumulative currency differences on translation		(373,827,052)	(453,395,072)	-	-
Retained earnings					
Appropriated - legal reserve		128,000,000	128,000,000	128,000,000	128,000,000
Unappropriated		9,840,296,188	9,430,734,049	3,776,341,471	3,502,944,762
<b>Equity attributable to owners of the parent</b>		20,474,257,665	19,978,028,067	14,512,648,915	14,239,815,589
Non-controlling interests		102,207,660	88,273,312	-	-
<b>Total shareholders' equity</b>		20,576,465,325	20,066,301,379	14,512,648,915	14,239,815,589
<b>Total liabilities and shareholders' equity</b>		42,986,325,633	44,320,102,834	27,798,145,503	27,714,053,658

The accompanying notes on page 13 to 33 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statements of Comprehensive Income**  
**For the three-month period ended 31 March 2014**

	Consolidated		Company	
	Unaudited 2014 Baht	Unaudited 2013 Baht	Unaudited 2014 Baht	Unaudited 2013 Baht
Note				
Revenues from sales of goods and services	22,764,907,018	24,240,089,228	11,629,214,613	11,948,951,474
Cost of sales and services	(22,166,400,636)	(22,920,559,802)	(11,121,292,876)	(11,253,181,112)
<b>Gross profit</b>	<b>598,506,382</b>	<b>1,319,529,426</b>	<b>507,921,737</b>	<b>695,770,362</b>
Other income	36,926,947	52,732,085	14,427,510	49,466,737
Selling expenses	(411,060,085)	(686,740,609)	(367,332,610)	(527,041,554)
Administrative expenses	(348,825,640)	(303,801,115)	(179,429,575)	(161,635,870)
Gains on exchange rate, net	123,267,083	454,514,095	93,793,964	339,580,130
Other gains, net	403,143,745	224,488,952	296,945,467	179,935,692
<b>Operating profit</b>	<b>401,958,432</b>	<b>1,060,722,834</b>	<b>366,326,493</b>	<b>576,075,497</b>
Share of profit from investments in associates and a joint venture	103,450,646	106,596,527	-	-
<b>Profit before net finance costs and income tax</b>	<b>505,409,078</b>	<b>1,167,319,361</b>	<b>366,326,493</b>	<b>576,075,497</b>
Finance income	11,934,356	1,612,262	18,560,096	4,385,917
Finance costs	(74,508,180)	(183,286,552)	(114,484,872)	(80,346,495)
Finance costs, net	(62,573,824)	(181,674,290)	(95,924,776)	(75,960,578)
<b>Profit before income tax</b>	<b>442,835,254</b>	<b>985,645,071</b>	<b>270,401,717</b>	<b>500,114,919</b>
Income tax	17 (34,269,820)	(133,075,609)	(2,532,817)	(96,594,962)
<b>Profit for the periods</b>	<b>408,565,434</b>	<b>852,569,462</b>	<b>267,868,900</b>	<b>403,519,957</b>
<b>Other comprehensive income:</b>				
Asset revaluation surplus, net of tax	9,684,158	(9,303,707)	-	-
Change in fair value of available-for-sale investments, net of tax	5,017,328	3,506,398	4,964,426	3,503,780
Currency differences on translation	86,897,026	(153,930,667)	-	-
Other comprehensive income (expense) for the periods, net of tax	101,598,512	(159,727,976)	4,964,426	3,503,780
<b>Total comprehensive income for the periods</b>	<b>510,163,946</b>	<b>692,841,486</b>	<b>272,833,326</b>	<b>407,023,737</b>

The accompanying notes on page 13 to 33 are an integral part of these interim financial information.

**Sri Trang Agro-Industry Public Company Limited**  
**Statements of Comprehensive Income (Cont'd)**  
**For the three-month period ended 31 March 2014**

	<b>Note</b>	<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 attributable to:</b>					
Owners of the parent		401,960,092	850,094,009	267,868,900	403,519,957
Non-controlling interests		6,605,342	2,475,453	-	-
<b>Profit for the periods</b>		<b>408,565,434</b>	<b>852,569,462</b>	<b>267,868,900</b>	<b>403,519,957</b>
<b>Total comprehensive income for the periods attributable to:</b>					
Owners of the parent		496,229,597	695,130,682	272,833,326	407,023,737
Non-controlling interests		13,934,349	(2,289,196)	-	-
<b>Total comprehensive income for the periods</b>		<b>510,163,946</b>	<b>692,841,486</b>	<b>272,833,326</b>	<b>407,023,737</b>
<b>Earnings per share</b>					
Basic earnings per share	18	0.31	0.66	0.21	0.32

The accompanying notes on page 13 to 33 are an integral part of these interim financial information.

