

SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

31 DECEMBER 2014

AUDITOR'S REPORT

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

I have audited the accompanying consolidated and company financial statements of Sri Trang Agro-Industry Public Company Limited and its subsidiaries and of Sri Trang Agro-Industry Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2014 and the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Sri Trang Agro-Industry Public Company Limited and its subsidiaries and of Sri Trang Agro-Industry Public Company Limited as at 31 December 2014 and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

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

Bangkok
27 February 2015

Statements of Financial Position

As at 31 December 2014

	Notes	Consolidated			Company		
			(Restated)	(Restated)		(Restated)	(Restated)
		31 December	31 December	1 January	31 December	31 December	1 January
		2014	2013	2013	2014	2013	2013
	Baht	Baht	Baht	Baht	Baht	Baht	
Assets							
Current assets							
Cash and cash equivalents	8, 38	2,131,618,737	1,892,728,704	1,534,031,967	351,506,312	558,713,673	514,399,840
Derivative financial instruments	9, 38	89,767,267	75,974,417	100,138,703	33,730,806	60,511,268	43,227,574
Trade accounts receivable and other receivables, net	10	4,688,380,158	7,441,236,911	6,511,323,604	2,297,828,991	3,893,124,720	3,398,131,246
Amounts due from futures brokers	38	392,450,064	320,815,698	384,452,345	85,663,956	152,662,325	128,341,495
Inventories, net	11	10,029,943,739	16,581,938,622	13,151,553,435	4,743,353,158	7,196,300,579	5,937,818,322
Other current assets	12	352,224,156	285,719,524	289,421,154	76,857,998	51,450,218	36,248,902
Total current assets		17,684,384,121	26,598,413,876	21,970,921,208	7,588,941,221	11,912,762,783	10,058,167,379
Non-current assets							
Long-term loan to subsidiaries and an associate	37.4, 38	-	65,355,600	60,774,600	992,656,135	1,053,927,701	60,774,600
Fixed deposits pledged as collateral	13, 38	34,585,973	61,185,033	99,481,761	13,622,863	13,128,278	12,989,591
Investments in subsidiaries	14	-	-	-	9,684,640,514	8,744,640,514	6,413,965,514
Investments in associates	14	1,157,810,054	3,541,181,387	3,456,056,184	649,177,500	712,177,500	717,802,500
Investment in joint ventures	14	2,878,241,133	489,247,987	489,343,161	83,099,800	20,099,800	20,099,800
Long-term investments	15, 38	63,672,236	52,438,932	59,126,451	62,666,431	51,520,878	58,019,929
Property, plant and equipment, net	4, 16	14,355,033,514	12,294,839,816	9,666,687,208	5,845,366,056	4,908,438,517	3,576,490,406
Rubber and palm plantations, net	4, 17	901,246,752	547,657,449	274,922,306	4,080,879	4,560,887	5,040,896
Intangible assets, net	18	31,639,642	27,046,829	21,446,266	12,311,158	14,032,131	9,981,850
Investment properties	19	170,255,147	176,254,186	160,407,667	27,769,750	27,769,750	27,769,750
Withholding tax deducted at source		332,854,932	240,009,472	169,720,598	250,167,419	171,483,080	110,994,525
Deferred income tax assets, net	20	146,540,958	121,784,907	144,706,429	-	-	-
Other non-current assets	21	34,265,689	21,326,641	29,832,649	12,718,800	11,749,609	10,505,180
Total non-current assets		20,106,146,030	17,638,328,239	14,632,505,280	17,638,277,305	15,733,528,645	11,024,434,541
Total assets		37,790,530,151	44,236,742,115	36,603,426,488	25,227,218,526	27,646,291,428	21,082,601,920

Director _____

Director _____

	Notes	Consolidated			Company		
			(Restated)	(Restated)		(Restated)	(Restated)
		31 December	31 December	1 January	31 December	31 December	1 January
		2014	2013	2013	2014	2013	2013
	Baht	Baht	Baht	Baht	Baht	Baht	
Liabilities and shareholders' equity							
Current liabilities							
Trade accounts payable and other payables	22	2,579,501,245	3,821,538,312	2,406,316,981	1,486,686,421	1,898,141,014	1,005,439,980
Short-term loans from financial institutions	23, 38	9,408,410,287	14,223,084,711	12,173,049,092	4,261,484,000	5,985,183,000	3,689,464,000
Current portion of long-term loans from financial institutions	23, 38	140,264,000	113,404,000	114,000,000	50,000,000	-	-
Current portion of debentures	23, 38	-	1,600,000,000	-	-	1,600,000,000	-
Current portion of finance lease liabilities	23, 38	30,046,135	17,873,880	9,836,852	3,585,007	4,399,946	5,879,822
Derivative financial instruments	9, 38	212,826,685	532,851,063	164,233,976	155,819,745	433,015,611	62,309,409
Current income tax liabilities		48,559,037	20,490,118	8,199,893	-	-	-
Other current liabilities		44,348,586	46,473,277	45,300,797	20,985,956	12,667,203	17,829,132
Total current liabilities		12,463,955,975	20,375,715,361	14,920,937,591	5,978,561,129	9,933,406,774	4,780,922,343
Non-current liabilities							
Long-term loans from financial institutions	23, 38	2,913,462,000	2,113,726,000	400,860,000	2,910,000,000	2,020,000,000	200,000,000
Debentures	23, 38	1,450,000,000	1,450,000,000	2,150,000,000	1,450,000,000	1,450,000,000	2,150,000,000
Finance lease liabilities	23, 38	33,310,507	28,665,810	5,580,814	3,979,795	5,150,373	2,120,895
Deferred income tax liabilities, net	4, 20	172,496,107	60,128,705	156,217,358	36,649,938	16,089,377	76,733,203
Provision for retirement benefit obligations	24	115,226,468	106,867,154	88,497,554	53,448,249	44,583,916	38,468,792
Other non-current liabilities		50,210,804	110,571,098	22,192,554	-	-	-
Total non-current liabilities		4,734,705,886	3,869,958,767	2,823,348,280	4,454,077,982	3,535,823,666	2,467,322,890
Total liabilities		17,198,661,861	24,245,674,128	17,744,285,871	10,432,639,111	13,469,230,440	7,248,245,233

	Notes	Consolidated			Company		
			(Restated)	(Restated)		(Restated)	(Restated)
		31 December 2014 Baht	31 December 2013 Baht	1 January 2013 Baht	31 December 2014 Baht	31 December 2013 Baht	1 January 2013 Baht
Liabilities and shareholders' equity (Cont'd)							
Shareholders' equity							
Share capital	25						
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	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	1,280,000,000	1,280,000,000
Premium on share capital	25	8,550,989,821	8,550,989,821	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	26	(173,134,488)	(173,134,488)	(173,134,488)	-	-	-
Asset revaluation surplus, net of accumulated depreciation	4, 26	1,470,543,779	1,130,228,558	1,097,991,266	691,242,473	706,205,596	658,560,617
Unrealised gains on available-for-sale investments	26	18,864,175	8,546,917	13,525,669	18,417,816	8,095,919	12,889,314
Cumulative currency differences on translating financial statement	26	(445,858,809)	(453,395,072)	(347,927,852)	-	-	-
Retained earnings							
Appropriated - legal reserve	27	128,000,000	128,000,000	128,000,000	128,000,000	128,000,000	128,000,000
Unappropriated	4	9,662,264,944	9,431,558,939	8,224,846,142	4,125,929,305	3,503,769,652	3,203,916,935
Total parent's shareholders' equity		20,491,669,422	19,902,794,675	18,774,290,558	14,794,579,415	14,177,060,988	13,834,356,687
Non-controlling interests		100,198,868	88,273,312	84,850,059	-	-	-
Total shareholders' equity		20,591,868,290	19,991,067,987	18,859,140,617	14,794,579,415	14,177,060,988	13,834,356,687
Total liabilities and shareholders' equity		37,790,530,151	44,236,742,115	36,603,426,488	25,227,218,526	27,646,291,428	21,082,601,920

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statements of Comprehensive Income

For the year ended 31 December 2014

	Notes	Consolidated		Company	
		(Restated)		(Restated)	
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Revenues from sales and services	28, 40	75,529,874,680	92,185,181,108	37,058,138,121	42,962,452,166
Cost of sales and services	4	(72,181,560,556)	(86,986,685,065)	(34,907,155,094)	(40,439,899,903)
Gross profit		3,348,314,124	5,198,496,043	2,150,983,027	2,522,552,263
Other income	31	121,093,460	259,992,906	1,109,592,378	944,090,588
Selling expenses		(2,132,659,869)	(2,358,534,102)	(1,757,595,394)	(1,774,987,092)
Administrative expenses		(1,687,743,051)	(1,230,652,528)	(858,441,607)	(587,926,504)
Gains on exchange rate, net		371,134,668	312,503,329	234,877,747	33,701,153
Other gains , net	33	1,134,825,860	338,615,468	875,057,051	53,359,271
Operating profit		1,154,965,192	2,520,421,116	1,754,473,202	1,190,789,679
Share of profit from investments in associates and joint ventures	14	535,088,818	495,574,747	-	-
Profit before net finance costs and income tax		1,690,054,010	3,015,995,863	1,754,473,202	1,190,789,679
Finance income		49,701,857	46,059,709	74,832,880	66,811,246
Finance costs		(663,386,209)	(1,075,346,095)	(367,730,540)	(318,629,853)
Finance costs, net	32	(613,684,352)	(1,029,286,386)	(292,897,660)	(251,818,607)
Profit before income tax		1,076,369,658	1,986,709,477	1,461,575,542	938,971,072
Income tax	4, 34	(40,132,363)	(149,576,668)	(19,932,157)	(14,608,768)
Profit for the years		1,036,237,295	1,837,132,809	1,441,643,385	924,362,304
Other comprehensive income:					
Asset revaluation surplus, net of tax	4	361,386,290	53,305,106	-	62,608,813
Change in fair value of available-for-sale investments, net of tax		10,317,258	(4,978,752)	10,321,897	(4,793,395)
Actuarial gains (losses) on defined employee benefit plan, net of tax		3,872,750	5,460,641	(2,446,855)	526,579
Currency differences on translating financial statement		7,660,466	(120,564,777)	-	-
Other comprehensive income (expense) for the years, net of tax		383,236,764	(66,777,782)	7,875,042	58,341,997
Total comprehensive income for the years		1,419,474,059	1,770,355,027	1,449,518,427	982,704,301

The notes to the consolidated and Company financial statements on pages 14 to 94 form an integral part of the financial statements.

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statements of Comprehensive Income (Cont'd)

For the year ended 31 December 2014

	Notes	Consolidated		Company	
		(Restated)		(Restated)	
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Profit for the years attributable to:					
Owners of the parent		1,037,762,186	1,820,184,342	1,441,643,385	924,362,304
Non-controlling interests		(1,524,891)	16,948,467	-	-
Profit for the years		<u>1,036,237,295</u>	<u>1,837,132,809</u>	<u>1,441,643,385</u>	<u>924,362,304</u>
Total comprehensive income for the years attributable to:					
Owners of the parent		1,420,874,748	1,768,504,118	1,449,518,427	982,704,301
Non-controlling interests		(1,400,689)	1,850,909	-	-
Total comprehensive income for the years		<u>1,419,474,059</u>	<u>1,770,355,027</u>	<u>1,449,518,427</u>	<u>982,704,301</u>
Earnings per share					
Basic earnings per share	4, 35	<u>0.81</u>	<u>1.42</u>	<u>1.13</u>	<u>0.72</u>

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statements of Changes in Shareholders' Equity

For the year ended 31 December 2014

Consolidated												
Attributable to owners of the parent												
	Notes	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	(Restated) Asset revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Cumulative currency differences on translating financial statement Baht	Retained earnings		(Restated) Total owners of the parent Baht	(Restated) Total Non-controlling interests Baht	(Restated) Total shareholders' equity Baht
								Appropriated - legal reserve Baht	(Restated) Unappropriated Baht			
Opening balance as at 1 January 2014 - originally stated		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
Retrospective adjustment from changes in accounting policy	4	-	-	-	(76,058,282)	-	-	-	824,890	(75,233,392)	-	(75,233,392)
Opening balance as at 1 January 2014 - as restated		1,280,000,000	8,550,989,821	(173,134,488)	1,130,228,558	8,546,917	(453,395,072)	128,000,000	9,431,558,939	19,902,794,675	88,273,312	19,991,067,987
Profit for the year		-	-	-	-	-	-	-	1,037,762,186	1,037,762,186	(1,524,891)	1,036,237,295
Other comprehensive income												
Asset revaluation surplus, net of tax		-	-	-	361,386,290	-	-	-	-	361,386,290	-	361,386,290
Depreciation transfer on assets revaluation, net of tax		-	-	-	(21,071,069)	-	-	-	21,071,069	-	-	-
Change in fair value of available-for-sale investments, net of tax		-	-	-	-	10,317,258	-	-	-	10,317,258	-	10,317,258
Actuarial gains on defined employee benefit plans, net of tax		-	-	-	-	-	-	-	3,872,750	3,872,750	-	3,872,750
Currency differences on translating financial statement		-	-	-	-	-	7,536,263	-	-	7,536,263	124,203	7,660,466
Total other comprehensive income, net of tax		-	-	-	340,315,221	10,317,258	7,536,263	-	24,943,819	383,112,561	124,203	383,236,764
Total comprehensive income		-	-	-	340,315,221	10,317,258	7,536,263	-	1,062,706,005	1,420,874,747	(1,400,688)	1,419,474,059
Transactions with shareholders' equity												
Dividend payment	36	-	-	-	-	-	-	-	(832,000,000)	(832,000,000)	-	(832,000,000)
Dividend payment from subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	-	(1,048)	(1,048)
Cash received from non-controlling interests		-	-	-	-	-	-	-	-	-	13,327,292	13,327,292
Total transactions with shareholders' equity		-	-	-	-	-	-	-	(832,000,000)	(832,000,000)	13,326,244	(818,673,756)
Closing balance as at 31 December 2014		1,280,000,000	8,550,989,821	(173,134,488)	1,470,543,779	18,864,175	(445,858,809)	128,000,000	9,662,264,944	20,491,669,422	100,198,868	20,591,868,290

The notes to the consolidated and Company financial statements on pages 14 to 94 form an integral part of the financial statements.

