

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

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

**31 MARCH 2017**

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

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

I have reviewed the interim consolidated financial information of Sri Trang Agro-Industry Public Company Limited and its subsidiaries, and the separate financial information of Sri Trang Agro-Industry Public Company Limited. These comprise the consolidated and separate statements of financial position as at 31 March 2017, and the related consolidated and separate statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

### **Scope of review**

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

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

**Paiboon Tunkoon**

Certified Public Accountant (Thailand) No. 4298

Bangkok

12 May 2017

**Sri Trang Agro-Industry Public Company Limited**  
**Statement of Financial Position**  
**As at 31 March 2017**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2017 Baht	Audited 31 December 2016 Baht	Unaudited 31 March 2017 Baht	Audited 31 December 2016 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,855,771,394	1,674,618,807	390,140,252	341,997,422
Derivative financial instruments	6	237,956,917	164,979,930	138,896,157	20,160,205
Trade accounts receivable and other receivables, net	7	10,576,206,220	8,093,256,160	5,780,607,404	3,526,070,485
Amounts due from futures brokers		433,449,365	633,921,366	5,051,546	22,980,570
Inventories, net		26,829,438,481	20,931,003,297	12,587,405,726	10,860,738,679
Current portion of long-term loans to subsidiaries	16.5	-	-	1,205,761,803	534,882,000
Other current assets		457,038,916	314,101,947	150,507,620	112,720,704
<b>Total current assets</b>		<b>40,389,861,293</b>	<b>31,811,881,507</b>	<b>20,258,370,508</b>	<b>15,419,550,065</b>
<b>Non-current assets</b>					
Long-term loans to subsidiaries	16.5	-	-	788,571,100	1,539,321,476
Fixed deposits pledged as collateral		21,051,352	12,320,480	-	-
Investments in subsidiaries	8.1	-	-	17,776,978,048	11,246,845,292
Investments in associates	8.2	408,047,236	1,489,919,788	157,568,800	619,177,500
Investment in joint ventures	8.3	420,054,609	3,699,158,251	134,716,526	197,716,526
Long-term investments		51,413,646	59,129,766	50,288,483	58,013,714
Property, plant and equipment, net	9	19,894,121,882	15,765,513,625	6,837,784,394	6,804,703,563
Rubber and palm plantations, net	10	1,637,800,676	1,573,403,867	2,480,795	2,550,659
Intangible assets, net	11	493,578,699	480,804,744	477,723,539	469,980,922
Goodwill	12	2,877,669,515	-	-	-
Investment properties		147,147,480	151,931,585	27,769,750	27,769,750
Withholding tax deducted at source		362,742,120	365,540,461	343,758,512	343,758,512
Deferred income tax assets, net		400,128,890	492,342,586	132,440,302	139,499,375
Other non-current assets		63,581,485	56,608,008	25,280,642	17,761,640
<b>Total non-current assets</b>		<b>26,777,337,590</b>	<b>24,146,673,161</b>	<b>26,755,360,891</b>	<b>21,467,098,929</b>
<b>Total assets</b>		<b>67,167,198,883</b>	<b>55,958,554,668</b>	<b>47,013,731,399</b>	<b>36,886,648,994</b>

Director \_\_\_\_\_

Director \_\_\_\_\_

The accompanying notes are an integral part of these interim financial information.

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2017 Baht	Audited 31 December 2016 Baht	Unaudited 31 March 2017 Baht	Audited 31 December 2016 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade accounts payable and other payables	13	3,570,753,922	3,167,835,158	1,945,699,993	1,740,184,886
Short-term borrowings from financial institutions	14	32,721,779,228	23,433,814,874	21,527,510,000	14,338,230,000
Short-term borrowings from subsidiary	16.4	-	-	500,000,000	-
Current portion of long-term borrowings from financial institutions	14	1,830,620,000	5,397,791,500	669,216,000	4,276,387,500
Current portion of debenture	14	600,000,000	-	600,000,000	-
Current portion of finance lease liabilities	14	4,721,049	8,333,682	2,152,058	2,466,055
Derivative financial instruments	6	352,095,767	654,919,773	225,937,990	460,845,943
Current income tax liabilities		176,205,221	113,819,683	-	-
Other current liabilities		1,005,505,231	59,553,051	975,530,042	27,472,890
<b>Total current liabilities</b>		<b>40,261,680,418</b>	<b>32,836,067,721</b>	<b>26,446,046,083</b>	<b>20,845,587,274</b>
<b>Non-current liabilities</b>					
Long-term borrowings from financial institutions	14	3,515,869,000	654,000	3,515,566,000	-
Debentures	14	2,265,000,000	2,865,000,000	2,265,000,000	2,865,000,000
Finance lease liabilities	14	8,554,359	5,127,618	3,886,671	4,424,685
Deferred income tax liabilities, net		427,474,105	119,339,871	-	-
Provision for retirement benefit obligations		269,345,156	185,232,931	86,693,499	83,946,773
Other non-current liabilities		35,768,718	35,214,923	-	-
<b>Total non-current liabilities</b>		<b>6,522,011,338</b>	<b>3,210,569,343</b>	<b>5,871,146,170</b>	<b>2,953,371,458</b>
<b>Total liabilities</b>		<b>46,783,691,756</b>	<b>36,046,637,064</b>	<b>32,317,192,253</b>	<b>23,798,958,732</b>

	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2017 Baht	Audited 31 December 2016 Baht	Unaudited 31 March 2017 Baht	Audited 31 December 2016 Baht
<b>Liabilities and equity (Cont'd)</b>				
<b>Equity</b>				
Share capital				
Authorised share capital				
Ordinary shares, 1,280,000,000 shares of par Baht 1 each (2016: 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 (2016: 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	1,292,848,511	1,296,859,775	549,945,122	552,826,994
Unrealised gains on available-for-sale investments	14,924,343	12,755,614	14,395,485	12,234,045
Cumulative currency differences on translation	(392,370,611)	(284,004,450)	-	-
Retained earnings				
Appropriated - legal reserve	128,000,000	128,000,000	128,000,000	128,000,000
Unappropriated	9,047,649,161	9,036,069,449	4,173,208,718	2,563,639,402
<b>Total equity attributable to owners of the parent</b>	<b>19,748,906,737</b>	<b>19,847,535,721</b>	<b>14,696,539,146</b>	<b>13,087,690,262</b>
Non-controlling interests	634,600,390	64,381,883	-	-
<b>Total equity</b>	<b>20,383,507,127</b>	<b>19,911,917,604</b>	<b>14,696,539,146</b>	<b>13,087,690,262</b>
<b>Total liabilities and equity</b>	<b>67,167,198,883</b>	<b>55,958,554,668</b>	<b>47,013,731,399</b>	<b>36,886,648,994</b>

**Sri Trang Agro-Industry Public Company Limited**  
**Statements of Comprehensive Income**  
**For the three-month period ended 31 March 2017**