Sri Trang Agro-Industry Public Company Limited  
 Statements of Changes in Shareholders' Equity  
 For the three-month period ended 31 March 2014

Consolidated (Unaudited)											
Attributable to owners of the parent											
	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>	-	-	-	-	-	-	-	401,960,092	401,960,092	6,605,342	408,565,434
<b>Other comprehensive income</b>											
Asset revaluation surplus, net of tax	-	-	-	9,684,158	-	-	-	-	9,684,158	-	9,684,158
Amortisation on assets revaluation, net of tax	-	-	-	(7,602,047)	-	-	-	7,602,047	-	-	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	-	5,017,328	-	-	-	5,017,328	-	5,017,328
Currency differences on translation	-	-	-	-	-	79,568,020	-	-	79,568,020	7,329,006	86,897,026
Total other comprehensive income, net of tax	-	-	-	2,082,111	5,017,328	79,568,020	-	7,602,047	94,269,506	7,329,006	101,598,512
<b>Total comprehensive income</b>	-	-	-	2,082,111	5,017,328	79,568,020	-	409,562,139	496,229,598	13,934,348	510,163,946
<b>Closing balance as at 31 March 2014</b>	<u>1,280,000,000</u>	<u>8,550,989,821</u>	<u>(173,134,488)</u>	<u>1,208,368,951</u>	<u>13,564,245</u>	<u>(373,827,052)</u>	<u>128,000,000</u>	<u>9,840,296,188</u>	<u>20,474,257,665</u>	<u>102,207,660</u>	<u>20,576,465,325</u>

The accompanying notes on page 13 to 33 are an integral part of these interim financial information.



Sri Trang Agro-Industry Public Company Limited  
 Statements of Changes in Shareholders' Equity (Cont'd)  
 For the three-month period ended 31 March 2014

Consolidated (Unaudited)											
Attributable to owners of the parent											
	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 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>	-	-	-	-	-	-	-	850,094,009	850,094,009	2,475,453	852,569,462
<b>Other comprehensive income</b>											
Asset revaluation surplus, net of tax	-	-	-	(9,303,707)	-	-	-	-	(9,303,707)	-	(9,303,707)
Amortisation on assets revaluation, net of tax	-	-	-	(6,846,999)	-	-	-	6,846,999	-	-	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	-	3,506,398	-	-	-	3,506,398	-	3,506,398
Currency differences on translation	-	-	-	-	-	(149,166,018)	-	-	(149,166,018)	(4,764,649)	(153,930,667)
Total other comprehensive income, net of tax	-	-	-	(16,150,706)	3,506,398	(149,166,018)	-	6,846,999	(154,963,327)	(4,764,649)	(159,727,976)
<b>Total comprehensive income</b>	-	-	-	(16,150,706)	3,506,398	(149,166,018)	-	856,941,008	695,130,682	(2,289,196)	692,841,486
<b>Closing balance as at 31 March 2013</b>	<u>1,280,000,000</u>	<u>8,550,989,821</u>	<u>(173,134,488)</u>	<u>1,160,250,141</u>	<u>17,032,067</u>	<u>(497,093,870)</u>	<u>128,000,000</u>	<u>9,081,033,874</u>	<u>19,547,077,545</u>	<u>82,560,863</u>	<u>19,629,638,408</u>

The accompanying notes on page 13 to 33 are an integral part of these interim financial information.

Sri Trang Agro-Industry Public Company Limited  
 Statements of Changes in Shareholders' Equity (Cont'd)  
 For the three-month period ended 31 March 2014

	Company (Unaudited)						Total shareholders' equity Baht
	Issued and paid-up share capital Baht	Premium on share capital Baht	Asset revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Retained earnings		
					Appropriated	Unappropriated	
					- legal reserve 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>	-	-	-	-	-	267,868,900	267,868,900
<b>Other comprehensive income</b>							
Amortisation on assets revaluation, net of tax	-	-	(5,527,809)	-	-	5,527,809	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	4,964,426	-	-	4,964,426
Total other comprehensive income, net of tax	-	-	(5,527,809)	4,964,426	-	5,527,809	4,964,426
<b>Total comprehensive income</b>	-	-	(5,527,809)	4,964,426	-	273,396,709	272,833,326
<b>Closing balance as at 31 March 2014</b>	<u>1,280,000,000</u>	<u>8,550,989,821</u>	<u>764,257,278</u>	<u>13,060,345</u>	<u>128,000,000</u>	<u>3,776,341,471</u>	<u>14,512,648,915</u>

The accompanying notes on page 13 to 33 are an integral part of these interim financial information.

Sri Trang Agro-Industry Public Company Limited  
 Statements of Changes in Shareholders' Equity (Cont'd)  
 For the three-month period ended 31 March 2014

	Company (Unaudited)						Total shareholders' equity Baht
	Issued and paid-up share capital Baht	Premium on share capital Baht	Asset revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Retained earnings		
					Appropriated - legal reserve Baht	Unappropriated 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>	-	-	-	-	-	403,519,957	403,519,957
<b>Other comprehensive income</b>							
Amortisation on assets revaluation, net of tax	-	-	(5,028,046)	-	-	5,028,046	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	3,503,780	-	-	3,503,780
Total other comprehensive income, net of tax	-	-	(5,028,046)	3,503,780	-	5,028,046	3,503,780
<b>Total comprehensive income</b>	-	-	(5,028,046)	3,503,780	-	408,548,003	407,023,737
<b>Closing balance as at 31 March 2013</b>	1,280,000,000	8,550,989,821	718,391,391	16,393,094	128,000,000	3,611,711,662	14,305,485,968

The accompanying notes on page 13 to 33 are an integral part of these interim financial information.