Consolidated												
Attributable to owners of the parent												
	Notes	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	(Restated) Asset revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Cumulative currency differences on translating financial statement Baht	Retained earnings		(Restated) Total owners of the parent Baht	Non-controlling interests Baht	(Restated) Total shareholders' equity Baht
								Appropriated - legal reserve Baht	(Restated) Unappropriated Baht			
Opening balance as at 1 January 2013 - originally stated		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
Retrospective adjustment from changes in accounting policy	4	-	-	-	(78,409,581)	-	-	-	753,276	(77,656,305)	-	(77,656,305)
Opening balance as at 1 January 2013 - as restated		1,280,000,000	8,550,989,821	(173,134,488)	1,097,991,266	13,525,669	(347,927,852)	128,000,000	8,224,846,142	18,774,290,558	84,850,059	18,859,140,617
Profit for the year		-	-	-	-	-	-	-	1,820,184,342	1,820,184,342	16,948,467	1,837,132,809
Other comprehensive income												
Asset revaluation surplus, net of tax		-	-	-	53,305,106	-	-	-	-	53,305,106	-	53,305,106
Depreciation transfer on assets revaluation, net of tax		-	-	-	(21,067,814)	-	-	-	21,067,814	-	-	-
Change in fair value of available-for-sale investments, net of tax		-	-	-	-	(4,978,752)	-	-	-	(4,978,752)	-	(4,978,752)
Actuarial gains on defined employee benefit plans, net of tax		-	-	-	-	-	-	-	5,460,641	5,460,641	-	5,460,641
Currency differences on translating financial statement		-	-	-	-	-	(105,467,220)	-	-	(105,467,220)	(15,097,557)	(120,564,777)
Total other comprehensive income, net of tax		-	-	-	32,237,292	(4,978,752)	(105,467,220)	-	26,528,455	(51,680,225)	(15,097,557)	(66,777,782)
Total comprehensive income		-	-	-	32,237,292	(4,978,752)	(105,467,220)	-	1,846,712,797	1,768,504,117	1,850,910	1,770,355,027
Transactions with shareholders' equity												
Adjustment of non-controlling interests		-	-	-	-	-	-	-	-	-	1,573,490	1,573,490
Dividend payment	36	-	-	-	-	-	-	-	(640,000,000)	(640,000,000)	-	(640,000,000)
Dividend payment from subsidiaries to non-controlling interests		-	-	-	-	-	-	-	-	-	(1,147)	(1,147)
Total transactions with shareholders' equity		-	-	-	-	-	-	-	(640,000,000)	(640,000,000)	1,572,343	(638,427,657)
Closing balance as at 31 December 2013		1,280,000,000	8,550,989,821	(173,134,488)	1,130,228,558	8,546,917	(453,395,072)	128,000,000	9,431,558,939	19,902,794,675	88,273,312	19,991,067,987

Sri Trang Agro-Industry Public Company Limited and its subsidiaries
 Statements of Changes in Shareholders' Equity (Cont'd)
 For the year ended 31 December 2014

	Company							
	Notes	Issued and paid-up share capital Baht	Premium on share capital Baht	(Restated)	Unrealised gains on available-for-sale investments Baht	Retained earnings		(Restated)
				Asset		Appropriated	(Restated)	Total
				revaluation surplus, net of accumulated depreciation Baht		- legal reserve Baht	Unappropriated Baht	shareholders' equity Baht
Opening balance as at 1 January 2014 - originally stated		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
Retrospective adjustment from changes in accounting policy	4	-	-	(63,579,491)	-	-	824,890	(62,754,601)
Opening balance as at 1 January 2014 - as restated		1,280,000,000	8,550,989,821	706,205,596	8,095,919	128,000,000	3,503,769,652	14,177,060,988
Profit for the year		-	-	-	-	-	1,441,643,385	1,441,643,385
Other comprehensive income								
Depreciation transfer on assets revaluation, net of tax		-	-	(14,963,123)	-	-	14,963,123	-
Change in fair value of available-for-sale investments, net of tax		-	-	-	10,321,897	-	-	10,321,897
Actuarial gains on defined employee benefit plans, net of tax		-	-	-	-	-	(2,446,855)	(2,446,855)
Total other comprehensive income, net of tax		-	-	(14,963,123)	10,321,897	-	12,516,268	7,875,042
Total comprehensive income		-	-	(14,963,123)	10,321,897	-	1,454,159,653	1,449,518,427
Transactions with shareholders' equity								
Dividend payment	36	-	-	-	-	-	(832,000,000)	(832,000,000)
Total transactions with shareholders' equity		-	-	-	-	-	(832,000,000)	(832,000,000)
Closing balance as at 31 December 2014		<u>1,280,000,000</u>	<u>8,550,989,821</u>	<u>691,242,473</u>	<u>18,417,816</u>	<u>128,000,000</u>	<u>4,125,929,305</u>	<u>14,794,579,415</u>

The notes to the consolidated and Company financial statements on pages 14 to 94 form an integral part of the financial statements.

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statements of Changes in Shareholders' Equity (Cont'd)

For the year ended 31 December 2014

	Company							(Restated) Total shareholders' equity Baht
	Notes	Issued and paid-up share capital Baht	Premium on share capital Baht	(Restated)	Unrealised gains on available-for-sale investments Baht	Retained earnings		
				Asset revaluation surplus, net of accumulated depreciation Baht		Appropriated	(Restated)	
						- legal reserve	Unappropriated	
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Opening balance as at 1 January 2013 - originally stated		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
Retrospective adjustment from changes in accounting policy	4	-	-	(64,858,820)	-	-	753,276	(64,105,544)
Opening balance as at 1 January 2013 - as restated		1,280,000,000	8,550,989,821	658,560,617	12,889,314	128,000,000	3,203,916,935	13,834,356,687
Profit for the year		-	-	-	-	-	924,362,304	924,362,304
Other comprehensive income								
Asset revaluation surplus, net of tax		-	-	62,608,813	-	-	-	62,608,813
Depreciation transfer on assets revaluation, net of tax		-	-	(14,963,834)	-	-	14,963,834	-
Change in fair value of available-for-sale investments, net of tax		-	-	-	(4,793,395)	-	-	(4,793,395)
Actuarial gains on defined employee benefit plans, net of tax		-	-	-	-	-	526,579	526,579
Total other comprehensive income, net of tax		-	-	47,644,979	(4,793,395)	-	15,490,413	58,341,997
Total comprehensive income		-	-	47,644,979	(4,793,395)	-	939,852,717	982,704,301
Transactions with shareholders' equity								
Dividend payment	36	-	-	-	-	-	(640,000,000)	(640,000,000)
Total transactions with shareholders' equity		-	-	-	-	-	(640,000,000)	(640,000,000)
Closing balance as at 31 December 2013		<u>1,280,000,000</u>	<u>8,550,989,821</u>	<u>706,205,596</u>	<u>8,095,919</u>	<u>128,000,000</u>	<u>3,503,769,652</u>	<u>14,177,060,988</u>

The notes to the consolidated and Company financial statements on pages 14 to 94 form an integral part of the financial statements.

Statements of Cash Flows

For the year ended 31 December 2014

	Notes	Consolidated		Company	
		(Restated)		(Restated)	
		2014 Baht	2013 Baht	2014 Baht	2013 Baht
Cash flows from operating activities					
Profit before income tax		1,076,369,658	1,986,709,477	1,461,575,542	938,971,072
Adjustments for:					
Unrealised (gains) losses on foreign currency translations		259,204,217	268,331,509	(3,908,434)	(93,153,101)
Unrealised (gains) losses from revaluation of derivative financial instruments		(333,817,228)	392,781,372	(250,415,404)	353,422,509
Allowance for impairment of trade accounts receivable		8,033,169	14,247,714	4,396,349	44,224,354
(Reversal of) allowance for inventory cost in excess of net realisable value		74,497,624	(40,666,543)	(642,251)	642,251
Provision for retirement benefit obligations	24, 30	15,675,379	25,080,515	6,516,186	6,115,124
Depreciation charges	16, 29	866,886,616	720,930,314	359,247,779	267,297,463
Amortisation charges - rubber and plam plantations	17, 29	805,732	1,519,877	480,009	480,009
Amortisation charges - intangible assets	18, 29	9,784,046	8,562,058	4,778,743	4,058,012
Loss on asset revaluation	16	26,457,735	36,740,002	-	-
Finance costs	32	663,386,209	1,075,346,095	367,730,540	318,629,853
Dividend income	31	(1,638,844)	(22,894,631)	(1,057,448,889)	(761,114,099)
Share of profit from investments in associates and joint ventures	14	(535,088,818)	(495,574,747)	-	-
(Gains) losses on disposal and write-off of property, plant and equipment and intangible assets		6,188,142	(4,213,495)	5,347,737	965,896
Gains (losses) from revaluation of investment properties	19	6,662,654	(6,306,672)	-	-
Gains on disposal of investment in an associate		-	(461,125)	-	(406,875)
Changes in operating assets and liabilities					
(Increase) decrease in operating assets					
- Trade accounts receivable and other receivables		2,744,823,584	(944,161,021)	1,590,899,380	(539,217,829)
- Amounts due from futures brokers		(71,634,366)	63,636,647	66,998,369	(24,320,830)
- Inventories		6,477,497,259	(3,389,718,644)	2,453,589,672	(1,259,124,508)
- Other current assets		(49,523,064)	(33,211,018)	(25,407,781)	(15,201,315)
- Other non-current assets		(12,939,048)	8,506,009	(969,191)	(1,244,429)
Increase (decrease) in operating liabilities					
- Trade accounts payable and other payables		(1,143,381,408)	1,206,027,087	(302,452,230)	741,990,156
- Other current liabilities		(2,124,691)	1,172,480	8,318,753	(5,161,930)
Cash provided by (used in) operating activities		10,086,124,557	872,383,260	4,688,634,879	(22,148,217)
Interest paid		(673,955,736)	(1,047,483,652)	(377,211,179)	(291,297,528)
Income tax paid		(141,432,703)	(188,326,217)	(78,684,339)	(70,900,101)
Employee benefits paid	24	(862,380)	(132,165)	(293,960)	-
Net cash provided by (used in) operating activities		9,269,873,738	(363,558,774)	4,232,445,401	(384,345,846)

The notes to the consolidated and Company financial statements on pages 14 to 94 form an integral part of the financial statements.

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statements of Cash Flows (Cont'd)

For the year ended 31 December 2014

	Notes	Consolidated		Company	
		(Restated)		(Restated)	
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Cash paid for long-term loans to subsidiaries		-	-	-	(900,000,000)
Cash received from long-term borrowings to an associate		65,180,000	-	65,180,000	-
(Increase) decrease in fixed deposits pledged as collateral		26,599,060	38,296,728	(494,585)	(138,687)
Increase in available-for-sale investments	15	(40,000)	-	-	-
Dividends received		526,102,507	481,324,118	1,057,448,889	761,114,099
Cash paid for investments in subsidiaries and associates	14	-	-	(940,000,000)	(2,330,675,000)
Proceeds from business dissolution of an associate		-	6,836,125	-	6,031,875
Proceeds from disposal of property, plant and equipment and intangible assets		21,206,971	49,741,275	2,418,037	1,020,370
Cash paid for purchases of property, plant and equipment, rubber and palm plantations and intangible assets		(3,010,789,890)	(3,664,039,761)	(1,403,633,386)	(1,476,898,781)
Net cash used in investing activities		(2,371,741,352)	(3,087,841,515)	(1,219,081,045)	(3,939,546,124)
Cash flows from financing activities					
Increase (decrease) in short-term loans from financial institutions		(5,041,671,743)	1,867,963,016	(1,723,699,000)	2,295,719,000
Proceeds from long-term loans		940,000,000	1,826,270,000	940,000,000	1,820,000,000
Repayments of long-term loans		(113,404,000)	(114,000,000)	-	-
Proceeds from issuance of debentures		-	900,000,000	-	900,000,000
Repayments of debentures		(1,600,000,000)	-	(1,600,000,000)	-
Payments on finance lease liabilities		(25,492,854)	(31,708,333)	(4,872,717)	(7,513,197)
Dividend payment	36	(832,000,000)	(640,000,000)	(832,000,000)	(640,000,000)
Dividend payment from subsidiaries to non-controlling interests		(1,048)	(1,147)	-	-
Proceeds from capital increase from non-controlling interests		13,327,292	1,573,490	-	-
Net cash provided by (used in) financing activities		(6,659,242,353)	3,810,097,026	(3,220,571,717)	4,368,205,803
Net increase (decrease) in cash and cash equivalents		238,890,033	358,696,737	(207,207,361)	44,313,833
Cash and cash equivalents at the beginning of the years		1,892,728,704	1,534,031,967	558,713,673	514,399,840
Cash and cash equivalents at the end of the years	8	2,131,618,737	1,892,728,704	351,506,312	558,713,673
Supplementary information for cash flows					
Cash paid for purchases of property, plant and equipment, rubber and palm plantations and intangible assets:					
Property, plant and equipment rubber and palm plantations and intangible assets acquired					
		(2,904,653,271)	(3,996,580,462)	(1,306,998,862)	(1,609,340,134)
Increase in liabilities under finance lease liabilities		42,309,806	62,830,357	2,887,200	9,062,800
Increase (decrease) in payable from purchases of assets		(148,446,425)	269,710,344	(99,521,724)	123,378,553
Cash paid for purchases of property, plant and equipment, rubber and palm plantations and intangible assets		(3,010,789,890)	(3,664,039,761)	(1,403,633,386)	(1,476,898,781)

The notes to the consolidated and Company financial statements on pages 14 to 94 form an integral part of the financial statements.

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.

On 29 April 2014, the Company changed 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. 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 Company and its subsidiaries (“the Group”) manufacture and distribute natural rubber products such as ribbed smoked sheets, concentrated latex, STR block rubber, gloves and other products. In addition, the Group provides engineering and logistics services.

These consolidated and Company financial statements were authorised for issue by the Board of Directors on 27 February 2015.

2 Basis of financial statement preparation

The consolidated and Company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

An English version of the consolidated and Company financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 Accounting policies

The principal accounting policies adopted in the preparation of these consolidated and Company financial statements are set out below:

3.1 Revised accounting standards, revised financial reporting standards and related interpretations which are effective on 1 January 2014.

Revised accounting standards, revised financial reporting standards and related interpretations which are effective on 1 January 2014 are as follows:

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 Accounting policies (Cont'd)

3.1 Revised accounting standards, revised financial reporting standards and related interpretations which are effective on 1 January 2014 (Cont'd)

The following accounting standards, financial reporting standards and related interpretations have no impact to the Group.

TAS 1 (revised 2012) clarifies that conversion features that are at the holder's discretion do not impact the classification of the liability component of the convertible instrument. TAS 1 also explains that, for each component of equity, an entity may present the breakdown of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements.

TAS 7 (revised 2012) clarifies that only expenditures that result in a recognized asset in the statement of financial position are eligible for classification as investing activities.

TAS 12 (revised 2012) amends an exception to the existing principle for the measurement of deferred tax assets or liabilities on investment property measured at fair value. TAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. This amendment therefore adds the rebuttable presumption that the carrying amount of an investment property measured at fair value is entirely recovered through sale. As the result of the amendment, TSIC 21 - Income tax - recovery of revalued non-depreciable assets is incorporated in to TAS 12 (revised 2012).

TAS 17 (revised 2012) deletes the guidance for a lease of land with an indefinite useful life to be classified as an operating lease. The standard has been amended to clarify that when a lease includes both land and buildings, classification as a finance or operating lease is performed separately in accordance with TAS 17's general principles.

TAS 18 (revised 2012) removes the appendix to TAS 18.

TAS 19 (revised 2012) deletes the transition provisions of the current TAS 19.

TAS 21 (revised 2012) clarifies the method of recording cumulative amount of the exchange different relating to disposal or partial disposal of a foreign operation. This matter should be adjusted prospectively.

TAS 24 (revised 2012) removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. It also clarifies and simplifies the definition of related parties.

TAS 28 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity losses significant influence, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively.

TAS 31 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity losses of joint control in its interest in joint control, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively.

TAS 34 (revised 2012) emphasises the existing disclosure principles for significant event and transactions. Additional requirements cover disclosure of changes in fair value measurements (if significant), and the need to update relevant information from the most recent annual report.

TAS 36 (revised 2012) clarifies that goodwill being allocated to cash-generating units shall not be larger than an operating segment before aggregation as defined under TFRS 8 - Operating Segments.

3 Accounting policies (Cont'd)

3.1 Revised accounting standards, revised financial reporting standards and related interpretations which are effective on 1 January 2014 (Cont'd)

The following accounting standards, financial reporting standards and related interpretations have no impact to the Group. (Cont'd)

TAS 38 (revised 2012) clarifies about intangible assets acquired in a business combination that is separable. Intangible assets should be recognised separately from goodwill. Complementary assets may only be recognised as a single asset if they have similar useful lives.

TFRS 2 (revised 2012) expands the scope to cover classification and accounting of both cash-settled and equity-settled share-based payment transactions in group situation.

TFRS 3 (revised 2012) amends the measurement required for non-controlling interests. The choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation. All other component of non-controlling interests is measured at fair value unless another measurement basis is required by TFRS. The application guidance in TFRS 3 (revised 2012) also applies to all share-based payment transactions that are part of a business combination.

TFRS 5 (revised 2012) specifies the disclosures required for assets held for sale and discontinued operations. Disclosures in other standards do not apply, unless those TFRS requires.

TFRS 8 (revised 2012) clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker.

TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset.

TFRIC 10 prohibits reversal of an impairment losses recognised in a previous interim period in respect of goodwill.

TFRIC 17 provides guidance on accounting for the distributions of non-cash assets to owners acting in their capacity as owners. The interpretation addresses the issues on the dividend payable recognition and measurement and the accounting for any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable when an entity settles the dividend payable.

TFRIC 18 sets out the accounting for transfers of items of property, plant and equity by entities that receive such transfers from their customers. Agreements within the scope of this interpretation are agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect to a network or to provide the customer with ongoing access to supply of goods or services. The interpretation addresses the issues on the initial recognition and the accounting treatment of the transferred assets.

TSIC 15 sets out the accounting for the recognition of incentive that a lessor provides to a lessee in an operating lease.

TSIC 27 provides guidance on evaluating the substance of transactions in the legal form of a lease between the entity and the investor whether a series of transactions is linked and should be accounted for as one transaction and whether the arrangement meets the definition of a lease under TAS17 "Leases". This guidance explains examples that individually demonstrate that an arrangement may not, in substance, involve a lease under TAS 17. The accounting shall reflect the substance of the arrangement.