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>Unaudited 2017 Baht</b>	<b>Unaudited 2016 Baht</b>	<b>Unaudited 2017 Baht</b>	<b>Unaudited 2016 Baht</b>
Revenues from sales of goods and services	28,519,248,891	16,694,508,193	15,920,133,407	7,739,656,827
Cost of sales and services	(26,620,407,711)	(15,877,249,999)	(15,569,363,615)	(7,341,314,674)
<b>Gross profit</b>	<b>1,898,841,180</b>	<b>817,258,194</b>	<b>350,769,792</b>	<b>398,342,153</b>
Other income	215,017,037	44,255,434	2,281,276,342	31,463,913
Selling expenses	(1,113,306,018)	(757,501,000)	(795,866,972)	(612,435,616)
Administrative expenses	(969,743,705)	(309,019,305)	(216,170,252)	(146,311,509)
Gains (losses) on exchange rate, net	249,093,050	(4,547,520)	182,093,026	23,198,005
Gain on change in fair value from group investment reclassification	223,626,008	-	-	-
Gain on change in fair value of investment from disposal	132,699,762	-	-	-
Gain on change in fair value from disposals of investments in associates and general investment	-	-	217,824,854	-
Other gains (losses), net	(299,806,600)	16,750,943	(263,706,952)	(43,993,227)
<b>Operating profit (loss)</b>	<b>336,420,714</b>	<b>(192,803,254)</b>	<b>1,756,219,838</b>	<b>(349,736,281)</b>
Share of profit from investments in associates and joint ventures	57,940,989	96,826,894	-	-
<b>Profit (loss) before net finance costs and income tax</b>	<b>394,361,703</b>	<b>(95,976,360)</b>	<b>1,756,219,838</b>	<b>(349,736,281)</b>
Finance income	1,565,303	6,226,661	25,062,335	15,361,976
Finance costs	(265,411,119)	(135,922,637)	(168,076,017)	(98,438,789)
Finance costs, net	(263,845,816)	(129,695,976)	(143,013,682)	(83,076,813)
<b>Profit (loss) before income tax</b>	<b>130,515,887</b>	<b>(225,672,336)</b>	<b>1,613,206,156</b>	<b>(432,813,094)</b>
Income tax (expense)	15 (141,746,456)	47,969,145	(6,518,712)	31,134,735
<b>Profit (loss) for the periods</b>	<b>(11,230,569)</b>	<b>(177,703,191)</b>	<b>1,606,687,444</b>	<b>(401,678,359)</b>
<b>Other comprehensive income:</b>				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Change in fair value of available-for-sale investments, net of tax	2,168,729	4,794,091	2,161,440	4,721,253
Currency differences on translation	(107,248,126)	(70,365,592)	-	-
Total items that will be reclassified subsequently to profit or loss	(105,079,397)	(65,571,501)	2,161,440	4,721,253
Other comprehensive income for the periods, net of tax	(105,079,397)	(65,571,501)	2,161,440	4,721,253
<b>Total comprehensive income (expense) for the periods</b>	<b>(116,309,966)</b>	<b>(243,274,692)</b>	<b>1,608,848,884</b>	<b>(396,957,106)</b>

The accompanying notes 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 2017

	Consolidated financial information		Separate financial information	
	Unaudited	Unaudited	Unaudited	Unaudited
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
<b>Profit (loss) for the period attributable to:</b>				
Owners of the parent	7,568,448	(165,630,692)	1,606,687,444	(401,678,359)
Non-controlling interests	(18,799,017)	(12,072,499)	-	-
<b>Profit (loss) for the periods</b>	<u>(11,230,569)</u>	<u>(177,703,191)</u>	<u>1,606,687,444</u>	<u>(401,678,359)</u>
<b>Total comprehensive income (expense) for the period attributable to:</b>				
Owners of the parent	(98,628,984)	(231,584,518)	1,608,848,884	(396,957,106)
Non-controlling interests	(17,680,982)	(11,690,174)	-	-
<b>Total comprehensive income (expense) for the periods</b>	<u>(116,309,966)</u>	<u>(243,274,692)</u>	<u>1,608,848,884</u>	<u>(396,957,106)</u>
<b>Earnings (loss) per share</b>				
Basic earnings (loss) per share	<u>0.01</u>	<u>(0.13)</u>	<u>1.26</u>	<u>(0.31)</u>

The accompanying notes are an integral part of these interim financial information.

Consolidated financial information (Unaudited)											
Attributable to owners of the parent											
	Other components of equity					Retained earnings		Total owners of the parent	Non-controlling interests	Total equity	
	Issued and paid-up share capital	Premium on share capital	Deduction arising from acquisition of additional interest in subsidiaries from non-controlling interests	Other comprehensive income			Appropriated - legal reserve				Unappropriated
				Asset revaluation surplus, net of depreciation	Unrealised gains on available-for-sale investments	Cumulative currency differences on translation					
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
<b>Opening balance as at 1 January 2017</b>	1,280,000,000	8,550,989,821	(173,134,488)	1,296,859,775	12,755,614	(284,004,450)	128,000,000	9,036,069,449	19,847,535,721	64,381,883	19,911,917,604
<b>Profit (Loss) for the period</b>	-	-	-	-	-	-	-	7,568,448	7,568,448	(18,799,017)	(11,230,569)
<b>Other comprehensive income</b>											
Depreciation of surplus from assets revaluation, net of tax	-	-	-	(3,921,569)	-	-	-	3,921,569	-	-	-
Disposals and write-offs of assets, net of tax	-	-	-	(89,695)	-	-	-	89,695	-	-	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	-	2,168,729	-	-	-	2,168,729	-	2,168,729
Currency differences on translation	-	-	-	-	-	(108,366,161)	-	-	(108,366,161)	1,118,035	(107,248,126)
<b>Total other comprehensive income, net of tax</b>	-	-	-	(4,011,264)	2,168,729	(108,366,161)	-	4,011,264	(106,197,432)	1,118,035	(105,079,397)
<b>Total comprehensive expense</b>	-	-	-	(4,011,264)	2,168,729	(108,366,161)	-	11,579,712	(98,628,984)	(17,680,982)	(116,309,966)
<b>Transactions with equity</b>											
Dividend payment from subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	(188)	(188)
Acquisition of non-controlling interest with a change in control.	-	-	-	-	-	-	-	-	-	587,899,677	587,899,677
<b>Total transactions with equity</b>	-	-	-	-	-	-	-	-	-	587,899,489	587,899,489
<b>Closing balance as at 31 March 2017</b>	1,280,000,000	8,550,989,821	(173,134,488)	1,292,848,511	14,924,343	(392,370,611)	128,000,000	9,047,649,161	19,748,906,737	634,600,390	20,383,507,127



Consolidated financial information (Unaudited)											
Attributable to owners of the parent											
Other components of equity											
Other comprehensive income											
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 equity Baht	
						Appropriated - legal reserve Baht	Unappropriated Baht				
Opening balance as at 1 January 2016	1,280,000,000	8,550,989,821	(173,134,488)	1,427,799,885	6,832,287	(268,546,606)	128,000,000	10,287,731,589	21,239,672,488	94,236,247	21,333,908,735
Loss for the period	-	-	-	-	-	-	-	(165,630,692)	(165,630,692)	(12,072,499)	(177,703,191)
<b>Other comprehensive income</b>											
Depreciation of surplus from assets revaluation, net of tax	-	-	(4,513,861)	-	-	-	-	4,513,861	-	-	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	4,794,091	-	-	-	-	4,794,091	-	4,794,091
Currency differences on translation	-	-	-	-	(70,747,917)	-	-	-	(70,747,917)	382,325	(70,365,592)
Total other comprehensive income, net of tax	-	-	(4,513,861)	4,794,091	(70,747,917)	-	-	4,513,861	(65,953,826)	382,325	(65,571,501)
<b>Total comprehensive expense</b>	-	-	(4,513,861)	4,794,091	(70,747,917)	-	-	(161,116,831)	(231,584,518)	(11,690,174)	(243,274,692)
Closing balance as at 31 March 2016	1,280,000,000	8,550,989,821	(173,134,488)	1,423,286,024	11,626,378	(339,294,523)	128,000,000	10,126,614,758	21,008,087,970	82,546,073	21,090,634,043

	Separate financial information (Unaudited)						Total equity Baht
	Other components of equity						
	Other comprehensive income						
	Issued and paid-up share capital Baht	Premium on share capital Baht	Asset		Retained earnings		
			revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Appropriated - legal reserve Baht	Unappropriated Baht	
Opening balance as at 1 January 2017	1,280,000,000	8,550,989,821	552,826,994	12,234,045	128,000,000	2,563,639,402	13,087,690,262
Profit for the period	-	-	-	-	-	1,606,687,444	1,606,687,444
<b>Other comprehensive income</b>							
Depreciation of surplus from assets revaluation, net of tax	-	-	(2,881,872)	-	-	2,881,872	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	2,161,440	-	-	2,161,440
Total other comprehensive income, net of tax	-	-	(2,881,872)	2,161,440	-	2,881,872	2,161,440
<b>Total comprehensive income</b>	-	-	(2,881,872)	2,161,440	-	1,609,569,316	1,608,848,884
Closing balance as at 31 March 2017	1,280,000,000	8,550,989,821	549,945,122	14,395,485	128,000,000	4,173,208,718	14,696,539,146