## Statements of Cash Flows

For the three-month period ended 31 March 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		442,835,254	985,645,071	270,401,717	500,114,919
Adjustments for:					
Unrealised (gains) losses on foreign currency translations		117,658,808	(54,529,524)	12,023,583	23,186,677
Unrealised gains from revaluation of derivative financial instruments		(409,875,144)	(534,624,774)	(273,275,143)	(385,486,774)
(Reversal of) allowance for impairment of trade accounts receivable		7,408,414	(8,944,296)	6,266,700	27,495,061
Allowance for inventory cost in excess of net realisable value		929,101,208	45,246,921	362,624,578	44,315,175
Provision for retirement benefit obligations		7,755,716	5,308,906	1,308,217	1,525,997
Depreciation charges	10	199,959,955	168,369,703	78,769,451	61,833,473
Amortisation charges	11	2,388,371	2,251,434	1,176,653	969,346
Loss on asset revaluation		-	36,740,002	-	-
Finance costs		74,508,180	183,286,552	114,484,872	80,346,495
Dividend income		(3,067)	(29,552)	-	(29,552)
Share of profit from investments in associates and a joint venture		(103,450,646)	(106,596,527)	-	-
(Gains) losses on disposal and write-off of property, plant and equipment and intangible assets		838,890	(994,363)	838,015	(197,787)
Changes in operating assets and liabilities:					
(Increase) decrease in operating assets					
- Trade accounts receivable and other receivables		691,662,444	(1,225,995,588)	(33,447,152)	(1,116,657,795)
- Amounts due from futures brokers		(66,777,799)	249,745,555	56,536,802	89,192,095
- Inventories		638,990,956	(1,670,980,472)	(194,346,703)	(52,617,807)
- Other current assets		(18,076,712)	(25,877,950)	(8,041,333)	(9,953,848)
- Other non-current assets		(10,115,816)	(4,548,217)	(99,416)	(2,038,492)
Increase (decrease) in operating liabilities					
- Trade accounts payable and other payables		(859,998,825)	71,316,288	(261,446,701)	(298,016)
- Other current liabilities		9,334,960	(14,039,374)	(5,967,283)	(6,719,485)
<b>Cash provided by (used in) operating activities</b>		<b>1,654,145,147</b>	<b>(1,899,250,205)</b>	<b>127,806,857</b>	<b>(745,020,318)</b>
Interest paid		(66,806,017)	(145,773,392)	(104,322,740)	(46,036,844)
Income tax paid		(78,838,979)	(59,080,082)	(24,016,649)	(15,230,194)
Employee benefits paid		(100,000)	-	(100,000)	-
<b>Net cash provided by (used in) operating activities</b>		<b>1,508,400,151</b>	<b>(2,104,103,679)</b>	<b>(632,532)</b>	<b>(806,287,356)</b>

The accompanying notes on page 13 to 33 are an integral part of these interim financial information.

	Consolidated		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
<b>Cash flows from investing activities</b>				
Cash paid for long-term borrowings to subsidiaries	-	-	-	(900,000,000)
Increase in fixed deposits pledged as collateral	(6,927,594)	(16,673,956)	(206,087)	(31,502)
Dividends received	3,067	29,552	-	29,552
Cash paid for investments in subsidiaries	-	-	(227,000,000)	(850,000,000)
Proceeds from disposal of property, plant and equipment and intangible assets	249,617	11,371,953	247,604	245,614
Cash paid for purchases of property, plant and equipment and intangible assets	(523,515,098)	(828,014,258)	(238,972,549)	(343,728,333)
<b>Net cash used in investing activities</b>	<b>(530,190,008)</b>	<b>(833,286,709)</b>	<b>(465,931,032)</b>	<b>(2,093,484,669)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term borrowings from financial institutions	(1,039,223,444)	1,439,011,696	103,330,000	1,382,814,000
Proceeds from long-term borrowings	227,000,000	500,000,000	227,000,000	500,000,000
Repayments of long-term borrowings	(28,351,000)	(30,000,000)	-	-
Proceeds from issuance of debentures	-	900,000,000	-	900,000,000
Payments on finance lease liabilities	(4,785,921)	(3,349,823)	(1,477,319)	(1,604,173)
<b>Net cash provided by (used in) financing activities</b>	<b>(845,360,365)</b>	<b>2,805,661,873</b>	<b>328,852,681</b>	<b>2,781,209,827</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>132,849,778</b>	<b>(131,728,515)</b>	<b>(137,710,883)</b>	<b>(118,562,198)</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 end of the periods</b>	<b>2,025,578,482</b>	<b>1,402,303,452</b>	<b>421,002,790</b>	<b>395,837,642</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	(469,871,586)	(825,114,002)	(158,523,907)	(337,064,277)
Increase in liabilities under finance lease contracts	18,119,626	6,721,010	1,887,200	2,837,800
Decrease in payable from purchases of assets	(71,763,138)	(9,621,266)	(82,335,842)	(9,501,856)
<b>Cash paid for purchases of property, plant and equipment and intangible assets</b>	<b>(523,515,098)</b>	<b>(828,014,258)</b>	<b>(238,972,549)</b>	<b>(343,728,333)</b>

## **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 on 12 May 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.

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**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 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

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>Total Baht'000</b>
	<b>Level 1 Baht'000</b>	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	
<b>At 31 March 2014</b>				
Available-for-sale investments				
- Equity securities	47,429	-	10,427	57,856
Financial assets at fair value through profit or loss				
- Trading derivatives	219,130	35,307	-	254,437
Financial liabilities at fair value through profit or loss				
- Trading derivatives	65,471	235,967	-	301,438

	<b>Company (Unaudited)</b>			<b>Total Baht'000</b>
	<b>Level 1 Baht'000</b>	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	
<b>At 31 March 2014</b>				
Available-for-sale investments				
- Equity securities	46,454	-	10,427	56,881
Financial assets at fair value through profit or loss				
- Trading derivatives	140,143	9,612	-	149,755
Financial liabilities at fair value through profit or loss				
- Trading derivatives	15,010	233,975	-	248,985

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



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**Condensed Notes to the Interim Financial Information (Unaudited)**  
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**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 31 March 2014, the Group operates two business segments in five main geographical areas (31 March 2013: five 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 income statement.