3 Accounting policies (Cont'd)

3.1 Revised accounting standards, revised financial reporting standards and related interpretations which are effective on 1 January 2014 (Cont'd)

The following accounting standards, financial reporting standards and related interpretations have no impact to the Group. (Cont'd)

TSIC 32 provides guidance on the internal expenditure on the development and operation of the entity web site for internal or external access. The entity shall comply with the requirements described in TAS 38 "Intangible Assets".

The following interpretations of accounting standards and interpretations of financial reporting standards are not relevant to the Group.

TFRIC 1 provides guidance on accounting for changes in the measurement of an existing decommissioning, restoration and similar liability that results from changes in estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate.

TFRIC 5 provide guidance on accounting in the financial statements of a contributor for interests arising from decommissioning funds that the assets are administered separately and a contributor's right to access the assets is restricted.

TFRIC 7 provides guidance on how to apply the requirements of TAS 29, Financial Reporting in Hyperinflationary Economics, in a reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period.

TFRIC 12 applies to public-to-private service concession arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services.

TFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values.

TSIC 29 contains disclosure requirements in respect of public-to-private service arrangements.

3.2 New/revised accounting standards, new/revised financial reporting standards and new/revised related interpretations are effective on 1 January 2015

- a) Accounting standards, financial reporting standards and related interpretations which are expected to have no impact to the Group:

TAS 1 (revised 2014)	Presentation of financial statements
TAS 16 (revised 2014)	Property, plant and equipment
TAS 19 (revised 2014)	Employee benefits
TAS 27 (revised 2014)	Separate financial statements
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 34 (revised 2014)	Interim financial reporting
TFRS 10	Consolidated financial statements
TFRS 11	Joint arrangements
TFRS 12	Disclosure of interests in other entities
TFRS 13	Fair value measurement
TFRIC 14 (revised 2014)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 20	Stripping costs in the production phase of a surface mine

3 Accounting policies (Cont'd)

3.2 New/revised accounting standards, new/revised financial reporting standards and new/revised related interpretations are effective on 1 January 2015 (Cont'd)

- a) Accounting standards, financial reporting standards and related interpretations which are expected to have no impact to the Group (Cont'd)

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassified to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.

TAS 16 (revised 2014) indicates that spare part, stand-by equipment and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period.

TAS 27 (revised 2014) provides the requirements relating to separate financial statements.

TAS 28 (revised 2014) provides the requirements for investment in associates and joint ventures accounted by equity method.

TAS 34 (revised 2014), the key change is the disclosure requirements for operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment.

TFRS 10 has a single definition of control and supersedes the principles of control and consolidation included within the original TAS 27, 'Consolidated and separate financial statements'. The standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns.

TFRS 11 defines that a joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties' exposure in relation to the arrangement. When the parties' exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities. Joint ventures account for their interest by using the equity method of accounting.

TFRS 12 require entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities.

3 Accounting policies (Cont'd)

3.2 New/revised accounting standards, new/revised financial reporting standards and new/revised related interpretations are effective on 1 January 2015 (Cont'd)

- a) Accounting standards, financial reporting standards and related interpretations which are expected to have no impact to the Group (Cont'd)

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs.

TFRIC 14 (revised 2014), this interpretation applies to all post-employment defined benefits and other long-term employee benefits. For the purpose of this interpretation, minimum funding requirements are any requirements to fund a post-employment or other long-term benefit plan. This interpretation explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement.

TFRIC 20 (revised 2014), this interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine.

- b) Accounting standards, financial reporting standards and related interpretations with minor changes and do not have impact to the Group are as follows:

TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of cash flows
TAS 8 (revised 2014)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2014)	Events after the reporting period
TAS 11 (revised 2014)	Construction contract
TAS 12 (revised 2014)	Income taxes
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 20 (revised 2014)	Accounting for government grants & disclosure of government assistance
TAS 21 (revised 2014)	The effects of changes in foreign exchange rates
TAS 23 (revised 2014)	Borrowing costs
TAS 24 (revised 2014)	Related party disclosures
TAS 26 (revised 2014)	Accounting and reporting by retirement benefit plans
TAS 29 (revised 2014)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2014)	Earnings per share
TAS 36 (revised 2014)	Impairment of assets
TAS 37 (revised 2014)	Provisions, contingent liabilities and contingent assets
TAS 38 (revised 2014)	Intangible assets
TAS 40 (revised 2014)	Investment property
TFRS 2 (revised 2014)	Share-based payment
TFRS 3 (revised 2014)	Business combinations
TFRS 5 (revised 2014)	Non-current asset held for sale and discontinued operations
TFRS 6 (revised 2014)	Exploration for and evaluation of mineral resources
TFRS 8 (revised 2014)	Operating segments
TSIC 10 (revised 2014)	Government assistance - No specific relation to operating activities
TSIC 15 (revised 2014)	Operating leases - Incentives
TSIC 25 (revised 2014)	Income taxes - changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2014)	Service concession arrangements: Disclosures
TSIC 31 (revised 2014)	Revenue - barter transactions involving advertising services

3 Accounting policies (Cont'd)

3.2 New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015 (Cont'd)

- b) Accounting standards, financial reporting standards and related interpretations which are expected to have no impact to the Group (Cont'd)

TSIC 32 (revised 2014)	Intangible assets - Web site costs
TFRIC 1 (revised 2014)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2014)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2014)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2014)	Applying the restatement approach under IAS29 Financial reporting in hyperinflationary economies
TFRIC 10 (revised 2014)	Interim financial reporting and impairment
TFRIC 12 (revised 2014)	Service concession arrangements
TFRIC 13 (revised 2014)	Customer loyalty programmes
TFRIC 15 (revised 2014)	Agreements for the construction of real estate
TFRIC 17 (revised 2014)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2014)	Transfers of assets from customers

3.3 New financial reporting standard which is effective for the periods beginning on or after 1 January 2016

New financial reporting standard which is effective for the periods beginning on or after 1 January 2016 is as follow:

TFRS 4 (revised 2014)	Insurance Contracts
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TFRS 4 applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. This standard is not relevant to the Group's operations.

3.4 Group accounting - investments in subsidiaries and associates and interests in joint ventures

- (a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible including potential voting rights held by another entity, are considered when assessing whether the Group controls other entities. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

3 Accounting policies (Cont'd)

3.4 Group accounting - investments in subsidiaries and associates and interests in joint ventures (Cont'd)

(a) Subsidiaries

The Company applies the predecessor value method for business combination acquired under common control. The excess of consideration paid compared to book values of the business acquired is recorded as a separate item and presented in equity.

In the Company's separate financial statements, investment in subsidiaries is accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net asset acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss, in statement of comprehensive income.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated; unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A list of the Group's subsidiaries is set out in Note 14.1.

(b) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

If the ownership interest in an associate is reduced but the significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

3 Accounting policies (Cont'd)

3.4 Group accounting - investments in subsidiaries and associates and interests in joint ventures (Cont'd)

(c) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss (if any).

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the profit or loss.

In the Company's separate financial statements, investment in associates is accounted for using the cost method of accounting.

A list of the Group's associates is set out in Note 14.2.

(d) Joint ventures

Joint ventures are entities over which the Group has contractual arrangements to jointly share the control over the economic activity of the entity with one or more parties. In the company separate financial statements, the interest in a jointly controlled entity is accounted for using the cost method. The Group's interest in joint venture is accounted for in the consolidated financial statements using the equity method of accounting.

The Group's share of its joint venture's post-acquisition profits or losses is recognised in the statement of comprehensive income, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealised gains on transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of the joint venture have been changed where necessary to ensure consistency with the policies adopted by the Group at the consolidated financial statements.

A list of the Group's joint ventures is set out in Note 14.3.

3 Accounting policies (Cont'd)

3.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.6 Cash and cash equivalents

In the consolidated and Company statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated and Company statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

Deposits at financial institutions that are restricted in use are presented as "Fixed deposits pledged as collateral" under non-current assets in the statements of financial position.

3.7 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within administrative expenses.

3 Accounting policies (Cont'd)

3.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity, but excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow moving and defective inventories.

3.9 Investments

Investments other than the investments in subsidiaries, associates and an interest in a joint venture are classified into the following four categories: 1. Trading investments, 2. Held-to-maturity investments, 3. Available-for-sale investments, and 4. General investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the investing and re-evaluates such designation on a regular basis.

- (a) Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations less than three months from the date of acquisition in price are classified as trading investments and included in current assets.
- (b) Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
- (c) Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in market prices or interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
- (d) Investments in non-marketable equity securities are classified as general investments.

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments and available-for-sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statement of comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income. When disposing of part of the Group's holding of a particular investment in equity security, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

3 Accounting policies (Cont'd)

3.10 Property, plant and equipment

Land and buildings comprise mainly factories and offices and are shown at fair value, based on valuations by external independent valuers every 5 years, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred

Increases in the carrying amount arising on revaluation of land and building are credited to statement of comprehensive income and shown as gain on asset revaluation in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against gain on asset revaluation directly in equity; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost is transferred from 'gain on asset revaluation' to retained earnings.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or the revalued amount, add if appropriate to their residual values over their estimated useful lives, as follows:

Land improvements	5 - 30 years
Buildings and structures	20 - 40 years
Machinery and equipment	5 - 10 years
Vehicles	5 years
Fixtures and office equipment	3 - 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within gains or losses in statements of comprehensive income.

When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

3 Accounting policies (Cont'd)

3.11 Rubber and palm plantations

Rubber and palm plantations are stated at cost less accumulated amortisation and allowance for impairment, if any.

All costs comprising mainly clearing, land terracing and drainage, palm planting, weeding and fertilizing involved during the immature period until the rubbers and palms are ready for commercial harvesting at approximately 7 years for rubbers and 2 - 3 years for palms, are capitalised. The Group amortises rubber and palm plantations cost after the commercial harvesting, using a straight-line basis, over a period of 20 years.

In 2014, the Group has changed in accounting policy of rubber and palm plantations. The changes are disclosed in Note 4.

3.12 Intangible assets

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 - 5 years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Group and will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads.

3.13 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost including related transaction costs. After initial recognition, investment property is carried at fair value, as determined by an independent professional valuer. Changes in fair values are recognised in profit or loss.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed when incurred.

3.14 Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows. Non-financial assets that suffered an impairment, are reviewed for possible reversal of the impairment at each reporting date.

3 Accounting policies (Cont'd)

3.15 Financial instruments

3.15.1 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange traded and over-the-counter securities and derivatives) are based on quoted market prices at the date of the statement of financial position. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group and the Company use a variety of methods and makes assumptions that are based on the market conditions existing at each statement of financial position date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

3.15.2 Derivative financial instruments

Derivative financial instruments comprise foreign exchange swaps, foreign exchange options, forward foreign exchange contracts, rubber futures and physical forward contracts.

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at fair value, and the resultant gains and losses are recognised in the statement of comprehensive income. Fair value is determined based on quoted market prices at the date of the statement of financial position.

Derivative financial instruments are reported in the financial statements on a net basis where legal right of set off exists. Derivative financial instruments are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

3.16 Borrowings

Borrowings comprise borrowing from financial institutions and debentures. Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

3 Accounting policies (Cont'd)

3.17 Leases - where the Group and the Company are the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

3.18 Current and deferred income taxes

The tax for the period comprises current and deferred taxes. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of statements of financial position in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the date of statements of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries, associates, and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities related to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3 Accounting policies (Cont'd)

3.19 Employee benefits

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which some entities in the Group pay fixed contributions into separate entities on a mandatory, contractual or voluntary basis. Some entities in the Group have no further payment obligations once the contributions have been paid.

The contributions from those entities to the post-employment benefit plans are charged to the statement of comprehensive income in the accounting period in which they occur.

(b) Post-employment benefit obligations

The Group provides post-employment benefits, payable to employees under the Thai Labour Law. The amounts payable in the future depend on the salary and years of service of the respective employees. The defined benefit obligations are measured, using the Projected Unit Credit method calculated with sufficient regularity that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period, by an independent actuary, in accordance with actuarial technique as the present value of the estimated future cash outflows, based on employee salaries, turnover rate, retirement ages, mortality rate, length of service and others, and using interest rates of government bonds, which have terms to maturity approximating to the terms of the related obligations.

Actuarial gains or losses arising from changes in the actuarial assumptions of the present value of defined benefit obligations are charged or credited to other comprehensive income in the period in which they arise.

3.20 Provisions

Provisions, excluding the provisions for employee benefits, are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

3.21 Share capital

Ordinary shares are classified as equity.

Incremental external costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3 Accounting policies (Cont'd)

3.22 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sales of goods and services net of output tax, rebates and discounts, and after eliminating sales within the Group for the consolidated financial statements.

The Group recognises revenue when the amount of revenue and related costs can be reliably measured; it is probable that future economic benefits will flow to the entity and when the specific criteria for each of the Group's activities are met as follows:

(a) Sales of goods

Sales of goods are recognised when significant risks and rewards of ownership of the products are transferred to the buyer and the collectibility of the related receivable is reasonably assured.

(b) Rendering of services

Revenue from services is recognised accordance with its percentage of completion.

(c) Interest income

Interest income is recognised on an accrual basis unless collectibility is in doubt using the effective interest method.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

(e) Rental income

Rental income is recognised on an accrual basis in accordance with the relevant rental agreements.

3.23 Dividend distribution

Dividends are recorded in the consolidated and company financial statements in the period in which the dividends are approved by the Company's shareholders.

3.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director that makes strategic decisions.

4 Change in accounting policies

The Group has retrospective by adjusted financial statement according to changing in accounting policy on rubber and palm plantations. The Group's management has considered that the cost model is more appropriate than the revaluation model for measuring the value of the Group's rubber plantations and palm plantations. Due to the high fluctuation of the major variable factors in the revaluation amount calculation, namely, the market value of rubber and palm. The valuation amount of the rubber plantations and the palm plantations varies significantly at each valuation. Thus the fair value does not accurately reflect the value of the Group's rubber plantations and palm plantations. According to the mentioned fact, the Group changed the measurement after recognition of the value of the rubber plantations and palm plantations from the revaluation model to the cost model. To comply with Thai Accounting Standard 8: Accounting Policies, Changes in Accounting Estimates and Errors, the Group has taken the change effect to restate the statement of financial position as at 31 December 2013 and as at 1 January 2013 and the statement of comprehensive income for the year ended 31 December 2013 for comparison purpose as follows:

	Consolidated		
	Originally stated Baht'000	Restated Baht'000	As restated Baht'000
Statement of financial position as at 31 December 2013			
Non-current assets			
Property, plant and equipment, net	12,925,858	(631,018)	12,294,840
Rubber and palm plantations, net	-	547,657	547,657
Non-current liabilities			
Deferred income tax liabilities, net	68,256	(8,127)	60,129
Shareholders' equity			
Asset revaluation surplus, net of accumulated depreciation	1,206,287	(76,058)	1,130,229
Retained earnings	9,430,734	825	9,431,559
Statement of financial position as at 1 January 2013			
Non-current assets			
Property, plant and equipment, net	10,034,350	(367,663)	9,666,687
Rubber and palm plantations, net	-	274,922	274,922
Non-current liabilities			
Deferred income tax liabilities, net	171,301	(15,084)	156,217
Shareholders' equity			
Asset revaluation surplus, net of accumulated depreciation	1,176,401	(78,410)	1,097,991
Retained earnings	8,224,093	753	8,224,846
Statement of comprehensive income for the year end 31 December 2013			
Cost of sales and services	(86,996,064)	9,379	(86,986,685)
Asset revaluation surplus, net of tax	59,471	(6,166)	53,305
Income tax	(148,786)	(791)	(149,577)
Earnings per share			
Basic earnings per share	1.42	-	1.42

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4 Change in accounting policies (Cont'd)

	Company		
	Originally stated Baht'000	Restated Baht'000	As restated Baht'000
Statement of financial position as at 31 December 2013			
Non-current assets			
Property, plant and equipment, net	4,980,762	(72,323)	4,908,439
Rubber and palm plantations, net	-	4,561	4,561
Non-current liabilities			
Deferred income tax liabilities, net	21,097	(5,008)	16,089
Shareholders' equity			
Asset revaluation surplus, net of accumulated depreciation	769,785	(63,579)	706,206
Retained earnings	3,502,945	825	3,503,770
Statement of financial position as at 1 January 2013			
Non-current assets			
Property, plant and equipment, net	3,657,333	(80,843)	3,576,490
Rubber and palm plantations, net	-	5,041	5,041
Non-current liabilities			
Deferred income tax liabilities, net	88,429	(11,696)	76,733
Shareholders' equity			
Asset revaluation surplus, net of accumulated depreciation	723,419	(64,858)	658,561
Retained earnings	3,203,164	753	3,203,917
Statement of comprehensive income for the year ended 31 December 2013			
Cost of sales and services	(40,447,939)	8,039	(40,439,900)
Asset revaluation surplus, net of tax	68,775	(6,166)	62,609
Income tax	(14,086)	(523)	(14,609)
Earnings per share			
Basic earnings per share	0.72	-	0.72

5 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment of the carrying amounts often requires the use of estimates and assumptions such as discount rates, exchange rates, commodity prices, future capital requirements and future operating performance. The key line item affected will be “Property, plant and equipment” as disclosed in Note 16.