Separate financial information (Unaudited)							
Other components of equity							
Other comprehensive income							
	Issued and paid-up share capital Baht	Premium on share capital Baht	Asset		Retained earnings		Total equity Baht
			revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Appropriated - legal reserve Baht	Unappropriated Baht	
<b>Opening balance as at 1 January 2016</b>	1,280,000,000	8,550,989,821	654,327,347	6,479,970	128,000,000	3,972,561,056	14,592,358,194
<b>Loss for the period</b>	-	-	-	-	-	(401,678,359)	(401,678,359)
<b>Other comprehensive income</b>							
Depreciation of surplus from assets revaluation, net of tax	-	-	(3,062,689)	-	-	3,062,689	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	4,721,253	-	-	4,721,253
Total other comprehensive income, net of tax	-	-	(3,062,689)	4,721,253	-	3,062,689	4,721,253
<b>Total comprehensive expense</b>	-	-	(3,062,689)	4,721,253	-	(398,615,670)	(396,957,106)
<b>Closing balance as at 31 March 2016</b>	1,280,000,000	8,550,989,821	651,264,658	11,201,223	128,000,000	3,573,945,386	14,195,401,088

## Statements of Cash Flows

For the three-month period ended 31 March 2017

	Consolidated financial information		Separate financial information	
	Unaudited	Unaudited	Unaudited	Unaudited
	2017	2016	2017	2016
Notes	Baht	Baht	Baht	Baht
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax	130,515,887	(225,672,336)	1,613,206,156	(432,813,094)
Adjustments for:				
Unrealised (gains) losses on foreign currency translations	(57,547,289)	(35,635,066)	38,265,073	92,229,025
Unrealised (gains) losses from revaluation of derivative financial instruments	(375,800,993)	183,055,763	(353,643,905)	176,736,002
Allowance for impairment of trade accounts receivable (reversal)	238,720	(82,210)	-	-
Allowance for inventory cost in excess of net realisable value (reversal)	1,039,735,843	(340,444,190)	637,347,366	(166,606,760)
Reversal of provision for damaged inventories from fire accident	(41,593,901)	-	-	-
Provision for retirement benefit obligations	7,209,075	7,784,730	2,746,726	3,014,932
Depreciation charges	9 322,918,692	274,097,954	156,541,283	126,877,477
Amortisation charges - rubber and palm plantations	10 199,209	147,904	69,864	70,447
(Adjustment on) amortisation charges				
- intangible assets	11 14,367,133	(3,864,948)	12,882,090	(5,494,893)
Finance costs	265,411,119	135,922,637	168,076,017	98,438,789
Dividend income	(26,046)	(27,928)	(2,211,155,777)	(27,928)
Share of profit from investments in associates and joint ventures	(57,940,989)	(96,826,894)	-	-
(Gains) losses on disposals and write-offs of property, plant and equipment, rubber and palm plantations and intangible assets	(4,053,150)	(1,197,169)	(647,132)	210,374
Gain on change in fair value from disposals of investments	(132,699,762)	-	-	-
Gain on disposal of investment in associates and general investment	-	-	(217,824,854)	-
Gain on change in fair value from investment group reclassification	(223,626,008)	-	-	-
Changes in operating assets and liabilities:				
(Increase) decrease in operating assets				
- Trade accounts receivable and other receivables	(1,304,162,817)	(1,604,403,170)	(1,754,537,107)	(320,179,361)
- Amounts due from futures brokers	200,472,001	289,708,277	17,929,024	8,676,482
- Inventories	(5,544,204,309)	1,132,831,599	(2,364,014,413)	(307,564,536)
- Other current assets	(36,893,691)	85,602,324	(11,362,616)	(17,235,531)
- Other non-current assets	(6,128,839)	(4,750,087)	(7,519,002)	365,002
Increase (decrease) in operating liabilities				
- Trade accounts payable and other payables	(641,890,523)	(109,093,379)	215,321,385	255,972,498
- Other current liabilities	945,952,180	(247,008)	948,057,152	662,162
<b>Cash used in operating activities</b>	(5,499,548,458)	(313,093,197)	(3,110,262,670)	(486,668,913)
Interest paid	(256,813,364)	(157,223,250)	(159,893,456)	(118,504,524)
Income tax (paid) refundable	(25,514,374)	29,370,692	(26,424,300)	(15,319,379)
Employee benefits paid	(58,500)	(156,000)	-	-
<b>Net cash used in operating activities</b>	(5,781,934,696)	(441,101,755)	(3,296,580,426)	(620,492,816)

The accompanying notes are an integral part of these interim financial information.

	Notes	Consolidated financial information		Separate financial information	
		Unaudited	Unaudited	Unaudited	Unaudited
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
<b>Cash flows from investing activities</b>					
(Increase) decrease in fixed deposits pledged					
as collateral		(8,730,872)	222,863	-	9,297,683
Dividends received		2,128,093,945	27,928	1,711,155,966	27,928
Proceeds from repayment loans to subsidiary		-	-	-	300,000,000
Cash paid for investments in subsidiaries		-	-	(6,467,132,756)	(134,000,000)
Cash received from disposals of investment in					
associates and general investment		699,816,382	-	689,860,585	-
Net cash paid for acquisition of subsidiary		(5,129,542,633)	-	-	-
Proceeds from disposals of property, plant					
and equipment, rubber and palm plantations					
and intangible assets		7,441,857	15,747,136	2,286,306	189,972
Cash paid for purchases of property, plant					
and equipment, rubber and palm plantations					
and intangible assets		(496,016,267)	(475,833,609)	(229,874,834)	(289,675,900)
<b>Net cash used in investing activities</b>		<b>(2,798,937,588)</b>	<b>(459,835,682)</b>	<b>(4,293,704,733)</b>	<b>(114,160,317)</b>
<b>Cash flows from financing activities</b>					
Increase in short-term borrowings from					
financial institutions	14	8,772,561,763	539,776,994	7,189,280,000	1,137,557,000
Increase in short-term borrowings from subsidiary	16.4	-	-	500,000,000	-
Proceeds from long-term borrowings	14	40,000,000	380,000,000	-	-
Repayments of long-term borrowings	14	(50,351,000)	(63,047,000)	(50,000,000)	(62,696,000)
Repayments of debentures		-	(300,000,000)	-	(300,000,000)
Payments on finance lease liabilities	14	(185,892)	(7,841,403)	(852,011)	(1,220,671)
<b>Net cash provided by financing activities</b>		<b>8,762,024,871</b>	<b>548,888,591</b>	<b>7,638,427,989</b>	<b>773,640,329</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>181,152,587</b>	<b>(352,048,846)</b>	<b>48,142,830</b>	<b>38,987,196</b>
Cash and cash equivalents at the beginning of the periods		1,674,618,807	2,197,241,259	341,997,422	302,242,191
<b>Cash and cash equivalents at end of the periods</b>		<b>1,855,771,394</b>	<b>1,845,192,413</b>	<b>390,140,252</b>	<b>341,229,387</b>
<b>Supplementary information for cash flows</b>					
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		(458,746,497)	(509,827,865)	(211,885,995)	(319,469,219)
Increase (decrease) in payables from purchases of assets		(37,269,770)	33,994,256	(17,988,839)	29,793,319
<b>Cash paid for purchases of property, plant</b>					
<b>and equipment, rubber and palm plantations</b>					
<b>and intangible assets</b>		<b>(496,016,267)</b>	<b>(475,833,609)</b>	<b>(229,874,834)</b>	<b>(289,675,900)</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 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”.