Reportable segments by geographical area of interim consolidated financial information for the three-month period ended 31 March 2014:

	<b>Consolidated (Unaudited)</b>						<b>Total Baht'000</b>
	<b>Natural Rubber Products</b>					<b>Other Businesses</b>	
	<b>Thailand Baht'000</b>	<b>Indonesia Baht'000</b>	<b>Singapore Baht'000</b>	<b>USA Baht'000</b>	<b>China Baht'000</b>	<b>Thailand Baht'000</b>	
Segment revenues	17,141,989	3,449,641	5,366,260	797,485	61,541	667,181	27,484,097
Inter-segment revenues	(1,717,197)	(2,432,236)	(271,450)	-	-	(298,307)	(4,719,190)
<b>Revenues from external customers</b>	<b>15,424,792</b>	<b>1,017,405</b>	<b>5,094,810</b>	<b>797,485</b>	<b>61,541</b>	<b>368,874</b>	<b>22,764,907</b>
Depreciation and amortisation	(140,966)	(45,631)	(2,825)	(434)	(800)	(11,692)	(202,348)
Finance income	10,990	435	22	-	467	20	11,934
Finance costs	(140,191)	81,403	(5,635)	(9,476)	-	(609)	(74,508)
Share of profit from investments in associates and a joint venture	103,451	-	-	-	-	-	103,451
Income tax	(26)	(26,190)	(3,154)	10,188	(4,017)	(11,071)	(34,270)
Profit for the period	<u>297,659</u>	<u>4,911</u>	<u>97,930</u>	<u>27,032</u>	<u>29,992</u>	<u>24,607</u>	482,131
Intersegmental balances							(73,566)
<b>Total profit for the period</b>							<b>408,565</b>
Total assets	<u>35,375,291</u>	<u>4,945,037</u>	<u>4,521,668</u>	<u>1,913,693</u>	<u>409,772</u>	<u>6,491,035</u>	53,656,496
Intersegmental balances							(10,670,170)
<b>Total assets</b>							<b>42,986,326</b>

**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2014**

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

Reportable segments by geographical area of interim consolidated financial information for the three-month period ended 31 March 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	17,481,371	2,956,291	6,722,092	1,335,752	17,183	723,633	29,236,322
Inter-segment revenues	(2,204,940)	(2,298,651)	(229,257)	(124)	-	(263,261)	(4,996,233)
<b>Revenues from external customers</b>	<b>15,276,431</b>	<b>657,640</b>	<b>6,492,835</b>	<b>1,335,628</b>	<b>17,183</b>	<b>460,372</b>	<b>24,240,089</b>
Depreciation and amortisation	(122,851)	(36,714)	(2,048)	(364)	(550)	(8,094)	(170,621)
Finance income	902	391	11	-	308	-	1,612
Finance costs	(112,475)	(56,662)	(4,591)	(9,336)	-	(222)	(183,286)
Share of profit from investments in associates and a joint venture	106,597	-	-	-	-	-	106,597
Income tax	(103,990)	(2,877)	(10,177)	(321)	(4,028)	(11,683)	(133,076)
Profit (loss) for the period	703,636	(16,921)	36,196	(935)	7,251	35,299	764,526
Intersegmental balances							88,043
<b>Total profit for the period</b>							<b>852,569</b>
Total assets	32,061,891	5,043,012	5,389,831	1,953,268	262,129	4,553,927	49,264,058
Intersegmental balances							(9,062,672)
<b>Total assets</b>							<b>40,201,386</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) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000
Thailand	11,602,733	11,384,093
Indonesia	1,734,612	1,557,246
Singapore	186,400	191,334
USA	4,806	5,297
China	13,506	12,516
<b>Total</b>	<b>13,542,057</b>	<b>13,150,486</b>

**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2014**

**6 Derivative financial instruments**

	<b>Consolidated</b>			
	<b>(Unaudited)</b>		<b>(Audited)</b>	
	<b>31 March 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	-	(88,336)	-	(107,411)
Foreign exchange options	686	(42,550)	-	(56,241)
Forward foreign exchange contracts	34,621	(105,082)	27,401	(313,217)
Rubber futures	165,254	(16,145)	35,157	(35,520)
Physical forward contracts	53,876	(49,326)	13,416	(20,462)
<b>Total derivative financial instruments</b>	<b>254,437</b>	<b>(301,439)</b>	<b>75,974</b>	<b>(532,851)</b>

  