5.2 Income taxes and deferred income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. In addition, deferred tax assets and liabilities are recognised from temporary differences arising between tax bases of assets and liabilities and their carrying amounts for accounting purposes as at the date of statement of financial position. Significant management judgment is used in considering whether it is highly probable that the Group will generate sufficient taxable profits from its future operations to minimise these deferred tax assets. The Group’s assumptions regarding the future taxable profits and the anticipated timing of minimise of deductible temporary differences and significant changes in these assumptions from period to period may have a material impact on financial position and results of operations.

5.3 Post-Employment benefit obligations

The present value of post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. The key line items affected will be “Post-employment benefit obligations” and “Employee costs” as disclosed in Note 24 and 30, respectively.

6 Financial risk management

6.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's and the Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's and the Company's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out under supervision by the Group management, who identifies, evaluates and hedges financial risks but does not apply hedge accounting.

(a) Market risk

(i) Foreign exchange risk

The Group operates internationally and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollars. Foreign exchange risk arises from commercial transactions, net investment in foreign operations and borrowings. Management has set up policies to manage their foreign exchange risk against their functional currency. To manage the foreign exchange risk arising from future commercial transactions and borrowings, entities in the Group uses forward contracts. Foreign exchange risk arises when future commercial transactions are denominated in a currency that is not the Company's functional currency.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

If Thai Baht had changed by 1% (2013: 3%) against the US dollars and 7% (2013: 4%) against the IDR with all other variables held constant, post-tax profit for the years, and shareholders' equity would have been impacted as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Impact to profit after tax in the statement of comprehensive income				
THB against USD				
- Weakened	(7,148)	(88,581)	(7,020)	(86,557)
- Strengthened	7,148	88,581	7,020	86,557
THB against IDR				
- Weakened	(28,008)	(38,654)	-	-
- Strengthened	28,008	38,654	-	-
Impact to shareholders' equity in the statement of financial position				
THB against USD				
- Weakened	(19,708)	(101,803)	-	-
- Strengthened	19,708	101,803	-	-
THB against IDR				
- Weakened	(95,962)	(56,929)	-	-
- Strengthened	95,962	56,929	-	-

6 Financial risk management (Cont'd)

6.1 Financial risk factors (Cont'd)

(a) Market risk (Cont'd)

(ii) Price risk

The Group is exposed to commodity price risk from the natural rubber industry. The Group has managed the risks arising from price fluctuations by managing raw material sourcing using rubber futures and physical forward contracts. If the price of natural rubber increases/decreases by 12% (2013: 19%), with all other variables held constant, post-tax profit for the years will increase/decrease as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Profit and loss	<u>353,873</u>	<u>586,385</u>	<u>198,816</u>	<u>338,877</u>

The Group is also exposed to equity securities price risk because of investments held by the Group and classified on the statements of financial position as available-for-sale. Some of the Group's investments in equity securities are publicly traded in the Stock Exchange of Thailand. To manage its price risk arising from investments in equity, the Group diversifies their portfolios.

The table below summarises the impact of increases/decreases of the equity securities on the Group's equity. The analysis is based on the assumption that the price per share of the invested securities had increased/decreased by 7% (2013: 17%), with all other variables held constant and all the Group's available-for-sale equity instruments moved according to the historical correlation with the index:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Equity - unrealised gains on available-for-sale investments	<u>3,904</u>	<u>7,196</u>	<u>5,112</u>	<u>8,293</u>

(iii) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from borrowings. Borrowings which are issued at floating rates expose the Group to cash flow interest rate risk. The Group manages their cash flow interest rate risk by entering into interest rate swap contracts. If the interest rate increases/decreases by 0.25% (2013: 0.25%), the post-tax profit for the years will increase/decrease as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Profit and loss	<u>32,199</u>	<u>41,126</u>	<u>18,054</u>	<u>20,013</u>

Borrowings which are issued at fixed rates expose the Group to fair value interest rate risk. However, changes in market interest rates will not have an impact on the statement of comprehensive income as borrowings are accounted for on an amortised cost basis.

6 Financial risk management (Cont'd)

6.1 Financial risk factors (Cont'd)

(b) Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The Group also assesses credit quality of banks, financial institutions, and customers, taking into account their financial positions, past experience and other factors. The utilisation of credit limits is regularly monitored.

(c) Liquidity risk

The Group monitors its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of the borrowing facilities.

The table below analyses the Group's maturity grouping based on the remaining periods at the date of statements of financial position to the contractual maturity date. The negative figures represent cash to be inflows and positive figures represent cash to be outflows due to be mature. The amounts disclosed below are the contractual undiscounted cash flows.

	Consolidated				Total Baht'000
	Less than 1 year Baht'000	Between 1 to 2 years Baht'000	Between 2 to 5 years Baht'000	Over 5 years Baht'000	
At 31 December 2014					
Short-term loans from financial institutions	9,435,733	-	-	-	9,435,733
Trade accounts payable	1,490,547	-	-	-	1,490,547
Accrued expenses	743,524	-	-	-	743,524
Long-term loans from financial institutions	147,279	216,738	1,127,069	2,274,045	3,765,131
Debentures	-	318,500	1,296,456	-	1,614,956
Finance lease liabilities	32,472	26,892	7,625	-	66,989
Derivative financial instruments					
- Foreign exchange swaps	997,200	-	-	-	997,200
- Rubber futures (Buy)	250,635	-	-	-	250,635
- Rubber futures (Sell)	(1,675,224)	-	-	-	(1,675,224)
- Forward foreign exchange contracts - payments	129,526	-	-	-	129,526
- Forward foreign exchange contracts - receipts	(2,563,759)	-	-	-	(2,563,759)
- Physical forward contracts (Buy)	436,739	-	-	-	436,739
- Physical forward contracts (Sell)	(603,208)	-	-	-	(603,208)
At 31 December 2013					
Short-term loans from financial institutions	14,255,810	-	-	-	14,255,810
Trade accounts payable	2,751,399	-	-	-	2,751,399
Accrued expenses	597,027	-	-	-	597,027
Long-term loans from financial institutions	121,051	200,565	1,503,141	891,930	2,716,687
Debentures	1,670,400	-	1,680,106	-	3,350,506
Finance lease liabilities	19,683	16,519	13,584	-	49,786
Derivative financial instruments					
- Foreign exchange swaps	992,680	-	-	-	992,680
- Foreign exchange options (Sell)	(846,591)	-	-	-	(846,591)
- Rubber futures (Buy)	92,163	-	-	-	92,163
- Rubber futures (Sell)	(2,086,159)	-	-	-	(2,086,159)
- Forward foreign exchange contracts - payments	7,508,459	-	-	-	7,508,459
- Forward foreign exchange contracts - receipts	(7,739,537)	-	-	-	(7,739,537)
- Physical forward contracts (Buy)	352,821	-	-	-	352,821
- Physical forward contracts (Sell)	(536,869)	-	-	-	(536,869)

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6 Financial risk management (Cont'd)

6.1 Financial risk factors (Cont'd)

(c) Liquidity risk (Cont'd)

	Company				Total Baht'000
	Less than 1 year Baht'000	Between 1 to 2 years Baht'000	Between 2 to 5 years Baht'000	Over 5 years Baht'000	
At 31 December 2014					
Short-term loans from financial institutions	4,267,112	-	-	-	4,267,112
Trade accounts payable	979,827	-	-	-	979,827
Accrued expenses	413,540	-	-	-	413,540
Long-term loans from financial institutions	52,316	215,220	1,124,722	2,274,045	3,666,303
Debentures	-	318,500	1,296,456	-	1,614,956
Finance lease liabilities	3,878	4,211	-	-	8,089
Derivative financial instruments					
- Foreign exchange swaps	997,200	-	-	-	997,200
- Rubber futures (Buy)	250,635	-	-	-	250,635
- Rubber futures (Sell)	(1,415,640)	-	-	-	(1,415,640)
- Forward foreign exchange contracts - receipts	(2,094,414)	-	-	-	(2,094,414)
At 31 December 2013					
Short-term loans from financial institutions	5,994,424	-	-	-	5,994,424
Trade accounts payable	1,537,132	-	-	-	1,537,132
Accrued expenses	290,916	-	-	-	290,916
Long-term loans from financial institutions	-	109,288	1,495,513	891,930	2,496,731
Debentures	1,670,400	-	1,680,106	-	3,350,506
Finance lease liabilities	4,716	-	5,496	-	10,212
Derivative financial instruments					
- Foreign exchange swaps	992,680	-	-	-	992,680
- Foreign exchange options (Sell)	(846,591)	-	-	-	(846,591)
- Rubber futures (Sell)	(1,780,781)	-	-	-	(1,780,781)
- Forward foreign exchange contracts - payments	5,501,226	-	-	-	5,501,226
- Forward foreign exchange contracts - receipts	(5,557,489)	-	-	-	(5,557,489)

6.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Management regards total equity as the capital of the Group and the Company. The Group and the Company monitor capital on the basis of the net debt to total equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total liabilities as shown in the consolidated statement of financial position less cash and cash equivalents. Total equity is as shown in the statements of financial position both consolidation and company only.

6 Financial risk management (Cont'd)

6.2 Capital risk management (Cont'd)

The net debt to total equity ratios as at 31 December 2014 and 2013 were as follows:

	Consolidated		Company	
	2014	(Restated)	2014	(Restated)
	Baht'000	Baht'000	Baht'000	Baht'000
Total liabilities	17,198,662	24,245,674	10,432,639	13,469,230
<u>Less</u> Cash and cash equivalents	(2,131,619)	(1,892,729)	(351,506)	(558,714)
Net debt	15,067,043	22,352,945	10,081,133	12,910,516
Total equity	20,591,868	19,991,068	14,794,579	14,177,061
Net debt to total equity ratio	0.73	1.12	0.68	0.91

6.3 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 table presents the Group's assets and liabilities that are measured at fair value.

	Consolidated			Total
	Level 1	Level 2	Level 3	
	Baht'000	Baht'000	Baht'000	Baht'000
At 31 December 2014				
Available-for-sale investments				
- Equity securities	53,245	-	-	53,245
Financial assets at fair value through profit or loss				
- Trading derivatives	82,545	7,222	-	89,767
Financial liabilities at fair value through profit or loss				
- Trading derivatives	70,094	142,733	-	212,827
At 31 December 2013				
Available-for-sale investments				
- Equity securities	42,012	-	-	42,012
Financial assets at fair value through profit or loss				
- Trading derivatives	48,573	27,401	-	75,974
Financial liabilities at fair value through profit or loss				
- Trading derivatives	163,393	369,458	-	532,851

6 Financial risk management (Cont'd)

6.3 Fair value measurements (Cont'd)

	Company			Total Baht'000
	Level 1 Baht'000	Level 2 Baht'000	Level 3 Baht'000	
At 31 December 2014				
Available-for-sale investments				
- Equity securities	52,239	-	-	52,239
Financial assets at fair value through profit or loss				
- Trading derivatives	33,731	-	-	33,731
Financial liabilities at fair value through profit or loss				
- Trading derivatives	27,664	128,156	-	155,820
At 31 December 2013				
Available-for-sale investments				
- Equity securities	41,094	-	-	41,094
Financial assets at fair value through profit or loss				
- Trading derivatives	34,025	26,486	-	60,511
Financial liabilities at fair value through profit or loss				
- Trading derivatives	34,896	398,120	-	433,016

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.

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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7 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 year in the consolidated financial statements.

Operating segments are defined as components of the Group for which separate financial statements 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 business:** 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 December 2014, the Group operates two business segments in seven main geographical areas (2013: five main geographical areas). The allocation of revenue to each geographical area is based on the origin of sales.

Reportable segments by geographical areas of consolidated financial statements for the year ended 31 December 2014:

	Consolidated							Other business Thailand Baht'000	Total Baht'000
	Natural Rubber Products								
	Thailand Baht'000	Indonesia Baht'000	Singapore Baht'000	USA Baht'000	China Baht'000	Vietnam Baht'000			
Segment revenues	54,421,494	9,502,265	18,879,743	3,177,429	805,842	-	-	2,643,767	89,430,540
Inter-segment revenues	(4,872,882)	(6,781,688)	(1,112,070)	(24,616)	-	-	-	(1,109,409)	(13,900,665)
Revenues from external customers	49,548,612	2,720,577	17,767,673	3,152,813	805,842	-	-	1,534,358	75,529,875
Depreciation and amortisation	(616,089)	(192,200)	(11,249)	(1,762)	(3,048)	-	(14)	(53,114)	(877,476)
Finance income	44,339	2,182	416	-	1,449	5	-	1,311	49,702
Finance costs	(431,114)	(176,761)	(15,558)	(36,555)	-	-	-	(3,398)	(663,386)
Share of profit from investments in associates and joint ventures	535,089	-	-	-	-	-	-	-	535,089
Profit (loss) before income tax	2,070,534	(178,513)	307,837	(79,847)	59,843	(1,793)	(531)	91,185	2,268,715
Income tax	(8,008)	27,337	(34,500)	33,630	(15,119)	-	-	(43,472)	(40,132)
Profit (loss) for the year	<u>2,062,526</u>	<u>(151,176)</u>	<u>273,337</u>	<u>(46,217)</u>	<u>44,724</u>	<u>(1,793)</u>	<u>(531)</u>	<u>47,713</u>	2,228,583
Intersegmental balances									(1,192,346)
Total profit for the year									<u>1,036,237</u>
Total assets	<u>31,148,828</u>	<u>4,432,527</u>	<u>3,565,800</u>	<u>1,562,899</u>	<u>471,148</u>	<u>32,553</u>	<u>31,182</u>	<u>7,562,423</u>	48,807,360
Intersegmental balances									(11,016,830)
Total assets									<u>37,790,530</u>

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7 Segment information (Cont'd)

Reportable segments by geographical areas of consolidated financial statements for the year ended 31 December 2013:

	Consolidated (Restated)						Total Baht'000
	Natural Rubber Products					Other business	
	Thailand Baht'000	Indonesia Baht'000	Singapore Baht'000	USA Baht'000	China Baht'000	Thailand Baht'000	
Segment revenues	65,457,392	12,905,031	25,988,245	4,582,517	842,805	2,625,538	112,401,528
Inter-segment revenues	(7,964,598)	(9,838,658)	(1,387,283)	(127)	-	(1,025,681)	(20,216,347)
Revenues from external customers	57,492,794	3,066,373	24,600,962	4,582,390	842,805	1,599,857	92,185,181
Depreciation and amortisation	(517,704)	(162,478)	(9,168)	(1,555)	(2,560)	(37,547)	(731,012)
Finance income	40,968	2,338	160	-	1,103	1,491	46,060
Finance costs	(410,902)	(600,896)	(25,147)	(36,900)	-	(1,501)	(1,075,346)
Share of profit from investments in associates and a joint venture	495,575	-	-	-	-	-	495,575
Profit before income tax	2,125,435	94,026	338,609	10,737	44,154	173,519	2,786,480
Income tax	(16,877)	(35,436)	(44,467)	5,220	(14,267)	(43,749)	(149,576)
Profit for the year	<u>2,108,558</u>	<u>58,590</u>	<u>294,142</u>	<u>15,957</u>	<u>29,887</u>	<u>129,770</u>	<u>2,636,904</u>
Intersegmental balances							(799,771)
Total profit for the year							<u>1,837,133</u>
Total assets	<u>36,606,061</u>	<u>4,753,205</u>	<u>4,494,521</u>	<u>1,849,293</u>	<u>473,434</u>	<u>6,206,862</u>	54,383,376
Intersegmental balances							(10,146,634)
Total assets							<u>44,236,742</u>

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	
	2014 Baht'000	2013 Baht'000
Thailand	13,421,341	11,300,732
Indonesia	1,868,692	1,557,246
Singapore	181,942	191,334
USA	5,975	5,297
China	12,389	12,516
Myanmar	2,094	-
Vietnam	8	-
Total	<u>15,492,441</u>	<u>13,067,125</u>

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8 Cash and cash equivalents

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Cash on hand	20,311	27,759	4,727	19,262
Deposits held at call with banks	2,111,308	1,864,970	346,779	539,452
Total cash and cash equivalents	2,131,619	1,892,729	351,506	558,714

The effective interest rates on deposits held at call with banks were between 0.1% and 5.5% per annum (2013: 0.1% and 2.9% per annum).