This interim consolidated and separate financial information was authorised for issue by the Board of Directors on 12 May 2017.

This interim consolidated and separate financial information has been reviewed, not audited.

## **2 Accounting policies**

### **2.1 Basis of preparation**

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in shareholders’ equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. 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 2016.

An English version of the interim consolidated and separate 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 2016.

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**

**Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017.**

(a) Financial reporting standards, which have significant changes and are relevant to the Group is as follows:

TAS 41 (revised 2016)	Agriculture
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(b) Revised financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows:

TAS 1 (revised 2016)	Presentation of financial statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of cash flows
TAS 8 (revised 2016)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2016)	Events after the reporting period
TAS 11 (revised 2016)	Construction contracts
TAS 12 (revised 2016)	Income taxes
TAS 16 (revised 2016)	Property, plant and equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee benefits
TAS 21 (revised 2016)	The effects of changes in foreign exchange rates
TAS 23 (revised 2016)	Borrowing costs
TAS 24 (revised 2016)	Related party disclosures
TAS 26 (revised 2016)	Accounting and reporting by retirement benefit plans
TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 33 (revised 2016)	Earnings per share
TAS 34 (revised 2016)	Interim financial reporting
TAS 36 (revised 2016)	Impairment of assets
TAS 37 (revised 2016)	Provisions, contingent liabilities and contingent assets
TAS 38 (revised 2016)	Intangible assets
TAS 40 (revised 2016)	Investment property
TFRS 3 (revised 2016)	Business combinations
TFRS 8 (revised 2016)	Operating segments
TFRS 10 (revised 2016)	Consolidated financial statements
TFRS 11 (revised 2016)	Joint arrangements
TFRS 12 (revised 2016)	Disclosure of interests in other entities
TFRS 13 (revised 2016)	Fair value measurement
TFRIC 4 (revised 2016)	Determining whether an arrangement contains a lease
TFRIC 10 (revised 2016)	Interim financial reporting and impairment
TSIC 27 (revised 2016)	Evaluating the substance of transactions involving the legal form of a lease

**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 2016.

**4 Fair value measurements**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 March 2017.

	<b>Consolidated financial information(Unaudited)</b>			
	<b>Level 1 Baht'000</b>	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	<b>Total Baht'000</b>
<b>Assets</b>				
Available-for-sale investments				
- Equity securities	51,414	-	-	51,414
Financial assets at fair value through profit or loss				
- Trading derivatives	49,415	188,542	-	237,957
<b>Total assets</b>	<b>100,829</b>	<b>188,542</b>	<b>-</b>	<b>289,371</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss				
- Trading derivatives	233,683	118,413	-	352,096
<b>Total liabilities</b>	<b>233,683</b>	<b>118,413</b>	<b>-</b>	<b>352,096</b>
<b>Separate financial information (Unaudited)</b>				
	<b>Level 1 Baht'000</b>	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	<b>Total Baht'000</b>
<b>Assets</b>				
Available-for-sale investments				
- Equity securities	50,288	-	-	50,288
Financial assets at fair value through profit or loss				
- Trading derivatives	12,814	126,082	-	138,896
<b>Total assets</b>	<b>63,102</b>	<b>126,082</b>	<b>-</b>	<b>189,184</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss				
- Trading derivatives	135,866	90,072	-	225,938
<b>Total liabilities</b>	<b>135,866</b>	<b>90,072</b>	<b>-</b>	<b>225,938</b>



#### **4 Fair value measurements (Cont'd)**

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

(a) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

(b) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by 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, 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 or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

#### **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 four 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) Engineering business: This segment is engaged in the engineering service including research and development of machinery and production process, and also providing information system service.
- (3) Plantation: This segment is engaged in plantations including rubber, palm and temperate fruits.
- (4) 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 2017, the Group operates four business segments in seven main geographical areas (2015: seven 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 31 March 2017**

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

Reportable segments by geographical area of interim consolidated financial information for the three-month period ended 31 March 2017:

	Consolidated financial information (Unaudited)										
	Natural rubber products						Engineering Business	Plantation	Other businesses	Total	
	Thailand Baht'000	Indonesia Baht'000	Singapore Baht'000	USA Baht'000	China Baht'000	Vietnam Baht'000	Myanmar Baht'000	Thailand Baht'000	Thailand Baht'000		Thailand Baht'000
Segment revenues	22,429,581	3,445,016	7,750,359	740,715	123,714	-	83,622	161,877	602	433,317	35,168,803
Inter-segment revenues	(2,616,803)	(2,619,665)	(1,006,425)	199	-	-	(83,622)	(93,719)	(490)	(229,029)	(6,649,554)
<b>Revenues from external customers</b>	<b>19,812,778</b>	<b>825,351</b>	<b>6,743,934</b>	<b>740,914</b>	<b>123,714</b>	<b>-</b>	<b>-</b>	<b>68,158</b>	<b>112</b>	<b>204,288</b>	<b>28,519,249</b>
Depreciation and amortisation	(244,560)	(67,866)	(1,659)	(454)	(585)	-	(1,291)	(5,192)	(8,316)	(7,562)	(337,485)
Finance income	767	517	108	-	173	-	-	-	-	-	1,565
Finance costs	(192,137)	(47,902)	(2,257)	(7,924)	-	-	(989)	(14,083)	-	(119)	(265,411)
Share of profit from investments in associates and joint ventures	57,941	-	-	-	-	-	-	-	-	-	57,941
Profit (loss) before income tax	1,642,449	456,792	294,000	64,372	1,933	(940)	2,847	(2,938)	(30,720)	(5,068)	2,422,727
Income tax income (expense)	(15,941)	(79,385)	(24,167)	(21,976)	(552)	-	-	142	25	108	(141,746)
Profit (loss) for the period	<u>1,626,508</u>	<u>377,407</u>	<u>269,833</u>	<u>42,396</u>	<u>1,381</u>	<u>(940)</u>	<u>2,847</u>	<u>(2,796)</u>	<u>(30,695)</u>	<u>(4,960)</u>	<u>2,280,981</u>
Intersegmental balances											(2,292,212)
<b>Total loss for the period</b>											<b>(11,231)</b>
Total assets	<u>63,410,660</u>	<u>8,568,929</u>	<u>6,337,851</u>	<u>1,275,070</u>	<u>588,705</u>	<u>27,973</u>	<u>241,196</u>	<u>2,390,925</u>	<u>6,094,617</u>	<u>4,043,669</u>	<u>92,979,595</u>
Intersegmental balances											(25,812,396)
<b>Total assets</b>											<b>67,167,199</b>

Reportable segments by geographical area of interim consolidated financial information for the three-month period ended 31 March 2016:

	Consolidated financial information (Unaudited)								
	Natural rubber products						Other businesses	Total	
	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	10,699,109	1,823,218	4,930,687	499,727	526,914	-	-	1,206,837	19,686,492
Inter-segment revenues	(991,350)	(1,464,106)	(219,205)	-	-	-	-	(317,323)	(2,991,984)
<b>Revenues from external customers</b>	<b>9,707,759</b>	<b>359,112</b>	<b>4,711,482</b>	<b>499,727</b>	<b>526,914</b>	<b>-</b>	<b>-</b>	<b>889,514</b>	<b>16,694,508</b>
Depreciation and amortisation	(180,348)	(66,517)	(2,352)	(551)	(808)	(59)	(101)	(19,645)	(270,381)
Finance income	4,599	1,275	43	-	310	-	-	-	6,227
Finance costs	(112,685)	(7,456)	(1,342)	(8,488)	-	(2)	-	(5,950)	(135,923)
Share of profit from investments in associates and joint ventures	96,827	-	-	-	-	-	-	-	96,827
Profit (loss) before income tax	(350,634)	(120,118)	260,723	(63,174)	(23,267)	(1,231)	(9,100)	89,563	(217,238)
Income tax expense (income)	35,598	43,128	(32,493)	15,131	10,457	-	-	(23,852)	47,969
Profit (loss) for the period	<u>(315,036)</u>	<u>(76,990)</u>	<u>228,230</u>	<u>(48,043)</u>	<u>(12,810)</u>	<u>(1,231)</u>	<u>(9,100)</u>	<u>65,711</u>	<u>(169,269)</u>
Intersegmental balances									(8,434)
<b>Total loss for the period</b>									<b>(177,703)</b>
Total assets	<u>36,617,384</u>	<u>4,260,976</u>	<u>4,965,936</u>	<u>1,005,852</u>	<u>848,369</u>	<u>30,789</u>	<u>118,439</u>	<u>9,543,487</u>	<u>57,391,232</u>
Intersegmental balances									(13,247,530)
<b>Total assets</b>									<b>44,143,702</b>