	<b>Company</b>			
	<b>(Unaudited)</b>		<b>(Audited)</b>	
	<b>31 March 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	-	(88,336)	-	(107,411)
Foreign exchange options	686	(42,550)	-	(56,241)
Forward foreign exchange contracts	8,927	(103,089)	26,486	(234,468)
Rubber futures	140,143	(15,010)	34,025	(34,896)
<b>Total derivative financial instruments</b>	<b>149,756</b>	<b>(248,985)</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>31 March</b>	<b>31 December</b>	<b>31 March</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	6,448,280	7,170,104	3,119,597	3,531,849
<u>Less</u> Allowance for impairment of trade accounts receivable	(125,948)	(118,667)	(63,666)	(57,439)
<b>Total trade accounts receivable</b>				
- other companies, net	6,322,332	7,051,437	3,055,931	3,474,410
Trade accounts receivable				
- related companies (Note 19.3)	90,390	127,622	720,794	289,611
<b>Total trade accounts receivable, net</b>	<b>6,412,722</b>	<b>7,179,059</b>	<b>3,776,725</b>	<b>3,764,021</b>
Advances for inventories	61,189	50,785	8,458	8,103
Prepaid expenses	227,491	139,475	103,925	34,538
Accrued income and other receivables	40,764	71,918	31,197	86,463
<b>Total trade accounts receivable and other receivables, net</b>	<b>6,742,166</b>	<b>7,441,237</b>	<b>3,920,305</b>	<b>3,893,125</b>

**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
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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) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000
Within credit terms	5,754,902	6,319,023	3,174,630	3,335,602
Overdue 1 - 30 days	528,104	786,400	512,957	402,249
Overdue 31 - 60 days	127,464	63,675	80,538	11,187
Overdue 61 - 90 days	3,139	1,704	3,161	1,592
Overdue 91 - 120 days	1,765	1,819	1,763	1,819
Overdue 121 - 365 days	30,831	77,904	20,846	55,768
More than 365 days	92,465	47,201	46,496	13,243
	6,538,670	7,297,726	3,840,391	3,821,460
<u>Less</u> Allowance for impairment of trade accounts receivable	(125,948)	(118,667)	(63,666)	(57,439)
Total trade accounts receivable, net	6,412,722	7,179,059	3,776,725	3,764,021

**8 Inventories, net**

	Consolidated					
	At cost		Allowance for inventory cost in excess of net realisable value		Total inventories, net	
	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000
Finished goods	7,281,202	6,406,892	(363,285)	(41,157)	6,917,917	6,365,735
Work-in-progress	2,966,154	2,825,680	(180,391)	(34,790)	2,785,763	2,790,890
Raw materials, vessels and chemicals	5,628,968	7,279,947	(465,857)	(4,484)	5,163,111	7,275,463
Spare parts and supplies	147,055	149,851	-	-	147,055	149,851
Total	16,023,379	16,662,370	(1,009,533)	(80,431)	15,013,846	16,581,939

  

	Company					
	At cost		Allowance for inventory cost in excess of net realisable value		Total inventories, net	
	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000
Finished goods	3,158,156	2,682,492	(85,216)	-	3,072,940	2,682,492
Work-in-progress	1,253,891	1,043,659	(36,830)	-	1,217,061	1,043,659
Raw materials, vessels and chemicals	2,936,806	3,433,922	(241,221)	(642)	2,695,585	3,433,280
Spare parts and supplies	42,437	36,870	-	-	42,437	36,870
Total	7,391,290	7,196,943	(363,267)	(642)	7,028,023	7,196,301

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**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2014**

**9 Investments in subsidiaries, associates and a joint venture**

**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) 31 March 2014	(Audited) 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
Namhwa 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) 31 March 2014 Baht Million	(Audited) 31 December 2013 Baht Million
Sri Trang Rubber & Plantation Co., Ltd.	A subsidiary	227	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 a joint venture (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)
			31 March 2014	31 December 2013
<b>Direct Associates</b>				
Siam Sempermed Co., Ltd.	Manufacture of medical gloves	Thailand	40.23	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 Co., 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 Investment in a joint venture**

The significant investment of the Company is as follows:

	Activities	Consolidated Countries of incorporation	% Ownership interest	
			(Unaudited)	(Audited)
			31 March 2014	31 December 2013
<b>A joint venture</b>				
Thaitech Rubber Corporation Co., Ltd.	Manufacture of STR block rubber products	Thailand	33.50	33.50

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

	Consolidated (Unaudited) Baht'000	Company (Unaudited) Baht'000
<b>For the three-month period ended 31 March 2014</b>		
Opening net book value	12,925,858	4,980,762
Additions	468,550	158,201
Disposals and write-offs, net	(1,089)	(1,086)
Asset revaluation surplus	12,105	-
Depreciation charges (Note 16)	(199,960)	(78,769)
Cumulative currency differences on translation	104,609	-
Closing net book value	<u>13,310,073</u>	<u>5,059,108</u>

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**11 Intangible assets, net**

	<b>Consolidated (Unaudited) Baht'000</b>	<b>Company (Unaudited) Baht'000</b>
<b>For the three-month period ended 31 March 2014</b>		
Opening net book value	27,047	14,032
Additions	1,322	323
Amortisation charges (Note 16)	(2,388)	(1,177)
Cumulative currency differences on translation	37	-
Closing net book value	<u>26,018</u>	<u>13,178</u>

**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% - 36.5%). 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	33,867	(60,691)	4,923	(74,267)
Charged/credited to other comprehensive income	(2,820)	2,457	(396)	(639)
Cumulative currency differences on translation	5,606	(4,594)	-	-
As at 31 March	<u>90,182</u>	<u>(89,423)</u>	<u>(16,570)</u>	<u>(163,335)</u>