The carrying amounts of cash and cash equivalents are denominated in the following currencies:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
USD	843,156	894,729	67,178	110,076
IDR	367,706	89,558	-	-
JPY	23,631	50,794	-	-
SGD	8,751	16,966	873	2,613
RMB	185,307	61,634	-	-
THB	670,404	779,048	283,455	446,025
VND	32,064	-	-	-
MMK	600	-	-	-
Total cash and cash equivalents	2,131,619	1,892,729	351,506	558,714

9 Derivative financial instruments

	Consolidated			
	2014		2013	
	Assets	Liabilities	Assets	Liabilities
	Baht'000	Baht'000	Baht'000	Baht'000
Foreign exchange swaps	-	(89,118)	-	(107,411)
Foreign exchange options	-	-	-	(56,241)
Forward foreign exchange contracts	7,222	(53,616)	27,401	(313,217)
Rubber futures	37,799	(37,017)	35,157	(35,520)
Physical forward contracts	44,746	(33,076)	13,416	(20,462)
Total derivative financial instruments	89,767	(212,827)	75,974	(532,851)

	Company			
	2014		2013	
	Assets	Liabilities	Assets	Liabilities
	Baht'000	Baht'000	Baht'000	Baht'000
Foreign exchange swaps	-	(89,118)	-	(107,411)
Foreign exchange options	-	-	-	(56,241)
Forward foreign exchange contracts	-	(39,038)	26,486	(234,468)
Rubber futures	33,731	(27,664)	34,025	(34,896)
Total derivative financial instruments	33,731	(155,820)	60,511	(433,016)

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9 Derivative financial instruments (Cont'd)

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Notional amounts				
Foreign exchange swaps	997,200	992,680	997,200	992,680
Foreign exchange options (Sell)	-	846,591	-	846,591
Forward foreign exchange contracts	2,693,284	8,091,140	2,094,414	6,024,839
Rubber futures	1,925,859	2,178,323	1,666,275	1,780,781
Physical forward contracts	1,039,947	889,690	-	-

10 Trade accounts receivable and other receivables, net

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Trade accounts receivable				
- other companies	4,407,507	7,170,104	1,724,600	3,531,849
<u>Less</u> Allowance for impairment of trade accounts receivable	(126,791)	(118,667)	(61,850)	(57,439)
Total trade accounts receivable				
- other companies, net	4,280,716	7,051,437	1,662,750	3,474,410
Trade accounts receivable				
- related companies (Note 37.3)	100,267	127,622	459,144	289,611
Total trade accounts receivable, net	4,380,983	7,179,059	2,121,894	3,764,021
Advances for inventories	48,287	50,785	6,465	8,103
Prepaid expenses	110,074	139,475	17,645	34,538
Accrued income and other receivables	149,036	71,918	151,825	86,463
Total trade accounts receivable and other receivables, net	4,688,380	7,441,237	2,297,829	3,893,125

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

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Within credit terms	3,960,804	6,319,023	1,955,459	3,335,602
Overdue 1 - 30 days	406,268	786,400	147,041	402,249
Overdue 31 - 60 days	8,318	63,675	7,695	11,187
Overdue 61 - 90 days	1,497	1,704	893	1,592
Overdue 91 - 120 days	1,967	1,819	1,956	1,819
Overdue 121 - 365 days	5,691	77,904	5,691	55,768
More than 365 days	123,229	47,201	65,009	13,243
	4,507,774	7,297,726	2,183,744	3,821,460
<u>Less</u> Allowance for impairment of trade accounts receivable	(126,791)	(118,667)	(61,850)	(57,439)
Total trade accounts receivable, net	4,380,983	7,179,059	2,121,894	3,764,021

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

As at 31 December 2014 and 2013, trade accounts receivable - other companies as presented in the following table were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The aging analysis of these trade accounts receivable - other companies is as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Overdue 1 - 90 days	416,062	850,170	150,686	414,505
Overdue 91 - 365 days	7,658	13,335	7,647	13,335
More than 365 days	5,568	74	3,159	27
Total	429,288	863,579	161,492	427,867

As at 31 December 2014 and 2013, trade accounts receivable - other companies as presented in the following table were impaired and allowance for impairment have been made. It was assessed that a portion of the receivables is expected to be recovered. The aging of these receivables before allowance of impairment is as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Within credit terms	9,131	5,152	-	-
Overdue 1 - 90 days	-	-	-	-
Overdue 91 - 365 days	-	66,388	-	44,223
More than 365 days	117,660	47,127	61,850	13,216
Total	126,791	118,667	61,850	57,439

Movements on allowance for impairment of trade receivables are as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Opening balance	118,667	103,933	57,439	12,972
Increases in allowance for impairment of trade accounts receivable	8,476	46,052	4,411	44,467
Reversals of allowance for impairment of trade accounts receivable	(360)	(31,318)	-	-
Currency differences on translating financial statements	8	-	-	-
Ending balance	126,791	118,667	61,850	57,439

The creation and release of allowance for impairment of trade accounts receivables have been included in the statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering any cash.

As at 31 December 2014 and 2013, accrued income and other receivables are within credit terms.

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

The carrying amounts of trade accounts receivable - other companies before allowance for impairment are denominated in the following currencies:

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
USD	3,417,224	6,092,444	1,017,448	2,658,630
RMB	72,408	46,055	7,417	-
THB	917,875	1,031,605	699,735	873,219
Total trade accounts receivable - other companies	4,407,507	7,170,104	1,724,600	3,531,849

11 Inventories, net

	Consolidated					
	At cost		Allowance for inventory cost in excess of net realisable value		Total inventories, net	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Finished goods	3,607,598	6,406,892	(82,866)	(41,157)	3,524,732	6,365,735
Work-in-progress	2,092,067	2,825,680	(13,696)	(34,790)	2,078,371	2,790,890
Raw materials, vessels and chemicals	4,321,694	7,279,947	(30,895)	(4,484)	4,290,799	7,275,463
Spare parts and supplies	136,042	149,851	-	-	136,042	149,851
Total	10,157,401	16,662,370	(127,457)	(80,431)	10,029,944	16,581,939

	Company					
	At cost		Allowance for inventory cost in excess of net realisable value		Total inventories, net	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Finished goods	1,248,361	2,682,492	-	-	1,248,361	2,682,492
Work-in-progress	899,707	1,043,659	-	-	899,707	1,043,659
Raw materials, vessels and chemicals	2,550,788	3,433,922	-	(642)	2,550,788	3,433,280
Spare parts and supplies	44,497	36,870	-	-	44,497	36,870
Total	4,743,353	7,196,943	-	(642)	4,743,353	7,196,301

During the year 2014, the cost of inventories for the consolidated financial statements is recognised as costs of sales and services amounting to Baht 67,548 million (2013: Baht 83,104 million) and for the Company financial statements amounting to Baht 33,146 million (2013: Baht 38,937 million).

Inventories are carried at lower of cost or net realisable value. As at 31 December 2014, the Group reserved an allowance for inventory cost in excess of net realisable value amounting to Baht 127 million (Company: Nil).

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12 Other current assets

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Value added tax refundable	198,223	150,230	64,793	45,179
Prepaid withholding tax	133,910	116,983	-	-
Value added tax suspend	20,091	18,507	12,065	6,271
Total other current assets	352,224	285,720	76,858	51,450

13 Fixed deposits pledged as collateral

Fixed deposits amounting to Baht 35 million (2013: Baht 61 million) are pledged as collateral for short-term loan facilities with several financial institutions and for bank guarantees. For the year ended 31 December 2014, the fixed deposits earned average interest rate of 0.1% to 2.5% per annum (2013: 0.1% to 2.8% per annum).

The carrying amounts of the fixed deposits pledge as collateral are denominated in the following currencies:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
USD	12,295	39,490	-	-
THB	22,291	21,695	13,623	13,128
Total fixed deposits pledged as collateral	34,586	61,185	13,623	13,128

14 Investments in subsidiaries, associates and joint ventures

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Net book amounts as at 1 January	4,030,429	3,945,399	9,476,918	7,151,868
Share of profits from investments	535,089	495,575	-	-
Acquisitions (disposals)	-	(6,375)	940,000	2,325,050
Dividend income (Note 37.1)	(524,464)	(458,429)	-	-
Currency differences on translating financial statement	(5,003)	54,259	-	-
Net book amounts as at 31 December	4,036,051	4,030,429	10,416,918	9,476,918

Sri Trang Agro-Industry Public Company Limited and its subsidiaries
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14 Investments in subsidiaries, associates and joint ventures (Cont'd)

14.1 Subsidiaries

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

	Activities	Consolidated Countries of incorporation	% Ownership interest	
			2014	2013
Subsidiaries				
Sri Trang International Pte Ltd.	Distribution of rubber products	Singapore	100.00	100.00
Sri Trang USA, Inc.	Distribution of rubber products	USA	100.00	100.00
PT Sri Trang Lingga Indonesia	Manufacture of STR block rubber Products	Indonesia	90.00	90.00
Anvar Parawood Co., Ltd.	Manufacture of parawood	Thailand	99.94	99.94
Rubberland Products Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99
Namhua Rubber Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99
Sadao P.S. Rubber Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99
Startex Rubber Co., Ltd.	Rubber and palm plantation	Thailand	99.99	99.99
Premier System Engineering Co., Ltd.	Providing engineering services	Thailand	99.99	99.99
Starlight Express Transport Co., Ltd.	Providing of logistics services	Thailand	99.99	99.99
Sri Trang Rubber & Plantation Co., Ltd.	Rubber plantation	Thailand	99.99	99.99
Shi Dong Shanghai Rubber Co., Ltd.	Distribution of rubber products	China	100.00	100.00
Indirect subsidiaries				
Shi Dong Investments Pte Ltd. (Held by Sri Trang International Pte Ltd.)	Investment holding	Singapore	100.00	100.00
PT Star Rubber (Held by Shi Dong Investments Pte Ltd.)	Manufacture of STR block rubber products	Indonesia	99.00	99.00
Sri Trang Indochina (Vietnam) Co., Ltd. (Held by Sri Trang International Pte Ltd.)	Distribution of rubber products	Vietnam	100.00	100.00
Sri Trang Ayeyar Rubber Industry Co., Ltd.(Held by Sri Trang International Pte Ltd.)	Manufacture of STR block rubber Products	Myanmar	59.00	-

The Board of Directors of Sri Trang International Pte Ltd. which is a subsidiary of the Company passed a resolution to approve the establishment of companies as following.

Company	Countries of incorporation	Registered date	Registered capital	Owner	% Ownership interest
Sri Trang Indochina (Vietnam) Co., Ltd.	Vietnam	14 December 2013	VND 21 billion (equivalent to Baht 32 million)	Sri Trang International Pte Ltd.	100
Sri Trang Ayeyar Rubber Industry Co., Ltd.	Myanmar	9 October 2013	USD 1 million (equivalent to Baht 32 million)	Sri Trang International Pte Ltd. Mr. Kitichai Sincharoenkul Ayeyar Hinthar Holdings Co., Ltd.	59 1 40

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

14.1 Subsidiaries (Cont'd)

The Company invested in the increase of the investments in subsidiaries can be summarised as follows:

	Relationships	Currencies	2014		2013	
			Amount	(Equivalent) Baht Million	Amount	(Equivalent) Baht Million
Sri Trang Rubber & Plantation Co., Ltd.	A subsidiary	Baht Million	-	940	-	1,670
Sri Trang International Pte Ltd.	An overseas subsidiary	USD Million	-	-	5	161
Rubberland Products Co., Ltd.	A subsidiary	Baht Million	-	-	-	500

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

14.2 Associates

The Group's share of the results of its associates, all of which are unlisted, and its share of the assets including goodwill and liabilities are as follows:

Name	Activities	Countries of incorporation	Baht'000				% Ownership interest
			Assets	Liabilities	Revenues	Profits (losses)	
2014							
Direct associates							
Semperflex Asia Co., Ltd.	Manufacture of hydraulic hoses	Thailand	602,489	78,104	707,039	165,637	42.50
Sempermed USA, Inc.	Distribution of medical gloves	USA	607,086	316,110	1,862,059	39,804	45.12
Pattana Agro Futures Co., Ltd.	Futures broker	Thailand	94,100	50,760	6,061	(2,891)	40.00
Semperflex Shanghai Co., Ltd.	Manufacture of hydraulic hoses	China	374,702	100,198	261,119	(914)	50.00
Sempermed Singapore Pte Ltd.	Investment holding in the company selling medical gloves	Singapore	90,395	6,029	692	(61,013)	50.00
Indirect associates							
Sempermed Brazil Comercio Exterior LTDA. (Held by Sempermed Singapore Pte Ltd.)	Sales of medical gloves	Brazil	52,016	15,799	-	(1,932)	50.00
Shanghai Sempermed Gloves Co., Ltd. (Formerly, Shanghai Foremost Plastic Industrial Co., Ltd. held by Siam Sempermed Corp. Ltd.)	Manufacture of medical gloves	China	52,666	6,295	2,720	799	40.23
Formtech Engineering (M) Sdn. Bhd. (Held by Sempermed Singapore Pte Ltd.)	Manufacture of glove formers	Malaysia	35,862	14,609	62,686	3,807	41.43
2013							
Direct associates							
Siam Sempermed Corp. Ltd. *	Manufacture of medical gloves	Thailand	3,004,295	412,645	3,897,508	371,676	40.23
Semperflex Asia Co., Ltd.	Manufacture of hydraulic hoses	Thailand	561,288	88,821	620,034	113,688	42.50
Sempermed USA, Inc.	Distribution of medical gloves	USA	692,882	443,855	2,099,315	34,268	45.12
Pattana Agro Futures Co., Ltd.	Futures broker	Thailand	124,861	78,246	5,338	(3,795)	40.00
Semperflex Shanghai Co., Ltd.	Manufacture of hydraulic hoses	China	433,683	152,558	160,414	(22,722)	50.00
Sempermed Singapore Pte Ltd.	Investment holding in the company selling of medical gloves	Singapore	152,497	6,808	833	(1,412)	50.00
Indirect associates							
Sempermed Brazil Comercio Exterior LTDA. (Held by Sempermed Singapore Pte Ltd.)	Sales of medical gloves	Brazil	54,368	16,112	-	(50,016)	50.00
Shanghai Sempermed Gloves Co., Ltd. (Formerly, Shanghai Foremost Plastic Industrial Co., Ltd. held by Siam Sempermed Corp. Ltd.)	Manufacture of medical gloves	China	55,087	8,554	2,464	535	40.23
Formtech Engineering (M) Sdn. Bhd. (Held by Sempermed Singapore Pte Ltd.)	Manufacture of glove formers	Malaysia	33,604	14,929	45,109	1,846	41.43

The Company invested in the increase of the investments in associates which can be summarised as follows:

Relationship	Currency	2014		2013	
		Amount	(Equivalent) Baht Million	Amount	(Equivalent) Baht Million
Pattana Agro Futures Co., Ltd.	An associate Baht Million	-	-	-	8

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

14.3 Interest in joint ventures

The jointly controlled entity is as follows:

Name	Activity	Country of incorporation	Baht'000				% Ownership interest
			Assets	Liabilities	Revenues	Profits (Losses)	
2014							
Thaitech Rubber Corp. Ltd.	Manufacture of STR block rubber products	Thailand	1,042,898	619,357	2,631,612	(34,076)	33.50
Siam Sempermed Corp. Ltd.*	Manufacture of medical gloves	Thailand	3,029,103	422,109	4,347,984	425,868	40.23
2013							
Thaitech Rubber Corp. Ltd.	Manufacture of STR block rubber products	Thailand	1,482,968	1,014,209	3,657,748	51,494	33.50

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

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

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

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

15 Long-term investments

The movements in long-term investments for the years are as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Opening net book amounts	52,439	59,126	51,521	58,020
Additions	40	-	-	-
Disposals	-	(15)	-	-
Changes in fair values of available-for-sale investments	11,193	(6,672)	11,145	(6,499)
Ending net book amounts	<u>63,672</u>	<u>52,439</u>	<u>62,666</u>	<u>51,521</u>

Long-term investments are analysed as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
At 31 December				
Available-for-sale investments	53,245	42,012	52,239	41,094
General investments	10,427	10,427	10,427	10,427
Total long-term investments	<u>63,672</u>	<u>52,439</u>	<u>62,666</u>	<u>51,521</u>

Available-for-sale investments

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Available-for-sale investments at cost	32,816	32,776	32,352	32,352
Cumulative changes in fair value	20,429	9,236	19,887	8,742
Total available-for-sale investments at fair value	<u>53,245</u>	<u>42,012</u>	<u>52,239</u>	<u>41,094</u>

The table below shows deferred income tax impact on unrealised gains on available-for-sale investments.