**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:

	<b>Consolidated financial information</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>31 March 2017</b>	<b>31 December 2016</b>
	<b>Baht'000</b>	<b>Baht'000</b>
Thailand	20,015,542	15,807,820
Indonesia	2,009,623	2,003,222
Singapore	159,748	160,012
USA	2,087	2,588
China	19,747	23,040
Myanmar	29,343	31,371
Vietnam	140	209
<b>Total</b>	<b>22,236,230</b>	<b>18,028,262</b>

**6 Derivative financial instruments**

	<b>Consolidated financial information</b>			
	<b>(Unaudited)</b>		<b>(Audited)</b>	
	<b>31 March 2017</b>		<b>31 December 2016</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	8,035	(90,072)	-	(120,311)
Forward foreign exchange contracts	172,315	(9,047)	60,359	(188,190)
Rubber futures	49,415	(233,683)	23,054	(280,758)
Physical forward contracts	8,192	(19,294)	81,567	(65,661)
<b>Total derivative financial instruments</b>	<b>237,957</b>	<b>(352,096)</b>	<b>164,980</b>	<b>(654,920)</b>

	<b>Separate financial information</b>			
	<b>(Unaudited)</b>		<b>(Audited)</b>	
	<b>31 March 2017</b>		<b>31 December 2016</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	8,035	(90,072)	-	(120,311)
Forward foreign exchange contracts	118,047	-	4	(131,150)
Rubber futures	12,814	(135,866)	20,156	(209,385)
<b>Total derivative financial instruments</b>	<b>138,896</b>	<b>(225,938)</b>	<b>20,160</b>	<b>(460,846)</b>

**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2017**

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

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000
Trade accounts receivable - other companies	9,805,552	7,643,206	3,766,250	2,976,587
<u>Less</u> Allowance for impairment of trade accounts receivable	(42,637)	(42,359)	(27,636)	(27,636)
Total trade accounts receivable - other companies, net	9,762,915	7,600,847	3,738,614	2,948,951
Trade accounts receivable - related companies (Note 16.3)	3,204	98,594	511,250	333,977
Total trade accounts receivable, net	9,766,119	7,699,441	4,249,864	3,282,928
Advance payments for goods	207,409	129,536	836,591	65,395
Prepaid expenses	353,752	155,640	110,700	30,771
Accrued income and other receivables	248,926	108,639	583,452	146,976
Total trade accounts receivable and other receivables, net	10,576,206	8,093,256	5,780,607	3,526,070

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

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000
Within credit terms	8,860,574	6,982,754	3,712,555	2,812,632
Overdue 1 - 30 days	793,206	639,682	489,047	429,808
Overdue 31 - 60 days	51,745	31,411	23,381	25,271
Overdue 61 - 90 days	31,559	27,824	8,733	989
Overdue 91 - 120 days	11,122	2,566	1,546	-
Overdue 121 - 365 days	11,365	12,284	6,747	7,638
More than 365 days	49,185	45,279	35,491	34,226
	9,808,756	7,741,800	4,277,500	3,310,564
<u>Less</u> Allowance for impairment of trade accounts receivable	(42,637)	(42,359)	(27,636)	(27,636)
Total trade accounts receivable, net	9,766,119	7,699,441	4,249,864	3,282,928

**8 Investments in subsidiaries, associates and joint ventures**

**8.1 Investments in subsidiaries**

Significant investments in subsidiaries are as follows:

	Consolidated financial information			
	Activities	Countries of incorporation	% Ownership interest	
			(Unaudited) 31 March 2017	(Audited) 31 December 2016
<b>Subsidiaries</b>				
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.	Investment holding and rubber and palm plantations	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
Sritrang Glove (Thailand) Co., Ltd. (formerly Siam Sempermed Corp., Ltd.)*	Manufacture of medical gloves	Thailand	90.23	40.23
<b>Indirect subsidiaries</b>				
Sri Trang International Pte Ltd. (held by Startex Rubber Co., Ltd.)	Distribution of rubber products	Singapore	100.00	100.00
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

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

	Relationships	Currency	Separate financial information			
			(Unaudited) 31 March 2017		(Audited) 31 December 2016	
			Number of shares	(Equivalent) Baht Million	Number of Shares	(Equivalent) Baht Million
<b>Additional investment</b>						
Sritrang Glove (Thailand) Co., Ltd. (formerly Siam Sempermed Corp., Ltd.)*	A subsidiary	Baht Million	18,046	6,430	-	-
Sri Trang Rubber & Plantation Co., Ltd.	A subsidiary	Baht Million	-	100	-	534
		Total		6,530		534

\* In March 2017, Sritrang Glove (Thailand) Co., Ltd. ("Sritrang Glove") change its status from joint venture to direct subsidiary and also its name. The Group holds 90.23% of the shares in Sritrang Glove. Related detail is shown in Note 18 Business acquisition.

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

**8.2 Investments in associates**

Significant investments in associates are as follows:

<b>Consolidated financial information</b>				
<b>Activities</b>	<b>Countries of incorporation</b>	<b>% Ownership interest</b>		
		<b>(Unaudited) 31 March 2017</b>	<b>(Audited) 31 December 2016</b>	
<b>Direct associates</b>				
Semperflex Asia Co., Ltd.	Manufacture of hydraulic hoses	Thailand	42.50	42.50
Sempermed USA, Inc.*	Distribution of medical gloves	USA	-	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
Sempermed Singapore Pte Ltd.*	Investment holding in the company that selling medical gloves	Singapore	-	50.00
<b>Indirect associates</b>				
Sempermed Brazil Comercio Exterior LTDA. (held by Sempermed Singapore Pte Ltd.)*	Sales of medical gloves	Brazil	-	50.00
Formtech Engineering (M) Sdn. Bhd. (held by Sempermed Singapore Pte Ltd.)*	Manufacture of glove formers	Malaysia	-	41.43

The movement in investments in associates can be summarised as follows:

<b>Consolidated financial information</b>					
<b>Relationship</b>	<b>Currency</b>	<b>(Unaudited)</b>		<b>(Audited)</b>	
		<b>31 March 2017</b>	<b>31 December 2016</b>	<b>31 March 2017</b>	<b>31 December 2016</b>
		<b>Baht Million</b>		<b>Baht Million</b>	
<b>Disposal of :</b>					
Sempermed USA, Inc.	Direct associate	Baht Million	(333)	-	-
Semperflex Shanghai Co., Ltd.	Direct associate	Baht Million	(295)	-	-
Sempermed Singapore Pte Ltd.	Indirect associate	Baht Million	(25)	-	-
Sempermed Brazil Comercio Exterior LTDA. (held by Sempermed Singapore Pte Ltd.)*	Indirect associate	Baht Million	-	-	-
Formtech Engineering (M) Sdn. Bhd. (held by Sempermed Singapore Pte Ltd.)	Indirect associate	Baht Million	(16)	-	-
		<b>Total</b>	<b>(669)</b>	<b>-</b>	<b>-</b>