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

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

	<b>Consolidated</b>			<b>(Unaudited) 31 March 2014 Baht'000</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>Deferred income tax assets</b>				
Tax losses carried forward	98,172	(17,620)	4,077	84,629
Unrealised gains (losses) on derivative financial instruments	35,321	(22,576)	(656)	12,089
Allowance for inventory cost in excess of net realisable value	16,452	83,568	(2,045)	97,975
Cumulative loss from asset revaluation	19,505	-	633	20,138
Provision for retirement benefit obligations	14,930	(339)	1,872	16,463
Others	24,621	(4,114)	1,731	22,238
	<u>209,001</u>	<u>38,919</u>	<u>5,612</u>	<u>253,532</u>
<b>Deferred income tax liabilities</b>				
Asset revaluation surplus	137,154	(801)	2,421	138,774
Fair value estimation of investment properties	1,108	-	-	1,108
Unrealised gains (losses) on derivative financial instruments	4,472	6,605	-	11,077
Adjustment of inventory from fair value to the lower of cost and net realisable value	10,253	(592)	(39)	9,622
Others	2,485	(160)	444	2,769
	<u>155,472</u>	<u>5,052</u>	<u>2,826</u>	<u>163,350</u>
<b>Deferred income tax assets, net</b>	<u><b>53,529</b></u>	<u><b>33,867</b></u>	<u><b>2,786</b></u>	<u><b>90,182</b></u>



**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
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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>31 March</b> <b>2014</b> <b>Baht'000</b>
<b>Deferred income tax assets</b>				
Unrealised gains (losses) on derivative financial instruments	31,999	(13,600)	-	18,399
Allowance for inventory cost in excess of net realisable value	3,293	24,588	-	27,881
Cumulative loss from asset revaluation	7,951	-	-	7,951
Provision for retirement benefit obligations	3,295	89	-	3,384
Others	17	-	-	17
	<u>46,555</u>	<u>11,077</u>	<u>-</u>	<u>57,632</u>
<b>Deferred income tax liabilities</b>				
Asset revaluation surplus	61,426	(441)	-	60,985
Fair value estimation of investment properties	1,108	-	-	1,108
Unrealised gains (losses) on derivative financial instruments	4,472	6,595	-	11,067
Others	646	-	396	1,042
	<u>67,652</u>	<u>6,154</u>	<u>396</u>	<u>74,202</u>
<b>Deferred income tax liabilities, net</b>	<b><u>(21,097)</u></b>	<b><u>4,923</u></b>	<b><u>(396)</u></b>	<b><u>(16,570)</u></b>

**13 Trade accounts payable and other payables**

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b> <b>31 March</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>31 March</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	1,871,567	2,568,821	952,125	1,250,460
Trade accounts payable				
- related companies (Note 19.3)	268,868	276,286	248,144	286,672
Accrued expenses	509,493	597,027	279,071	290,916
Deferred income	223,352	289,628	59,635	45,504
Deposits and retentions received from customers	134,770	200,347	25,546	24,589
	<u>3,008,050</u>	<u>3,932,109</u>	<u>1,564,521</u>	<u>1,898,141</u>
<b>Total trade accounts payable and other payables</b>	<b><u>3,008,050</u></b>	<b><u>3,932,109</u></b>	<b><u>1,564,521</u></b>	<b><u>1,898,141</u></b>

**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
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**14 Borrowings**

	<b>Consolidated</b>		<b>Company</b>	
	<b>(Unaudited)</b> <b>31 March</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>31 March</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	520,583	588,963	520,583	588,963
Short-term borrowings from financial institutions	11,798,874	12,406,009	5,567,930	5,396,220
Bills payable	987,898	1,228,093	-	-
Total short-term borrowings from financial institutions	13,307,355	14,223,085	6,088,513	5,985,183
Current portion of long-term borrowings from financial institutions	113,404	113,404	-	-
Current portion of debentures	1,600,000	1,600,000	1,600,000	1,600,000
Current portion of finance lease liabilities	23,099	17,874	4,253	4,400
Total current borrowings	15,043,858	15,954,363	7,692,766	7,589,583
<b>Non-current</b>				
Long-term borrowings from financial institutions	2,312,375	2,113,726	2,247,000	2,020,000
Debentures	1,450,000	1,450,000	1,450,000	1,450,000
Finance lease liabilities	36,774	28,666	5,707	5,150
Total non-current borrowings	3,799,149	3,592,392	3,702,707	3,475,150
Total borrowings	18,843,007	19,546,755	11,395,473	11,064,733

The movements in borrowings can be analysed as follows:

	<b>Consolidated</b> <b>(Unaudited)</b> <b>Baht'000</b>	<b>Company</b> <b>(Unaudited)</b> <b>Baht'000</b>
<b>For the three-month period ended 31 March 2014</b>		
Opening balance as at 1 January 2014	19,546,754	11,064,733
Changes in short-term borrowings from financial institutions	(1,039,223)	103,330
Additions of long-term borrowings from financial institutions and finance lease liabilities	245,120	228,887
Repayments of long-term borrowings from financial institutions and finance lease liabilities	(33,137)	(1,477)
Cumulative currency differences on translation	123,493	-
Closing balance as at 31 March 2014	18,843,007	11,395,473

**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
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**14 Borrowings (Cont'd)**

The movements in borrowings can be analysed as follows:

	<b>Consolidated (Unaudited) Baht'000</b>	<b>Company (Unaudited) Baht'000</b>
<b>For the three-month period ended 31 March 2013</b>		
Opening balance as at 1 January 2013	14,853,327	6,047,465
Changes in short-term borrowings from financial institutions	1,439,012	1,382,814
Additions of long-term borrowings from financial institutions and finance lease liabilities	1,406,721	1,402,837
Repayments of long-term borrowings from financial institutions and finance lease liabilities	(33,350)	(1,604)
Cumulative currency differences on translation	(50,941)	-
Closing balance as at 31 March 2013	<u>17,614,769</u>	<u>8,831,512</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 Share capital and share premium**

	<b>Number of shares</b>	<b>Ordinary shares Baht'000</b>	<b>Share premium Baht'000</b>	<b>Total Baht'000</b>
Opening balance as at 1 January 2014 (Audited)	1,280,000,000	1,280,000	8,550,990	9,830,990
Issuance of shares	-	-	-	-
Closing balance as at 31 March 2014 (Unaudited)	<u>1,280,000,000</u>	<u>1,280,000</u>	<u>8,550,990</u>	<u>9,830,990</u>
Opening balance as at 1 January 2013 (Audited)	1,280,000,000	1,280,000	8,550,990	9,830,990
Issuance of shares	-	-	-	-
Closing balance as at 31 March 2013 (Unaudited)	<u>1,280,000,000</u>	<u>1,280,000</u>	<u>8,550,990</u>	<u>9,830,990</u>

**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2014**

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**16 Expenses by nature**

The following significant items have been charged to the operating profit during the interim periods:

For the three-month periods ended	Notes	Consolidated (Unaudited)		Company (Unaudited)	
		31 March 2014 Baht'000	31 March 2013 Baht'000	31 March 2014 Baht'000	31 March 2013 Baht'000
Changes in finished goods and work-in-progress		(1,014,784)	(929,844)	(685,896)	188,517
Raw materials and consumables used		16,931,254	17,582,439	8,851,429	8,830,362
Allowance for inventory cost in excess of net realisable value		929,102	45,247	362,625	44,315
Employee costs and key management benefits		489,588	427,471	196,915	179,847
Depreciation charges	10	199,960	168,370	78,769	61,833
Amortisation charges	11	2,388	2,251	1,177	969
Transportation and distribution expense		297,637	222,313	193,703	145,668
Energy expense		285,066	230,973	127,213	96,950
Cess expense		51,076	421,765	34,763	289,480

Additional information

The cess expense is a fee charged to exporters of natural rubber products to be deposited into the rubber replanting aid fund managed by the Office of the Rubber Replanting Aid Fund (ORRAF) in Thailand for the purpose of replanting support.

**17 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 three-month period ended 31 March 2014 was 7.7% (the average effective tax rate for the year ended 31 December 2013 was 7.5 %), and for the interim company financial information, it was 0.9% (the average effective tax rate for the year ended 31 December 2013 was 1.5%).

**Sri Trang Agro-Industry Public Company Limited**  
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**18 Earnings per share**

Basic earnings per share is calculated by dividing the profit for the period attributable to the owners of the Company by the weighted average number of paid-up ordinary shares in issue during the period.

For the three-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Profit attributable to owners of the parent (Baht'000)	401,960	850,094	267,869	403,520
Weighted average number of ordinary shares in issue (Shares)	1,280,000,000	1,280,000,000	1,280,000,000	1,280,000,000
Basic earnings per share (Baht per share)	0.31	0.66	0.21	0.32

There are no potential dilutive ordinary shares in issue during the three-month periods ended 31 March 2014 and 2013.

**19 Related party transactions**

The following transactions were carried out with related companies:

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

For the three-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	31 March 2014 Baht'000	31 March 2013 Baht'000	31 March 2014 Baht'000	31 March 2013 Baht'000
<b>Sales of goods to:</b>				
Subsidiaries	-	-	789,861	1,070,498
Associates	883,658	1,098,200	214,314	395,538
	<u>883,658</u>	<u>1,098,200</u>	<u>1,004,175</u>	<u>1,466,036</u>
<b>Service income from:</b>				
Subsidiaries	-	-	6,925	15,671
Associates	61,789	46,726	4,026	2,475
	<u>61,789</u>	<u>46,726</u>	<u>10,951</u>	<u>18,146</u>
<b>Rental income:</b>				
Subsidiaries	-	-	213	57
An associate	3,041	1,353	192	192
	<u>3,041</u>	<u>1,353</u>	<u>405</u>	<u>249</u>
<b>Interest income:</b>				
Subsidiaries	-	-	7,590	3,544
An associate	881	776	881	776
	<u>881</u>	<u>776</u>	<u>8,471</u>	<u>4,320</u>

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

**19.2 Purchases of goods and services**

For the three-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	31 March 2014 Baht'000	31 March 2013 Baht'000	31 March 2014 Baht'000	31 March 2013 Baht'000
<b>Purchases of goods from:</b>				
Subsidiaries	-	-	937,554	1,085,350
Associates	201,947	207,242	175,908	180,251
A joint venture	588,317	1,151,442	-	-
	<u>790,264</u>	<u>1,358,684</u>	<u>1,113,462</u>	<u>1,265,601</u>
<b>Service expenses to:</b>				
Subsidiaries	-	-	238,621	166,496
Associates	693	837	689	830
	<u>693</u>	<u>837</u>	<u>239,310</u>	<u>167,326</u>
<b>Rental expense:</b>				
Subsidiaries	-	-	307	486