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Cumulative net gains from change in fair value	20,429	9,236	19,887	8,742
Effect on deferred income tax	(1,565)	(689)	(1,469)	(646)
Cumulative net gains from change in fair value, net of tax (Note 26)	<u>18,864</u>	<u>8,547</u>	<u>18,418</u>	<u>8,096</u>

15 Long-term investments (Cont'd)

General investments

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
General investments at cost	10,427	10,427	10,427	10,427

The management of the Group is of the opinion that the cost of general investments remains the best unless the investment is impaired.

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16 Property, plant and equipment, net

Baht'000

Consolidated

	Revaluation basis		Cost basis			Assets under construction and installation	Total
	Land and land improvements	Buildings and structures	Machinery and equipment	Vehicles	Fixtures and office equipment		
At 1 January 2013 - as restated							
Cost	3,328,972	2,301,624	3,625,503	602,805	298,623	1,139,725	11,297,252
<u>Add</u> Surplus on asset revaluation	802,525	616,343	-	-	-	-	1,418,868
<u>Less</u> Cumulative losses							
from asset revaluation	(81,709)	(59,555)	-	-	-	-	(141,264)
<u>Less</u> Accumulated depreciation	(139,535)	(318,667)	(1,806,234)	(444,294)	(191,898)	-	(2,900,628)
<u>Less</u> Allowance for impairment	-	-	(7,541)	-	-	-	(7,541)
Net book value	3,910,253	2,539,745	1,811,728	158,511	106,725	1,139,725	9,666,687
For the year ended 31 December 2013 - as restated							
Opening net book value	3,910,253	2,539,745	1,811,728	158,511	106,725	1,139,725	9,666,687
Additions	1,840,299	48,439	96,714	96,533	31,581	1,607,718	3,721,284
Transfers in (out)	71,477	620,186	642,022	29,750	18,945	(1,382,380)	-
Disposals and write-offs, net	(1,098)	(217)	(27,126)	(2,799)	(465)	(13,820)	(45,525)
(Reversal of) asset revaluation surplus	913	(13,318)	-	-	-	-	(12,405)
Reversal of (loss) from asset revaluation	(39,219)	2,479	-	-	-	-	(36,740)
Depreciation charges (Note 29)	(45,173)	(167,810)	(421,527)	(51,912)	(34,508)	-	(720,930)
Depreciation capitalised to assets	-	(12,793)	(394)	-	-	-	(13,187)
Currency translation differences, net	(15,257)	(83,140)	(68,166)	(8,366)	(209)	(89,206)	(264,344)
Closing net book value	5,722,195	2,933,571	2,033,251	221,717	122,069	1,262,037	12,294,840
At 31 December 2013 - as restated							
Cost	5,224,164	2,863,426	4,175,646	682,536	335,103	1,262,037	14,542,912
<u>Add</u> Surplus on asset revaluation	803,438	603,025	-	-	-	-	1,406,463
<u>Less</u> Cumulative losses							
from asset revaluation	(120,928)	(57,383)	-	-	-	-	(178,311)
<u>Less</u> Accumulated depreciation	(184,479)	(475,497)	(2,134,854)	(460,819)	(213,034)	-	(3,468,683)
<u>Less</u> Allowance for impairment	-	-	(7,541)	-	-	-	(7,541)
Net book value	5,722,195	2,933,571	2,033,251	221,717	122,069	1,262,037	12,294,840

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16 Property, plant and equipment, net (Cont'd)

	Baht'000						Total
	Consolidated						
	Revaluation basis		Cost basis				
Land and land improvements	Buildings and structures	Machinery and equipment	Vehicles	Fixtures and office equipment	Assets under construction and installation		
For the year ended 31 December 2014							
Opening net book value	5,722,195	2,933,571	2,033,251	221,717	122,069	1,262,037	12,294,840
Additions	324,920	74,466	102,996	116,651	42,652	1,897,030	2,558,715
Transfers in (out)	157,743	501,796	718,620	42,000	39,422	(1,459,581)	-
Disposals and write-offs, net	(235)	(5,341)	(6,878)	(1,661)	(354)	(12,766)	(27,235)
Asset revaluation surplus	462,784	-	-	-	-	-	462,784
Loss from asset revaluation	(26,458)	-	-	-	-	-	(26,458)
Depreciation charges (Note 29)	(56,817)	(195,913)	(498,649)	(69,494)	(46,014)	-	(866,887)
Depreciation capitalised to assets	-	(22,696)	(313)	-	-	-	(23,009)
Currency translation differences, net	(1,475)	(3,829)	(6,693)	(1,331)	(150)	(4,238)	(17,716)
Closing net book value	<u>6,582,657</u>	<u>3,282,054</u>	<u>2,342,334</u>	<u>307,882</u>	<u>157,625</u>	<u>1,682,482</u>	<u>14,355,034</u>
At 31 December 2014							
Cost	5,703,770	3,422,209	4,867,492	818,019	401,059	1,682,482	16,895,031
<u>Add</u> Surplus on asset revaluation	1,266,222	603,025	-	-	-	-	1,869,247
<u>Less</u> Cumulative losses from asset revaluation	(147,386)	(57,382)	-	-	-	-	(204,768)
<u>Less</u> Accumulated depreciation	(239,949)	(685,798)	(2,517,617)	(510,137)	(243,434)	-	(4,196,935)
<u>Less</u> Allowance for impairment	-	-	(7,541)	-	-	-	(7,541)
Net book value	<u>6,582,657</u>	<u>3,282,054</u>	<u>2,342,334</u>	<u>307,882</u>	<u>157,625</u>	<u>1,682,482</u>	<u>14,355,034</u>

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16 Property, plant and equipment, net (Cont'd)

	Baht'000						Total
	Company						
	Revaluation basis		Cost basis				
	Land and land improvements	Buildings and structures	Machinery and equipment	Vehicles	Fixtures and office equipment	Assets under construction and installation	
At 1 January 2013 - as restated							
Cost	916,762	844,566	1,585,363	154,670	189,028	471,083	4,161,472
<u>Add</u> Surplus on asset revaluation	467,509	398,546	-	-	-	-	866,055
<u>Less</u> Cumulative losses							
from asset revaluation	(55,143)	(44,013)	-	-	-	-	(99,156)
<u>Less</u> Accumulated depreciation	(71,726)	(116,622)	(907,440)	(128,050)	(120,502)	-	(1,344,340)
<u>Less</u> Allowance for impairment	-	-	(7,541)	-	-	-	(7,541)
Net book value	1,257,402	1,082,477	670,382	26,620	68,526	471,083	3,576,490
For the year ended 31 December 2013 - as restated							
Opening net book value	1,257,402	1,082,477	670,382	26,620	68,526	471,083	3,576,490
Additions	481,462	20,735	48,895	10,696	16,337	1,023,107	1,601,232
Transfers in (out)	60,598	244,066	370,849	15,111	17,606	(708,230)	-
Disposals and write-offs, net	(1,026)	(33)	(876)	-	(30)	(21)	(1,986)
Depreciation charges (Note 29)	(17,609)	(57,750)	(160,444)	(10,860)	(20,634)	-	(267,297)
Closing net book value	1,780,827	1,289,495	928,806	41,567	81,805	785,939	4,908,439
At 31 December 2013 - as restated							
Cost	1,457,636	1,109,316	1,986,883	178,601	212,848	785,939	5,731,223
<u>Add</u> Surplus on asset revaluation	467,509	398,546	-	-	-	-	866,055
<u>Less</u> Cumulative losses							
from asset revaluation	(55,142)	(43,999)	-	-	-	-	(99,141)
<u>Less</u> Accumulated depreciation	(89,176)	(174,368)	(1,050,536)	(137,034)	(131,043)	-	(1,582,157)
<u>Less</u> Allowance for impairment	-	-	(7,541)	-	-	-	(7,541)
Net book value	1,780,827	1,289,495	928,806	41,567	81,805	785,939	4,908,439

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16 Property, plant and equipment, net (Cont'd)

	Baht'000						Total
	Company						
	Revaluation basis		Cost basis				
Land and land improvements	Buildings and structures	Machinery and equipment	Vehicles	Fixtures and office equipment	Assets under construction and installation		
For the year ended 31 December 2014							
Opening net book value	1,780,827	1,289,495	928,806	41,567	81,805	785,939	4,908,439
Additions	184,767	4,824	69,196	22,098	31,736	991,320	1,303,941
Transfers in (out)	115,671	232,858	379,027	15,738	31,283	(774,577)	-
Disposals and write-offs, net	(93)	(600)	(6,249)	(56)	(175)	(593)	(7,766)
Depreciation charges (Note 29)	(29,275)	(74,595)	(210,135)	(15,191)	(30,052)	-	(359,248)
Closing net book value	<u>2,051,897</u>	<u>1,451,982</u>	<u>1,160,645</u>	<u>64,156</u>	<u>114,597</u>	<u>1,002,089</u>	<u>5,845,366</u>
At 31 December 2014							
Cost	1,757,456	1,344,442	2,328,077	208,487	264,223	1,002,089	6,904,774
<u>Add</u> Surplus on asset revaluation	467,509	398,546	-	-	-	-	866,055
<u>Less</u> Cumulative losses							
from asset revaluation	(55,142)	(43,999)	-	-	-	-	(99,141)
<u>Less</u> Accumulated depreciation	(117,926)	(247,007)	(1,159,891)	(144,331)	(149,626)	-	(1,818,781)
<u>Less</u> Allowance for impairment	-	-	(7,541)	-	-	-	(7,541)
Net book value	<u>2,051,897</u>	<u>1,451,982</u>	<u>1,160,645</u>	<u>64,156</u>	<u>114,597</u>	<u>1,002,089</u>	<u>5,845,366</u>

16 Property, plant and equipment, net (Cont'd)

The Group's land, land improvements, buildings and structures thereon were revalued by independent valuers using the market approach, the depreciated replacement cost approach and the income approach. The asset revaluation surplus was credited to fair value reserves in shareholders' equity.

The table below shows deferred income tax impact on asset revaluation surplus.

	Consolidated		Company	
	2014	(Restated)	2014	(Restated)
	Baht'000	Baht'000	Baht'000	Baht'000
Asset revaluation surplus	1,869,247	1,406,463	866,055	866,055
<u>Less</u> Accumulated depreciation on asset revaluation surplus	(170,541)	(147,273)	(119,653)	(103,496)
<u>Less</u> Deferred income tax	(228,162)	(128,961)	(55,159)	(56,353)
Asset revaluation surplus, net of accumulated depreciation and deferred income taxes	<u>1,470,544</u>	<u>1,130,229</u>	<u>691,243</u>	<u>706,206</u>

If the land, land improvements, buildings and structures were stated on the historical cost basis, the total carrying amount of the property, plant and equipment would be as follows:

	Consolidated		Company	
	2014	(Restated)	2014	(Restated)
	Baht'000	Baht'000	Baht'000	Baht'000
Cost	17,760,272	15,430,844	7,408,857	6,235,306
<u>Less</u> Accumulated depreciation	(4,383,299)	(3,719,678)	(1,818,781)	(1,590,677)
<u>Less</u> Allowance for impairment	(7,541)	(7,541)	(7,541)	(7,541)
Net book value	<u>13,369,432</u>	<u>11,703,625</u>	<u>5,582,535</u>	<u>4,637,088</u>

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The Group's depreciation expense of Baht 757 million (2013: Baht 641 million) was charged in costs of sales and services and of Baht 110 million (2013: Baht 80 million) in administrative expenses.

As at 31 December 2014, certain land, land improvements, buildings and structures thereon, and machinery and equipment of some subsidiaries with the total net book value amounting to Baht 986 million (2013: Baht 1,376 million) are mortgaged as collateral for credit facilities and short-term and long-term loans from banks as explained in Note 23.

16 Property, plant and equipment, net (Cont'd)

Company financial statements

The Company's depreciation expense of Baht 311 million (2013: Baht 234 million) was charged in "costs of sales and services" and of Baht 48 million (2013: Baht 33 million) in "administrative expenses".

Leased assets included above, where the Group and the Company are lessees under finance leases, comprise vehicles, fixtures and office equipment:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Cost of assets acquired under finance leases	190,645	210,044	56,645	60,222
<u>Less</u> Accumulated depreciation	<u>(84,525)</u>	<u>(130,366)</u>	<u>(46,832)</u>	<u>(43,212)</u>
Net book value	<u>106,120</u>	<u>79,678</u>	<u>9,813</u>	<u>17,010</u>

The Group leases various vehicles and fixtures and office equipment under non-cancellable finance lease agreements. The lease terms are between 3 to 5 years, and ownership of the assets lies within the Group.

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17 Rubber and palm plantations, net

	Baht'000			
	Consolidated			
	Rubber		Palm	Total
	Mature	Immature	Mature	
At 1 January 2013 - as restated				
Cost	3,925	266,120	11,023	281,068
<u>Less</u> Accumulated amortisation	(1,791)	-	(4,355)	(6,146)
Net book value	2,134	266,120	6,668	274,922
For the year ended 31 December 2013 - as restated				
Opening net book value	2,134	266,120	6,668	274,922
Additions	-	261,068	-	261,068
Transfers in (out)	2,809	(2,809)	-	-
Amortisation charges (Note 29)	(935)	-	(585)	(1,520)
Depreciation capitalised to asset	-	13,187	-	13,187
Closing net book value	4,008	537,566	6,083	547,657
At 31 December 2013 - as restated				
Cost	6,734	537,566	11,023	555,323
<u>Less</u> Accumulated amortisation	(2,726)	-	(4,940)	(7,666)
Net book value	4,008	537,566	6,083	547,657
For the year ended 31 December 2014				
Opening net book value	4,008	537,566	6,083	547,657
Additions	-	331,386	-	331,386
Transfers in (out)	1,718	(1,937)	219	-
Amortisation charges (Note 29)	(214)	-	(591)	(805)
Depreciation capitalised to asset	(951)	23,960	-	23,009
Closing net book value	4,561	890,975	5,711	901,247
At 31 December 2014				
Cost	8,451	890,975	11,242	910,668
<u>Less</u> Accumulated amortisation	(3,890)	-	(5,531)	(9,421)
Net book value	4,561	890,975	5,711	901,247

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17 Rubber and palm plantations, net (Cont'd)

	Baht'000		
	Company		
	Rubber Mature	Palm Mature	Total
At 1 January 2013 - as restated			
Cost	3,584	5,703	9,287
<u>Less</u> Accumulated amortisation	(1,501)	(2,745)	(4,246)
Net book value	<u>2,083</u>	<u>2,958</u>	<u>5,041</u>
For the year ended 31 December 2013 - as restated			
Opening net book value	2,083	2,958	5,041
Amortisation charges (Note 29)	(162)	(318)	(480)
Closing net book value	<u>1,921</u>	<u>2,640</u>	<u>4,561</u>
At 31 December 2013 - as restated			
Cost	3,584	5,703	9,287
<u>Less</u> Accumulated amortisation	(1,663)	(3,063)	(4,726)
Net book value	<u>1,921</u>	<u>2,640</u>	<u>4,561</u>
For the year ended 31 December 2014			
Opening net book value	1,921	2,640	4,561
Amortisation charges (Note 29)	(161)	(319)	(480)
Closing net book value	<u>1,760</u>	<u>2,321</u>	<u>4,081</u>
At 31 December 2014			
Cost	3,584	5,703	9,287
<u>Less</u> Accumulated amortisation	(1,824)	(3,382)	(5,206)
Net book value	<u>1,760</u>	<u>2,321</u>	<u>4,081</u>

18 Intangible assets, net

	Computer software	
	Consolidated Baht'000	Company Baht'000
At 1 January 2013		
Cost	77,179	43,147
<u>Less</u> Accumulated amortisation charges	<u>(55,733)</u>	<u>(33,165)</u>
Net book value	<u>21,446</u>	<u>9,982</u>
For the year ended 31 December 2013		
Opening net book value	21,446	9,982
Additions	14,228	8,108
Disposals, net	(2)	-
Amortisation charges (Note 29)	(8,562)	(4,058)
Currency translation differences	(63)	-
Closing net book value	<u>27,047</u>	<u>14,032</u>
At 31 December 2013		
Cost	90,786	50,945
<u>Less</u> Accumulated amortisation charges	<u>(63,739)</u>	<u>(36,913)</u>
Net book value	<u>27,047</u>	<u>14,032</u>
For the year ended 31 December 2014		
Opening net book value	27,047	14,032
Additions	14,552	3,058
Disposals, net	(160)	-
Amortisation charges (Note 29)	(9,784)	(4,779)
Currency translation differences	(15)	-
Closing net book value	<u>31,640</u>	<u>12,311</u>
At 31 December 2014		
Cost	101,036	52,370
<u>Less</u> Accumulated amortisation charges	<u>(69,396)</u>	<u>(40,059)</u>
Net book value	<u>31,640</u>	<u>12,311</u>

19 Investment properties

The movements in the investment properties are as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Opening net book amount	176,254	160,408	27,770	27,770
Gains (losses) from fair value estimation of investment properties	(6,663)	6,307	-	-
Gains from translation differences	664	9,539	-	-
Ending net book amount	<u>170,255</u>	<u>176,254</u>	<u>27,770</u>	<u>27,770</u>

The investment property of the Group is property held for a currently undetermined future use and land not in use. The Group has not determined whether it will be held as owner-occupied property or for short-term capital appreciation.