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

**8.3 Investments in joint ventures**

The jointly controlled entities are as follows:

	Activities	Countries of incorporation	Consolidated financial information	
			% Ownership interest	
			(Unaudited) 31 March 2017	(Audited) 31 December 2016
<b>Direct joint ventures</b>				
Thaitech Rubber Corp., Ltd.	Manufacture of STR block rubber products	Thailand	42.51	42.51
Sritrang Glove (Thailand) Co., Ltd. (formerly Siam Sempermed Corp. Ltd.)*	Manufacture of medical gloves	Thailand	-	40.23
<b>Indirect joint ventures</b>				
Shanghai Sempermed Gloves Co., Ltd. (held by Sritrang Glove (Thailand) Co., Ltd.)**	Manufacture of medical gloves	China	-	40.23
PT. Thaitech Rubber Indonesia (held by Thaitech Rubber Co., Ltd.)	Manufacturing and selling of rubbers	Indonesia	99.99	99.99

The movement in investments in joint venture can be summarised as follows:

	Relationship	Currency	Consolidated financial information			
			(Unaudited) 31 March 2017		(Audited) 31 December 2016	
			Number of shares	(Equivalent) Baht Million	Number of shares	(Equivalent) Baht Million
Sritrang Glove (Thailand) Co., Ltd. (formerly Siam Sempermed Corp., Ltd.)	A joint venture	Baht Million	-	-	8,046	63

\* In March 2017, The Company disposed its investment in associates and an indirect joint venture to Semperit Technische Produkte Gesellschaft m.b.H. ("Semperit"). Related detail is shown in Note 18 Business acquisition.

\*\*In March 2017, Sritrang Glove (Thailand) Co., Ltd disposed all of investment in Shanghai Sempermed Gloves Co., Ltd. to Semperit.

**9 Property, plant and equipment, net**

	Consolidated financial information	Separate financial information
	(Unaudited) Baht'000	(Unaudited) Baht'000
<b>For the three-month period ended 31 March 2017</b>		
Opening net book value	15,765,514	6,804,704
Property, plant and equipment from business acquisition (Note 18)	4,120,831	-
Additions	389,854	191,193
Disposals and write-offs, net	(2,254)	(1,572)
Depreciation charges	(322,919)	(156,541)
Depreciation capitalised to assets	(17,608)	-
Cumulative currency differences on translation	(39,296)	-
Closing net book value	19,894,122	6,837,784

**10 Rubber and palm plantations, net**

	<b>Consolidated financial information</b>	<b>Separate financial information</b>
	<b>(Unaudited) Baht'000</b>	<b>(Unaudited) Baht'000</b>
<b>For the three-month period ended 31 March 2017</b>		
Opening net book value	1,573,404	2,551
Additions	48,056	-
Disposals, net	(1,068)	-
Amortisation charges	(199)	(70)
Depreciation capitalised to assets	17,608	-
Closing net book value	<u>1,637,801</u>	<u>2,481</u>

**11 Intangible assets, net**

	<b>Consolidated financial information</b>	<b>Separate financial information</b>
	<b>(Unaudited) Baht'000</b>	<b>(Unaudited) Baht'000</b>
<b>For the three-month period ended 31 March 2017</b>		
Opening net book value	480,805	469,981
Intangible assets equipment from business acquisition (Note 18)	6,701	-
Additions	20,837	20,692
Disposals and write-offs, net	(67)	(67)
Amortisation charges	(14,367)	(12,882)
Cumulative currency differences on translation	(330)	-
Closing net book value	<u>493,579</u>	<u>477,724</u>

**12 Goodwill**

	<b>Consolidated financial information</b>	
	<b>(Unaudited) 31 March 2017 Baht'000</b>	<b>(Audited) 31 December 2016 Baht'000</b>
At the beginning of the periods	-	-
Business acquisition (Note 18)	<u>2,877,669,515</u>	-
At the end of the periods	<u>2,877,669,515</u>	-



**Sri Trang Agro-Industry Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2017**

**13 Trade accounts payable and other payables (Cont'd)**

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000
Trade accounts payable				
- other companies	1,626,482	974,197	576,359	430,670
Trade accounts payable				
- related companies (Note 16.3)	191,466	633,460	514,065	522,822
Accrued expenses	652,084	800,857	256,490	333,387
Advance received for goods and others	184,016	339,054	33,628	248,263
Deposits and retentions received from customers	127,949	107,213	17,869	16,976
Other trade account payable				
- other companies	524,812	307,052	114,593	124,724
Other trade accounts payable				
- related companies (Note 16.3)	-	5,677	169,352	63,158
Others	263,945	325	263,344	185
Total trade accounts payable and other payables	<u>3,570,754</u>	<u>3,167,835</u>	<u>1,945,700</u>	<u>1,740,185</u>

**14 Borrowings**

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000
<b>Current</b>				
Short-term borrowings from financial institutions	32,102,058	23,086,867	21,527,510	14,338,230
Notes payable	619,721	346,948	-	-
Total short-term borrowings from financial institutions	32,721,779	23,433,815	21,527,510	14,338,230
Current portion of long-term borrowings from financial institutions	1,830,620	5,397,792	669,216	4,276,388
Current portion of debentures	600,000	-	600,000	-
Short-term borrowings from subsidiary	-	-	500,000	-
Current portion of finance lease liabilities	4,721	8,334	2,152	2,466
Total current borrowings	<u>35,157,120</u>	<u>28,839,941</u>	<u>23,298,878</u>	<u>18,617,084</u>
<b>Non-current</b>				
Long-term borrowings from financial institutions	3,515,869	654	3,515,566	-
Debentures	2,265,000	2,865,000	2,265,000	2,865,000
Finance lease liabilities	8,554	5,128	3,887	4,425
Total non-current borrowings	<u>5,789,423</u>	<u>2,870,782</u>	<u>5,784,453</u>	<u>2,869,425</u>
Total borrowings	<u>40,946,543</u>	<u>31,710,723</u>	<u>29,083,331</u>	<u>21,486,509</u>

**14 Borrowings (Cont'd)**

The movements in borrowings can be analysed as follows:

	<b>Consolidated financial information (Unaudited) Baht'000</b>	<b>Separate financial information (Unaudited) Baht'000</b>
<b>For the three-month period ended 31 March 2017</b>		
Opening balance as at 1 January 2017	31,710,722	21,486,509
Borrowing of a subsidiary from business acquisition (Note 18)	500,000	-
Increases of short-term borrowings from financial institutions	8,772,385	7,189,280
Additions of short-term borrowings from a subsidiary	-	500,000
Additions of long-term borrowings from financial institutions	40,000	-
Repayments of long-term borrowings from financial institutions	(50,351)	(50,000)
Repayments of finance lease liabilities	(186)	(852)
Cumulative currency differences on translation	(26,027)	(41,606)
Closing balance as at 31 March 2017	<u>40,946,543</u>	<u>29,083,331</u>

Short-term and long-term borrowings of the Group are mainly denominated in Thai Baht, which are secured by land, land improvements, buildings and structures, machinery and equipment, fixed deposits of some subsidiaries and certain of the Company's directors. These borrowings have average repayment periods from 1 day to 10 years.

In March 2017, Company additionally borrowed Baht 4,500 million for business acquisition (as described in Note 18 Business acquisition). The borrowings are made in Baht with interest rate at MLR minus 2.5% and the mature by 29 December 2017

As at 31 March 2017, the Company had received the waiver document in order to ignore the full compliance with certain terms under the underlying borrowings agreement. The long borrowings from financial institution balance of Baht 3,536 million, which were reclassified as current portion of long-term borrowings from financial institutions in financial statement for the year ended 31 December 2016, were reclassified as long-term borrowings from financial institutions.

Debentures are unsubordinate, unsecured and denominated in Thai Baht, which are due for redemption from 2017, 2018, 2019 and 2021.