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

	Consolidated		Company	
	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000
<b>Trade accounts receivable: (Note 7)</b>				
Subsidiaries	-	-	717,313	275,836
Associates	90,390	127,622	3,481	13,775
	<u>90,390</u>	<u>127,622</u>	<u>720,794</u>	<u>289,611</u>
<b>Amounts due from futures broker:</b>				
An associate	96,126	152,662	96,126	152,662
<b>Other receivables:</b>				
Subsidiaries	-	-	5,891	20,043
Associates	7,736	5,774	168	1,135
	<u>7,736</u>	<u>5,774</u>	<u>6,059</u>	<u>21,178</u>
<b>Trade accounts payable: (Note 13)</b>				
Subsidiaries	-	-	121,615	203,278
An associate	149,405	105,299	126,529	83,394
A joint venture	119,463	170,987	-	-
	<u>268,868</u>	<u>276,286</u>	<u>248,144</u>	<u>286,672</u>
<b>Other payables:</b>				
Subsidiaries	-	-	37,539	32,875
Associates	42,575	45,973	-	10
	<u>42,575</u>	<u>45,973</u>	<u>37,539</u>	<u>32,885</u>

19 Related party transactions (Cont'd)

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

	Consolidated		Company	
	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 31 March 2014 Baht'000	(Audited) 31 December 2013 Baht'000
<b>Accrued interest income:</b>				
Subsidiaries	-	-	3,925	12,029
An associate	993	995	993	994
	<u>993</u>	<u>995</u>	<u>4,918</u>	<u>13,023</u>
<b>Long-term borrowing to:</b>				
Subsidiaries	-	-	977,294	988,572
An associate	64,610	65,356	64,610	65,356
	<u>64,610</u>	<u>65,356</u>	<u>1,041,904</u>	<u>1,053,928</u>

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

	Relationships	Company (Unaudited)		Interest rates %	Borrowing periods
		Principles USD million	(Equivalent) Baht million		
PT Sri Trang Lingga Indonesia	A subsidiary	5	163	3.33	5 years
PT Sri Trang Lingga Indonesia	A subsidiary	10	326	2.66	3 years
P.T. Star Rubber	An indirect subsidiary	15	489	3.33	5 years
Semperflex Shanghai Co., Ltd.	An associate	2	65	5.50	3 years

19.5 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:

For the three-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	31 March 2014 Baht'000	31 March 2013 Baht'000	31 March 2014 Baht'000	31 March 2013 Baht'000
Salaries and other employee benefits	<u>56,840</u>	<u>72,530</u>	<u>18,491</u>	<u>35,119</u>

**20 Contingencies and commitments**

**20.1 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 (Unaudited)</b>	<b>Company (Unaudited)</b>
	<b>31 March 2014</b>	<b>31 March 2014</b>
	<b>Baht'000</b>	<b>Baht'000</b>
<b>Purchases from:</b>		
A joint venture	1,500,985	-
Third parties	3,685,775	-
	<u>5,186,760</u>	<u>-</u>
<b>Sales to:</b>		
Associates	1,953,530	1,046,116
Third parties	38,372,803	18,762,864
	<u>40,326,333</u>	<u>19,808,980</u>

**20.2 Capital commitments**

The Group and the Company have capital commitments as follows:

	<b>Consolidated (Unaudited)</b>	<b>Company (Unaudited)</b>
	<b>31 March 2014</b>	<b>31 March 2014</b>
	<b>Baht'000</b>	<b>Baht'000</b>
Capital commitments	<u>520,564</u>	<u>92,557</u>



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

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

20.3.1 The Group and the Company has a commitment to guarantee the borrowings of subsidiaries, associates and a joint venture as follows:

	<b>Consolidated (Unaudited)</b>			
	<b>Relationships</b>	<b>Currencies</b>	<b>31 March 2014</b>	
<b>Amount</b>			<b>(Equivalent) Baht Million</b>	
Sri Trang USA, Inc.	An overseas subsidiary	USD Million	50	1,635
PT Sri Trang Lingga Indonesia	An overseas subsidiary	USD Million	24	799
		Rupiah Billion	321	919
P.T. Star Rubber	An overseas subsidiary	USD Million	7	229
		Rupiah Billion	15	43
Sadao P.S. Rubber Co., Ltd.	A subsidiary	Baht Million	-	20
Thaitech Rubber Corporation Co., Ltd.	A joint venture	Baht Million	-	34
Sempermed USA, Inc.	An overseas subsidiary	USD Million	2	65

20.3.2 The Group has contingent liabilities for bank guarantees issued in favor of government agency totaling Baht 60 million and has pledged its fixed deposits of Baht 14 million as collateral for these bank guarantees.

**20.4 Operating lease commitments - where the Group and the Company are the lessee**

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

	<b>Consolidated (Unaudited)</b>	<b>Company (Unaudited)</b>
	<b>31 March 2014</b>	<b>31 March 2014</b>
	<b>Baht'000</b>	<b>Baht'000</b>
Not later than 1 year	95,733	45,819
Later than 1 year but not later than 5 years	86,686	36,981
Later than 5 years	1,676	-
<b>Total</b>	<b>184,095</b>	<b>82,800</b>

**21 Events occurring after the reporting date**

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

At the Annual General Meeting of Shareholders held on 29 April 2014, it was resolved the conversion of the Company's listing status from a primary listing to a secondary listing on the main board of Singapore Exchange Securities Trading Limited.