The land not used in operations was revalued by an independent valuer using the market approach.

Investment property is carried at fair value at the date of statement of financial position as determined by the most recent transacted market value of a property in the location and of the same category as the one held by the subsidiary. Valuation is made annually based on the property's highest-and-best-use using the Direct Market Comparison Method.

20 Deferred income tax

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

	Consolidated		Company	
	2014	(Restated) 2013	2014	(Restated) 2013
	Baht'000	Baht'000	Baht'000	Baht'000
Deferred income tax assets:				
Deferred income tax assets to be recovered within 12 months	78,602	76,376	11,729	35,293
Deferred income tax assets to be recovered after more than 12 months	150,681	132,559	11,850	11,197
	<u>229,283</u>	<u>208,935</u>	<u>23,579</u>	<u>46,490</u>
Deferred income tax liabilities:				
Deferred income tax liabilities to be settled within 12 months	2,493	4,472	2,492	4,472
Deferred income tax liabilities to be settled after more than 12 months	252,745	142,807	57,737	58,107
	<u>255,238</u>	<u>147,279</u>	<u>60,229</u>	<u>62,579</u>
Deferred income tax - net	<u>(25,955)</u>	<u>61,656</u>	<u>(36,650)</u>	<u>(16,089)</u>

20 Deferred income tax (Cont'd)

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

	Consolidated		Company	
	2014	(Restated)	2014	(Restated)
	Baht'000	2013	Baht'000	2013
		Baht'000		Baht'000
Opening net book amounts	61,656	(11,511)	(16,089)	(76,733)
Charged/credited to profit or loss	19,421	17,663	(19,932)	(4,197)
Charged/credited to other comprehensive income	(104,854)	66,301	(629)	64,841
Cumulative currency differences on translating financial statement	(2,178)	(10,797)	-	-
Ending net book amounts	<u>(25,955)</u>	<u>61,656</u>	<u>(36,650)</u>	<u>(16,089)</u>

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20 Deferred income tax (Cont'd)

	Consolidated								
	(Restated) 1 January 2013 Baht'000	(Restated) Recorded to profit or loss Baht'000	(Restated) Recorded to other comprehensive income Baht'000	(Restated) Cumulative currency differences on translating financial statement Baht'000	(Restated) 31 December 2013 Baht'000	Recorded to profit or loss Baht'000	Recorded to other comprehensive income Baht'000	Cumulative currency differences on translating financial statement Baht'000	31 December 2014 Baht'000
Deferred income tax assets									
Tax losses carried forward	153,822	(48,187)	-	(7,463)	98,172	13,631	-	(1,109)	110,694
Unrealised gains (losses) on derivative financial instruments	209,750	(171,463)	-	(2,966)	35,321	(17,102)	-	(514)	17,705
Allowance for inventory cost in excess of net realisable value	39,473	(25,698)	-	2,677	16,452	8,075	-	(458)	24,069
Cumulative loss from asset revaluation	20,553	(138)	-	(976)	19,439	5,628	-	(47)	25,020
Provision for retirement benefit obligations	15,379	1,442	(1,118)	(773)	14,930	1,827	(2,581)	774	14,950
Others	15,282	10,896	-	(1,557)	24,621	13,041	-	(817)	36,845
	<u>454,259</u>	<u>(233,148)</u>	<u>(1,118)</u>	<u>(11,058)</u>	<u>208,935</u>	<u>25,100</u>	<u>(2,581)</u>	<u>(2,171)</u>	<u>229,283</u>
Deferred income tax liabilities									
Asset revaluation surplus	196,748	(2,077)	(65,710)	-	128,961	(2,197)	101,397	-	228,161
Fair value estimation of investment properties	2,313	(1,205)	-	-	1,108	-	-	-	1,108
Unrealised gains (losses) on derivative financial instruments	7,152	(2,680)	-	-	4,472	(1,979)	-	-	2,493
Adjustment of inventory from fair value to the lower of cost and net realisable value	256,492	(246,011)	-	(228)	10,253	10,290	-	(38)	20,505
Others	3,065	1,162	(1,709)	(33)	2,485	(435)	876	45	2,971
	<u>465,770</u>	<u>(250,811)</u>	<u>(67,419)</u>	<u>(261)</u>	<u>147,279</u>	<u>5,679</u>	<u>102,273</u>	<u>7</u>	<u>255,238</u>
Deferred income tax assets (liabilities), net	<u>(11,511)</u>	<u>17,663</u>	<u>66,301</u>	<u>(10,797)</u>	<u>61,656</u>	<u>19,421</u>	<u>(104,854)</u>	<u>(2,178)</u>	<u>(25,955)</u>

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20 Deferred income tax (Cont'd)

	Company						
	(Restated) 1 January 2013 Baht'000	(Restated) Recorded to profit or loss Baht'000	(Restated) Recorded to other comprehensive income Baht'000	(Restated) 31 December 2013 Baht'000	Recorded to profit or loss Baht'000	Recorded to other comprehensive income Baht'000	31 December 2014 Baht'000
Deferred income tax assets							
Tax losses carried forward	21,607	(21,607)	-	-	-	-	-
Unrealised gains (losses) on derivative financial instruments	9,586	22,413	-	31,999	(20,485)	-	11,514
Allowance for inventory cost in excess of net realisable value	1,102	2,191	-	3,293	(3,079)	-	214
Cumulative loss from asset revaluation	16,464	(8,578)	-	7,886	(1)	-	7,885
Provision for retirement benefit obligations	5,936	(3,167)	526	3,295	460	194	3,949
Others	36	(19)	-	17	-	-	17
	<u>54,731</u>	<u>(8,767)</u>	<u>526</u>	<u>46,490</u>	<u>(23,105)</u>	<u>194</u>	<u>23,579</u>
Deferred income tax liabilities							
Asset revaluation surplus	120,156	(1,194)	(62,609)	56,353	(1,194)	-	55,159
Fair value estimation of investment properties	2,314	(1,206)	-	1,108	-	-	1,108
Unrealised gains (losses) on derivative financial instruments	6,642	(2,170)	-	4,472	(1,979)	-	2,493
Others	2,352	-	(1,706)	646	-	823	1,469
	<u>131,464</u>	<u>(4,570)</u>	<u>(64,315)</u>	<u>62,579</u>	<u>(3,173)</u>	<u>823</u>	<u>60,229</u>
Deferred income tax assets (liabilities), net	<u>(76,733)</u>	<u>(4,197)</u>	<u>64,841</u>	<u>(16,089)</u>	<u>(19,932)</u>	<u>(629)</u>	<u>(36,650)</u>

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21 Other non-current assets

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Refundable deposits	21,587	11,335	9,059	7,958
Others	12,679	9,992	3,660	3,792
Total other non-current assets	34,266	21,327	12,719	11,750

22 Trade accounts payable and other payables

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Trade accounts payable				
- other companies	1,272,262	2,475,113	701,252	1,250,460
Trade accounts payable				
- related companies (Note 37.3)	218,285	276,286	278,576	286,672
Accrued expenses	743,523	597,027	413,540	290,916
Deferred income	246,678	289,628	72,839	45,504
Deposits and retentions received from customers	98,753	183,484	20,479	24,589
Total trade accounts payable and other payables	2,579,501	3,821,538	1,486,686	1,898,141

The carrying amounts of trade accounts payable - other companies are denominated in the following currencies:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
USD	250,240	387,007	25,039	17,045
IDR	82,011	83,756	-	-
SGD	1,040	1,213	-	-
RMB	1,386	710	-	-
THB	937,585	2,002,427	676,213	1,233,415
Total trade accounts payable - other companies	1,272,262	2,475,113	701,252	1,250,460

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23 Borrowings

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Current				
Overdrafts	-	20	-	-
Loans for packing credit	264,184	588,963	264,184	588,963
Short-term loans from financial institutions	8,796,812	12,406,009	3,997,300	5,396,220
Bills payable	347,414	1,228,093	-	-
Total short-term borrowings from financial institutions	9,408,410	14,223,085	4,261,484	5,985,183
Current portion of long-term borrowings from financial institutions	140,264	113,404	50,000	-
Current portion of debentures	-	1,600,000	-	1,600,000
Current portion of finance lease liabilities	30,046	17,874	3,585	4,400
Total current borrowings	9,578,720	15,954,363	4,315,069	7,589,583
Non-current				
Long-term borrowings from financial institutions	2,913,462	2,113,726	2,910,000	2,020,000
Debentures	1,450,000	1,450,000	1,450,000	1,450,000
Finance lease liabilities	33,311	28,666	3,980	5,150
Total non-current borrowings	4,396,773	3,592,392	4,363,980	3,475,150
Total borrowings	13,975,493	19,546,755	8,679,049	11,064,733

23.1 Short-term loans from financial institutions

(a) Consolidated financial statements

The Group has facilities of overdrafts, loans for packing credit and short-term loans with several financial institutions totaling Baht 35,361 million, USD 416 million and Rp 10 billion (2013: Baht 30,516 million, USD 418 million and Rp 10 billion). As at 31 December 2014, the Group is no bank overdraft (2013: The overdrafts bear interest at the rate of 7.38% per annum). The loans for packing credit and short-term loans bear interest at the rates ranging from 1.01% to 13.65% per annum (2013: 1.50% to 13.93% per annum)

As at 31 December 2014, the Group's facilities of overdrafts, loans for packing credit and short-term loans are guaranteed by land, land improvements, buildings and structures thereon, and machinery and equipment of some subsidiaries as described in Note 16, fixed deposits of a subsidiary balance of Baht 7 million and certain of the Company's directors (no fee charged) (2013: Baht 7 million). According to a condition of the loan agreements, the Company and its subsidiary are not allowed to create any encumbrance on their assets, except for encumbrances created with the prior consent of the banks and permitted liens. In addition, the Company and the subsidiaries must comply with other conditions and restrictions stated in the loan agreements.

(b) Company financial statements

As at 31 December 2014, the Company has facilities of overdrafts, loans for packing credit and short-term loans with several financial institutions totaling Baht 24,224 million (2013: Baht 19,784 million). The loans for packing credit and short-term loans amounting to Baht 4,262 million (2013: 5,985 million) bear interest at the rates ranging from 1.50% to 2.78% per annum (2013: 1.50% to 2.94% per annum). According to a condition of the loan agreements, the Company is not allowed to create any encumbrance on its assets, except for encumbrances created with the prior consent of the banks and permitted liens. In addition, the Company must comply with other conditions and restrictions stated in the loan agreements.

23 Borrowings (Cont'd)

23.2 Long-term loans from financial institutions

(a) Consolidated financial statements

- Rubberland Products Co., Ltd.

The first loan As at 31 December 2014, balance of Baht 37 million (2013: Baht 89 million), granted by a bank in 2009, payable in quarterly installments in principal starting from November 2010 and the last installment in August 2015 which bears interest at the rate of MLR minus a fixed percentage per annum. Interest is payable on a monthly basis.

The second loan As at 31 December 2014, balance of Baht 52 million (2013: Baht 112 million), granted by a bank in 2010, payable in quarterly installments in principal starting from December 2011 and the last installment in September 2016 which bears interest at the rate of MLR minus a fixed percentage per annum. Interest is payable on a monthly basis.

- Anvar Parawood Co., Ltd.

The first loan As at 31 December 2014, balance of Baht 5 million (2013: Baht 6 million), granted by a bank in 2013, payable in monthly installments in principal starting from January 2014 and the last installment in June 2018 which bears interest at the rate of MLR minus a fixed percentage per annum. Interest is payable on a monthly basis.

(b) Company financial statements

The first loan As at 31 December 2014, balance of Baht 2,960 million (2013: Baht 2,020 million), granted by a bank in 2012, payable in quarterly installments in principal starting from September 2012 and the last installment in September 2022 which bears interest at the rate of MLR minus a fixed percentage per annum. Interest is payable on a monthly basis.

23 Borrowings (Cont'd)

23.3 Debentures

On 1 December 2011, the Company issued and offered the unsubordinated, unsecured with name registered, and with debenture holders' representative debentures, amounting to 2,150,000 units. The debentures are divided into 2 tranches as follows:

- Debentures of Sri Trang Agro-Industry Public Company Limited No. 1/2011 Tranche 1 due 2014
- Debentures of Sri Trang Agro-Industry Public Company Limited No. 1/2011 Tranche 2 due 2016

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

The movement of the balance of the debentures can be presented as follows:

	Consolidated and Company	
	2014	2013
	Baht'000	Baht'000
Opening balance	3,050,000	2,150,000
Issuing during the year	-	900,000
Redemption during the year	(1,600,000)	-
Ending balance	<u>1,450,000</u>	<u>3,050,000</u>

The details of the debentures in the consolidated and Company financial statements can be presented as follows:

	Interest rate (%)	Par value (Baht)	31 December 2013 (shares)	Redemption during the year (shares)	31 December 2014 (shares)	Term of interest payment	Due for redemption
STA14DA	4.40 p.a.	1,000	1,600,000	(1,600,000)	-	1 June and 1 December every year	1 December 2014
STA16DA	4.70 p.a.	1,000	550,000	-	550,000	1 June and 1 December every year	1 December 2016
STA182A	4.10 p.a.	1,000	300,000	-	300,000	13 February and 13 August every year	13 February 2016
STA162A	4.50 p.a.	1,000	600,000	-	600,000	13 February and 13 August every year	13 February 2018
			<u>3,050,000</u>	<u>(1,600,000)</u>	<u>1,450,000</u>		

The carrying amounts and fair values of the debentures are as follows;

	Consolidated and Company			
	Carrying amounts		Fair values	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Debentures	<u>1,450,000</u>	<u>3,050,000</u>	<u>1,477,689</u>	<u>3,073,200</u>

23 Borrowings (Cont'd)

23.4 Additional information for the borrowings from financial institutions and debentures

The interest rate exposures on the borrowings from financial institutions and debentures (excluding finance lease liabilities) of the Group and the Company are as follows:

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Short-term borrowings				
- at fixed rates	-	20	-	-
- at floating rates	9,408,410	14,223,065	4,261,484	5,985,183
	<u>9,408,410</u>	<u>14,223,085</u>	<u>4,261,484</u>	<u>5,985,183</u>
Long-term borrowings				
- at floating rates	3,053,726	2,227,130	2,960,000	2,020,000
	<u>3,053,726</u>	<u>2,227,130</u>	<u>2,960,000</u>	<u>2,020,000</u>
Debentures				
- at fixed rates	1,450,000	3,050,000	1,450,000	3,050,000
	<u>1,450,000</u>	<u>3,050,000</u>	<u>1,450,000</u>	<u>3,050,000</u>
Total borrowings				
- at fixed rates	1,450,000	3,050,020	1,450,000	3,050,000
- at floating rates	12,462,136	16,450,195	7,221,484	8,005,183
	<u>13,912,136</u>	<u>19,500,215</u>	<u>8,671,484</u>	<u>11,055,183</u>

Fair values of the long-term borrowings and debentures are based on discounted cash flows using discount rates based upon the borrowing rates which the management expects would be available to the Group and the Company at the date of statements of financial position. The fair values of short-term borrowings and long-term lease obligations approximate their carrying amounts.