Finance leases of the Group are mainly related to the lease of vehicles. The terms of the lease agreements are generally 5 years.

**15 Income tax (expense)**

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 calculated from net profit before income tax adjusted with legal compensation expense for the interim consolidated financial information for the three-month period ended 31 March 2017 was 21.4% (the average effective tax rate for the year ended 31 December 2016 was 26.4%), and for the interim company financial information, it was 0.4% (the average effective tax rate for the year ended 31 December 2016 was 22.3%).

16 Significant related party transactions

The following significant transactions were carried out with related companies:

16.1 Revenues from sales and services and other income

For the three-month periods ended	Consolidated financial information (Unaudited)		Separate financial information (Unaudited)	
	31 March 2017 Baht'000	31 March 2016 Baht'000	31 March 2017 Baht'000	31 March 2016 Baht'000
<b>Revenues from sales to:</b>				
Subsidiaries	-	-	1,064,729	668,529
An associate	6,575	5,937	-	-
A joint venture	960	628,615	293,032	199,857
	<u>7,535</u>	<u>634,552</u>	<u>1,357,761</u>	<u>868,386</u>
<b>Service income from:</b>				
Subsidiaries	-	-	50,928	12,943
Associates	2,792	5,171	2,304	724
A joint venture	38,830	70,969	12,490	4,148
	<u>41,622</u>	<u>76,140</u>	<u>65,722</u>	<u>17,815</u>
<b>Dividend income:</b>				
Subsidiary	-	-	500,000	-
An associate	451,486	-	398,370	-
A joint venture	1,676,581	-	1,312,760	-
	<u>2,128,067</u>	<u>-</u>	<u>2,211,130</u>	<u>-</u>
<b>Rental income:</b>				
Subsidiaries	-	-	121	256
An associate	100	-	-	-
A joint venture	5,458	3,081	-	1,920
	<u>5,558</u>	<u>3,081</u>	<u>121</u>	<u>2,176</u>
<b>Interest income:</b>				
Subsidiaries	-	-	16,403	10,763

16 Significant related party transactions (Cont'd)

16.2 Purchases of goods and services

For the three-month periods ended	Consolidated financial information (Unaudited)		Separate financial information (Unaudited)	
	31 March 2017 Baht'000	31 March 2016 Baht'000	31 March 2017 Baht'000	31 March 2016 Baht'000
<b>Purchases of goods from:</b>				
Subsidiaries	-	-	1,737,637	242,433
An associate	5	15	-	-
Joint ventures	1,015,417	1,345,873	237,114	270,192
	<u>1,015,422</u>	<u>1,345,888</u>	<u>1,974,751</u>	<u>512,625</u>
<b>Service expenses from:</b>				
Subsidiaries	-	-	288,667	309,411
A joint venture	-	88	-	5
	<u>-</u>	<u>88</u>	<u>288,667</u>	<u>309,416</u>
<b>Rental expense:</b>				
A subsidiary	-	-	200	307
<b>Interest expense:</b>				
A subsidiary	-	-	1,560	-

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

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000
<b>Trade accounts receivable: (Note 7)</b>				
Subsidiaries	-	-	511,250	326,207
An associate	2,691	7,759	-	809
A joint venture	513	90,835	-	6,961
	<u>3,204</u>	<u>98,594</u>	<u>511,250</u>	<u>333,977</u>
<b>Deposit with future brokers:</b>				
An associate	-	22,981	-	22,981
<b>Other receivables:</b>				
Subsidiaries	-	-	44,700	81,018
An associate	2,000	311	-	-
A joint venture	-	3,610	-	-
	<u>2,000</u>	<u>3,921</u>	<u>44,700</u>	<u>81,018</u>

16 Significant related party transactions (Cont'd)

16.3 Outstanding balances arising from sales/purchases of goods/services and other income (Cont'd)

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000
<b>Dividend receivable</b>				
Subsidiary	-	-	500,000	-
<b>Trade accounts payable: (Note 13)</b>				
Subsidiaries	-	-	514,065	405,466
An associate	50	24	-	-
Joint ventures	191,416	633,436	-	117,356
	<u>191,466</u>	<u>633,460</u>	<u>514,065</u>	<u>522,822</u>
<b>Other payables: (Note 13)</b>				
Subsidiaries	-	-	169,352	63,141
A joint venture	-	5,677	-	17
	<u>-</u>	<u>5,677</u>	<u>169,352</u>	<u>63,158</u>

16.4 Outstanding balances arising from short term borrowings from subsidiary

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000
<b>Short-term borrowings from:</b>				
A subsidiary	-	-	500,000	-

16.5 Outstanding balances arising from long term loans to subsidiaries

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000	(Unaudited) 31 March 2017 Baht'000	(Audited) 31 December 2016 Baht'000
<b>Accrued interest income:</b>				
Subsidiaries	-	-	5,696	10,389
<b>Long-term loans to:</b>				
Subsidiaries	-	-	1,994,333	2,074,203

**16 Significant related party transactions (Cont'd)**

**16.5 Outstanding balances arising from long-term borrowing from subsidiaries (Cont'd)**

As at 31 March 2017, long-term loans to subsidiaries are unsecured loans and can be summarised as below:

		Consolidated financial information (Unaudited)			
		Principal		Interest rate %	Borrowing period
Relationships		USD Million	(Equivalent) Baht Million		
PT Sri Trang Lingga Indonesia	An overseas subsidiary	5	173	3.33	5 years
PT Sri Trang Lingga Indonesia	An overseas subsidiary	15	514	2.65	2 years
PT Sri Trang Lingga Indonesia	An overseas subsidiary	15	514	4.20	3 years
PT Star Rubber	An indirect overseas subsidiary	15	519	3.33	5 years
PT Star Rubber	An indirect overseas subsidiary	8	274	2.65	2 years
		<u>58</u>	<u>1,994</u>		

**16.6 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 financial information (Unaudited)		Separate financial information (Unaudited)	
	31 March 2017 Baht'000	31 March 2016 Baht'000	31 March 2017 Baht'000	31 March 2016 Baht'000
Salaries and other short-term key management benefits	43,862	37,994	10,482	9,871
Post-employment benefits	926	872	304	301
Total	<u>44,788</u>	<u>38,866</u>	<u>10,786</u>	<u>10,172</u>

**17 Contingent liabilities and commitments**

**17.1 Sales and purchases commitments**

The Group and the Company are committed to certain sales and purchases contracts relating to finished products from natural rubber. Some of the contractual prices are fixed and are to be settled at future dates. Some of the contractual prices are also 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. For contractual price which are not determined at the contract date, are as follows.

	Consolidated financial information (Unaudited) 31 March 2017 Baht'000	Separate financial information (Unaudited) 31 March 2017 Baht'000
<b>Purchases made from:</b>		
A joint venture	407,139	-
Third parties	3,798,746	-
	<u>4,205,885</u>	<u>-</u>
<b>Sales made to:</b>		
Third parties	<u>28,195,575</u>	<u>18,150,986</u>

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

**17.2 Capital commitments**

The Group and the Company have capital commitments as follows:

	<b>Consolidated financial information (Unaudited) 31 March 2017 Baht'000</b>	<b>Separate financial information (Unaudited) 31 March 2017 Baht'000</b>
Capital commitments - purchase of fixed assets	1,071,504	152,551

**17.3 Commitments from guarantees on borrowings of subsidiaries and contingent liabilities**

17.3.1 The Group and the Company have guarantee commitments from the borrowings of subsidiaries as follows:

		<b>Consolidated financial information (Unaudited)</b>		
		<b>31 March 2017</b>		
	<b>Relationships</b>	<b>Currencies</b>	<b>Amount</b>	<b>(Equivalent) Baht Million</b>
Sri Trang USA, Inc.	An overseas subsidiary	USD Million	33	1,148
PT Sri Trang Lingga Indonesia	An overseas subsidiary	USD Million Rupiah Billion	32 803	1,149 2,110
PT Star Rubber	An indirect overseas subsidiary	USD Million Rupiah Billion	12 240	413 631

17.3.2 The Group has contingent liabilities for bank guarantees issued in favor of government agencies mainly for electricity usage totaling Baht 158 million and has pledged its fixed deposits of Baht 1 million as collateral for these bank guarantees.

**17.4 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:

	<b>Consolidated financial information (Unaudited) 31 March 2017 Baht'000</b>	<b>Separate financial information (Unaudited) 31 March 2017 Baht'000</b>
Not later than 1 year	138,369	77,144
Later than 1 year but not later than 5 years	151,818	79,279
Later than 5 years	384	-
Total	290,571	156,423

**18 Business acquisition**

On 15 March 2017, the Company additionally acquired shares of Siam Sempermed Corp. Ltd. (Subsequently changed the name to "Sri Trang Glove (Thailand) Co., Ltd.") totalling 10,000 shares, representing 50% of paid-in capital of Sri Trang Glove (Thailand) Co., Ltd. for Baht 6,319.53 million. As a result of this business acquisition, The Company has initially recognised goodwill of Baht 2,877.67 million and related transaction from business combination are accounted for using purchase method.

The following table summarises the consideration paid for business acquisition. The amounts of the assets acquired and liabilities assumed as recognised at the acquisition date.

**Consideration as at 15 March 2017**

	<b>Baht</b>
Cash paid for Sri Trang Glove (Thailand) Co., Ltd.'s shares	6,367,132,756
Cash received from related investment disposals	(689,389,350)
Fair value of related equity instruments	
- Direct associate : Sempermed USA, Inc. at 25% of capital	187,630,533
- Direct associate : Semperfex Shanghai Ltd. at 50% of capital	197,853,654
- Direct associate : Sempermed Singapore Pte. Ltd. at 50% of capital	82,193,568
- General investment Shanghai Semperit Rubber & Plastic Products Co., Ltd. at 10% of capital	174,113,518
<b>Total consideration paid and transferred</b>	<b>6,319,534,679</b>
Fair value of previously held investment in Sri Trang Glove (Thailand) Co., Ltd. Prior to the acquisition date	1,987,632,053
<b>Total consideration</b>	<b>8,307,166,732</b>
Recognised amounts of identifiable assets acquired and liabilities assumed at the acquisition date	
<b>Asset</b>	
Cash and cash equivalents	1,237,590,123
Trade accounts receivable and other receivables, net	1,194,016,947
Inventories	1,352,372,816
Other current assets	45,871,980
Property, plant and equipment	4,120,830,840
Intangible assets	6,701,354
Deferred income tax assets	40,385,810
Other assets	844,638
<b>Liabilities</b>	
Short term borrowings from financial institutions	500,000,000
Trade accounts payable and other payables	1,074,035,096
Deferred income tax liabilities, net	330,220,867
Provision for retirement benefit obligations	76,961,651
<b>Total identifiable net assets</b>	<b>6,017,396,894</b>
Non-controlling interests	(587,899,677)
Goodwill (Note 12)	2,877,669,515
<b>Total consideration transferred</b>	<b>8,307,166,732</b>



**18 Business acquisition (Cont'd)**

Other significant information related to business acquisition is as follows

**(a) Call Option**

The Group granted a call option to Semperit Technische Produkte Gesellschaft m.b.H. for the acquisition of Semperflex Asia Co., Ltd. totaling 1,615,000 shares, representing 42.5% of paid-in capital of Semperflex Asia Co., Ltd with a condition to pay all dividend from profit contribution after the acquisition date the exercise price is of USD 51 million and the exercise period is between 30 June 2019 and 30 June 2021.

**(b) Acquired property, plant and equipment**

Fair value of acquired property, plant and equipment is Baht 4,120.83 million which is assessed by an independent asset appraiser by using the replacement cost method and deducted by accumulated depreciation based on a number of year used.

**(c) Non-controlling interests**

The Group has chosen to recognise the non-controlling interests at its fair value for the acquisition of Sritrang Glove (Thailand) Co., Ltd. (formerly Siam Sempermed Corp. Ltd.). The Group measures non-controlling interests from acquiree's identifiable net assets. based on proportion of shares held by non-controlling interests.

**(d) Revenues and profit contribution**

The revenues included in the consolidated income statement from 15 March 2017 (The date that the Group assumes control over the acquiree) to 31 March 2017 contributed by acquiree was Baht 385.46 million and also the contributed loss of Baht 524.28 million including related business expense prior to the demerger. Had Siam Sempermed Corp. Ltd. been consolidated from 1 January 2017, the consolidated income statement for the three-months ended 31 March 2017 would show the revenues of Baht 2,328.95 million and net profit of Baht 9.43 million, respectively.

**(e) Business expenses prior to the demerger**

Business expenses prior to the demerger is the compensation for demerger transaction between Sritrang Glove (Thailand) Co., Ltd. (formerly Siam Sempermed Corp. Ltd.) and Semperit Technische Produkte Gesellschaft m.b.H. of USD 15 million (equivalent to Baht 532.24 million) which was stated in the related agreements.

**(f) Consolidated financial information**

In preparing the consolidated financial information for the three-month period then ended 31 March 2017. The Company measures the identifiable assets and liabilities at fair value and recognized the difference between purchase price and fair value of consideration paid in "Goodwill" account of Baht 2,877.67 million, after taking into consideration of the data from independent assets and financial valuation reports and other current factors which may impact to the data. However, the Company has a policy to further remeasure fair value of identifiable assets (i.e. Property plant and equipment), liabilities and allocation of fair value measurement at the acquisition date. None of the goodwill is expected to be deductible for tax purposes. As a result of the acquisition, the Company expects to increase its market shares of gloves in overseas.

The Company is in the process of preparing for the appraisal of the value of the tangible assets, intangible assets and liabilities of Sritrang Glove (Thailand) Co., Ltd. at the acquisition date in a more detail which is expected to be completed by the end of 2017. Difference between consideration paid and fair value of net assets acquired may be presented as goodwill or gain on bargain purchase upon the completion of valuation stage.

**19 Significant legal proceedings**

**Commercial disputes relating to the Joint Venture agreement**

According to the Extraordinary General Meeting of Shareholders No. 1/2017, held on 14 March 2017, the shareholder approved the entering into the demerger of associate and joint venture companies in Thailand and other countries that the Company had invested with Semperit Technische Produkte Gesellschaft m.b.H. ("Semperit") including the acquisition and disposition of assets, as well as the settlement of all disputes. On 15 March 2017, the Company and Semperit successfully completed the demerger of the associates and joint venture companies. As a result of this, any disputes and lawsuits which related to arbitration proceedings, and legal proceedings between the Company and Semperit in any courts and arbitrations have been withdrawn or terminated.

**20 Events after the reporting period**

**20.1 Capital injection to Startex Rubber Company Limited**

On 10 April 2017, the Company increased its capital in Startex Rubber Co., Ltd. by increasing the paid-in share capital at 1.93 Baht per share. Total investment from this capital injection is Baht 49.89 million. Accordingly, total paid-up capital of Startex Rubber Co., Ltd. is Baht 2,114.89 million.

**20.2 Dividend payment declaration**

At the Annual General Meeting of Shareholders held on 25 April 2017, it was resolved that dividend be paid to shareholders from retained earnings at Baht 0.40 per share, totaling Baht 512 million. The dividend will be paid to the shareholders on 24 May 2017.

**20.3 Investment in a subsidiary in China**

According to the Board of Directors no 3/2017 held on 12 May 2017, the Board approved to invest in new company in China being named as "Shi Dong Shanghai Medical Equipment Co., Ltd." for glove distribution. Its registered capital is USD 1.65 million and it will be invested by Startex Rubber Co., Ltd. in which all investment processes will be completed by the second quarter of 2017.