Maturity of borrowings and debentures (excluding finance lease liabilities) is as follows:

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Not later than 1 year	9,548,674	15,936,489	4,311,484	7,585,183
Later than 1 year but not later than 3 years	1,277,808	1,241,668	1,275,000	1,150,000
Later than 3 years but not later than 5 years	1,325,654	1,638,058	1,325,000	1,636,000
Later than 5 years	1,760,000	684,000	1,760,000	684,000
Total borrowings from financial institutions and debentures	<u>13,912,136</u>	<u>19,500,215</u>	<u>8,671,484</u>	<u>11,055,183</u>

The carrying amounts of borrowings from financial institutions and debentures are denominated in the following currencies:

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
USD	2,659,851	3,503,867	-	-
IDR	704,575	1,076,315	-	-
THB	10,547,710	14,920,033	8,671,484	11,055,183
Total borrowings from financial institutions and debentures	<u>13,912,136</u>	<u>19,500,215</u>	<u>8,671,484</u>	<u>11,055,183</u>

24 Provision for post-employment benefit obligations

The amounts recognised in the statement of financial position are determined as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Present value of unfunded obligation	115,226	106,867	53,448	44,584

The movements in the defined benefit obligations over the years are as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
At 1 January	106,867	88,498	44,584	38,469
Current service costs	10,315	20,618	4,870	4,603
Interest costs	5,360	4,463	1,646	1,512
Employee benefits paid	(862)	(132)	(294)	-
Actuarial gains (losses) on defined employee benefit plans	(6,454)	(6,580)	2,642	-
At 31 December	115,226	106,867	53,448	44,584

The amounts recognised in the statement of income are as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Current service costs	10,315	20,618	4,870	4,603
Interest costs	5,360	4,463	1,646	1,512
Total	15,675	25,081	6,516	6,115

Accumulated actuarial gains (losses) on defined employee benefit plans recognised in the other comprehensive income for the year ended 31 December 2014 and 2013 are as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Actuarial gains (losses) in the year	6,454	6,580	(2,642)	-
Cumulative actuarial gains	41,204	34,750	3,907	6,549

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24 Provision for post-employment benefit obligations (Cont'd)

The principal actuarial assumptions used were as follows:

	Percentage			
	Consolidated		Company	
	2014	2013	2014	2013
Discount rate	3.6	4.3	3.6	4.3
Inflation rate	3.0	3.0	3.0	3.0
Future salary increases (monthly staff)	7.0	7.0	7.0	7.0
Future salary increases (daily staff)	3.0	3.0	3.0	3.0

25 Share capital and share premium

	Consolidated and Company					
	Par value (Baht per share)	Number of registered shares (Shares)	Issued and paid-up shares (Shares)	Ordinary shares (Baht'000)	Share premium (Baht'000)	Total (Baht'000)
At 1 January 2013	1	1,280,000,000	1,280,000,000	1,280,000	8,550,990	9,830,990
Issue of shares	-	-	-	-	-	-
At 31 December 2013	1	1,280,000,000	1,280,000,000	1,280,000	8,550,990	9,830,990
At 1 January 2014	1	1,280,000,000	1,280,000,000	1,280,000	8,550,990	9,830,990
Issue of shares	-	-	-	-	-	-
At 31 December 2014	1	1,280,000,000	1,280,000,000	1,280,000	8,550,990	9,830,990

As at 31 December 2014, the total authorised number of ordinary shares was 1,280,000,000 shares (2013: 1,280,000,000 shares) with a par value of Baht 1 per share (2013: Baht 1 per share). 1,280,000,000 shares were issued and fully paid-up (2013: 1,280,000,000 shares).

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26 Other component of equity

Other component of equity can be analysed as follows:

	Consolidated				
	Deduction arising from acquisition of additional interest in subsidiaries from non- controlling interests Baht'000	Asset revaluation surplus, net of accumulated depreciation Baht'000	Unrealised gains on available-for- sale investments Baht'000	Cumulative translation differences Baht'000	Total Baht'000
For the year ended 31 December 2014					
At 1 January 2014 - as restated	(173,134)	1,130,229	8,547	(453,395)	512,247
Asset revaluation surplus, before tax	-	462,784	-	-	462,784
Asset revaluation surplus, tax	-	(92,557)	-	-	(92,557)
Depreciation transfer on assets revaluation, before tax	-	(23,268)	-	-	(23,268)
Depreciation transfer on assets revaluation, tax	-	2,197	-	-	2,197
Change in fair value of available-for-sale investments, before tax (Note 15)	-	-	11,193	-	11,193
Change in fair value of available-for-sale investments, tax	-	-	(835)	-	(835)
Change in tax rate used in deferred tax recognition	-	(8,841)	(41)	-	(8,882)
Currency translation differences	-	-	-	7,536	7,536
At 31 December 2014	<u>(173,134)</u>	<u>1,470,544</u>	<u>18,864</u>	<u>(445,859)</u>	<u>870,415</u>
	Consolidated				
	Deduction arising from acquisition of additional interest in subsidiaries from non- controlling interests Baht'000	Asset revaluation surplus, net of accumulated depreciation Baht'000	Unrealised gains on available-for- sale investments Baht'000	Cumulative translation differences Baht'000	Total Baht'000
For the year ended 31 December 2013 - as restated					
At 1 January 2013 - as restated	(173,134)	1,097,991	13,526	(347,928)	590,455
Asset revaluation surplus, before tax	-	(12,405)	-	-	(12,405)
Asset revaluation surplus, tax	-	3,101	-	-	3,101
Depreciation transfer on assets revaluation, before tax	-	(23,145)	-	-	(23,145)
Depreciation transfer on assets revaluation, tax	-	2,077	-	-	2,077
Change in fair value of available-for-sale investments, before tax (Note 15)	-	-	(6,687)	-	(6,687)
Change in fair value of available-for-sale investments, tax	-	-	483	-	483
Change in tax rate used in deferred tax recognition	-	62,610	1,225	-	63,835
Currency translation differences	-	-	-	(105,467)	(105,467)
At 31 December 2013 - as restated	<u>(173,134)</u>	<u>1,130,229</u>	<u>8,547</u>	<u>(453,395)</u>	<u>512,247</u>

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26 Other component of equity (Cont'd)

	Company		
	Asset revaluation surplus, net of accumulated depreciation Baht'000	Unrealised gains on available- for-sale investments Baht'000	Total Baht'000
For the year ended 31 December 2014			
At 1 January 2014 - as restated	706,206	8,096	714,302
Depreciation transfer on assets revaluation, before tax	(16,158)	-	(16,158)
Depreciation transfer on assets revaluation, tax	1,194	-	1,194
Change in fair value of available-for-sale investments, before tax (Note 15)	-	11,145	11,145
Change in fair value of available-for-sale investments, tax	-	(823)	(823)
	<u>691,242</u>	<u>18,418</u>	<u>709,660</u>
At 31 December 2014	<u>691,242</u>	<u>18,418</u>	<u>709,660</u>
For the year ended 31 December 2013 - as restated			
At 1 January 2013 - as restated	658,561	12,889	671,450
Depreciation transfer on assets revaluation, before tax	(16,158)	-	(16,158)
Depreciation transfer on assets revaluation, tax	1,194	-	1,194
Change in fair value of available-for-sale investments, before tax (Note 15)	-	(6,499)	(6,499)
Change in fair value of available-for-sale investments, tax	-	480	480
Change in tax rate used in deferred tax recognition	62,609	1,226	63,835
	<u>706,206</u>	<u>8,096</u>	<u>714,302</u>
At 31 December 2013 - as restated	<u>706,206</u>	<u>8,096</u>	<u>714,302</u>

27 Legal reserve

	Consolidated and Company	
	2014 Baht'000	2013 Baht'000
At 1 January	128,000	128,000
Appropriation during the year	-	-
At 31 December	<u>128,000</u>	<u>128,000</u>

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

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28 Revenues from sales and services

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Revenues from sales of goods	75,529,614	92,136,752	37,058,138	42,938,614
Service income	261	48,429	-	23,838
Total revenues from sales of goods and services	<u>75,529,875</u>	<u>92,185,181</u>	<u>37,058,138</u>	<u>42,962,452</u>

29 Expense by nature

The following significant items have been charged to the operating profit for the years.

For the years ended 31 December	Notes	Consolidated		Company	
		2014 Baht'000	(Restated) 2013 Baht'000	2014 Baht'000	(Restated) 2013 Baht'000
Changes in finished goods and work-in-process		3,498,116	(75,616)	1,578,083	125,347
Raw materials and consumables used		49,410,689	63,477,262	26,060,798	30,713,444
(Reversal of) allowance for inventory cost in excess of net realisable value		74,498	(40,667)	(642)	642
Employee costs and key management benefits	30	1,894,366	1,712,133	728,767	658,998
Depreciation charges	16	866,887	720,930	359,248	267,297
Amortisation charges - plantations	17	805	1,520	480	480
Amortisation charges - intangible assets	18	9,784	8,562	4,779	4,058
Transportation and distribution expense		1,108,878	938,292	697,626	597,012
Energy expense		1,079,404	970,936	484,268	400,399
Cess expense		796,569	1,234,360	551,861	791,377

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.

30 Employee costs and key management benefits

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Wages and salaries	1,680,541	1,551,284	664,932	608,719
Social security costs	47,577	42,674	17,583	12,785
Provident Fund	17,820	13,028	8,383	7,274
Post-employment benefit expenses	15,675	25,081	6,516	6,115
Other employment benefits	132,753	80,066	31,353	24,105
Total employee costs and key management benefits	<u>1,894,366</u>	<u>1,712,133</u>	<u>728,767</u>	<u>658,998</u>

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31 Other income

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Income from insurance claim	5,077	92,901	5,077	92,901
Storage income	45,004	32,926	5,181	5,181
Dividend income	1,639	22,895	1,057,449	761,114
Rental income	17,766	15,884	1,689	1,734
Income from sales of scraps	6,760	7,416	2,556	2,962
Office service income	6,178	6,178	12,165	12,165
Income from insurance regain	-	29,772	-	29,772
Others	38,669	52,021	25,475	38,262
Total other income	121,093	259,993	1,109,592	944,091

32 Finance costs, net

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Finance income				
Interest income from debentures	39,300	34,563	39,300	34,563
Interest income from bank deposits	7,437	7,347	2,021	1,733
Interest income from customers and brokers	401	535	59	416
Interest income from related parties	2,564	3,615	33,453	30,099
Total finance income	49,702	46,060	74,833	66,811
Finance costs				
Interest expense on bank borrowings	(594,768)	(669,376)	(367,731)	(318,630)
Interest expense on finance leases	(363)	(313)	-	-
Net foreign exchange losses on financing activities	(68,255)	(405,657)	-	-
Total finance costs	(663,386)	(1,075,346)	(367,731)	(318,630)
Finance costs, net	(613,684)	(1,029,286)	(292,898)	(251,819)

33 Other gains, net

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Gains from Rubber derivative financial instruments	1,134,826	338,615	875,057	53,359
Other gains, net	1,134,826	338,615	875,057	53,359

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34 Income tax

The weighted average tax rate for the consolidated financial statements for the year ended 31 December 2014 was 3.7% (2013: 7.5%). The decrease was due to the recognition of tax losses of the current year deferred income tax asset. The weighted average tax rate for the Company financial statements for the year ended 31 December 2014 was 1.4% (2013: 1.6%).

The Royal Decree No. 530, B.E. 2554 dated 21 December 2011 promulgated that the tax rate for 2012 will be 23% and 2013 - 2014 will be 20%. In January 2012, the Thai Federation of Accounting Professions (“FAP”) issued a clarification about the change in corporate income tax rate. FAP believed that it is highly probable that the Thai government will amend the tax rate for 2015 onward to the rate not more than 20%. According to this clarification from FAP, the deferred income taxes that are expected to be reversed in 2012 and 2013 onwards have been re-measured using the tax rate of 23% and 20%, respectively. The reduction of this tax rate resulted in the decrease in deferred income tax assets and deferred income tax liabilities of the Group. The impacts were recognised as income tax expenses for the year ended 2011 except for those deferred income tax items which were recognised through the shareholders’ equity, the impact from the change in tax rate is recognised in the other comprehensive income.

	Consolidated		Company	
	2014	(Restated) 2013	2014	(Restated) 2013
	Baht’000	Baht’000	Baht’000	Baht’000
Current income tax:				
Current income tax on profit of the years	59,553	167,240	-	10,412
Deferred income tax:				
Origination and reversal of temporary differences	(19,421)	(17,663)	19,932	4,197
Total income tax	40,132	149,577	19,932	14,609

The taxes on the Group’s profits before income tax differ from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	Consolidated		Company	
	2014	(Restated) 2013	2014	(Restated) 2013
	Baht’000	Baht’000	Baht’000	Baht’000
Profit before income tax	1,076,370	1,986,709	1,461,576	938,971
Tax calculated at domestic tax rates applicable to profits in the respective countries	168,434	255,497	108,010	69,390
Share of tax on profits of associates and joint ventures	(39,543)	(36,623)	-	-
Tax effect of:				
- Income not subject to tax	(66,331)	(99,561)	(65,633)	(89,538)
- Expenses not deductible for tax purpose	(1,220)	15,525	1,259	7,451
- Double deductible expenses	(16,505)	(16,665)	(12,939)	(13,435)
- Change in tax rate	(2,151)	43,246	-	43,152
- Tax losses of the current year for which no deferred income tax asset was recognised	31,110	10,274	-	-
- Tax at concessionary rate of 10% see note (a)	(23,644)	(26,914)	-	-
- Utilisation of previously unrecognised tax losses	2,579	391	-	-
- Under estimation of income tax liability in the prior year	(13)	1,571	-	-
- Others	(12,584)	2,836	(10,765)	(2,411)
Total income tax	40,132	149,577	19,932	14,609

34 Income tax (Cont'd)

Additional information

- (a) On 11 May 2007, the Ministry of Trade and Industry of Singapore awarded the Global Trader Programme status to one of the subsidiaries for the period from 11 May 2007 to 31 December 2009. Under this programme, income derived from qualifying trading transactions of approved products are taxed at the concessionary rate of 10%. On 21 January 2010, this status was extended from 1 January 2010 to 31 December 2014.
- (b) The Company and certain subsidiaries in Thailand were granted tax incentives relating to the manufacturing of certain natural rubber products. The tax incentives include the following:
- Exemption from payment of import duty on imported machinery and equipment.
 - Exemption from payment of income tax for the period of eight years starting from the commencement date of the promoted business, and 50 percent reduced from the normal tax rate for the next five years after the period of eight years are expired.

The tax (charge)/credit relating to component of others comprehensive income is as follows:

	Consolidated					
	2014			(Restated) 2013		
	Before tax Baht'000	Tax (charge) credit Baht'000	After tax Baht'000	Before tax Baht'000	Tax (charge) credit Baht'000	After tax Baht'000
Asset revaluation surplus	462,784	(92,557)	370,227	(12,405)	3,101	(9,304)
Change in tax rate used in deferred tax recognition	-	(9,063)	(9,063)	-	64,361	64,361
Change in fair value of available-for-sale investments	11,193	(835)	10,358	(6,687)	483	(6,204)
Actuarial gains on defined employee benefit plans	6,454	(2,400)	4,054	6,580	(1,646)	4,934
Cumulative translation differences	9,838	(2,177)	7,661	(109,770)	(10,795)	(120,565)
Total income tax charges to other comprehensive income	490,269	(107,032)	383,237	(122,282)	55,504	(66,778)
	Company					
	2014			(Restated) 2013		
	Before tax Baht'000	Tax (charge) credit Baht'000	After tax Baht'000	Before tax Baht'000	Tax (charge) credit Baht'000	After tax Baht'000
Change in tax rate used in deferred tax recognition	-	-	-	-	64,361	64,361
Change in fair value of available-for-sale investments	11,146	(824)	10,322	(6,499)	480	(6,019)
Actuarial gains on defined employee benefit plans	(2,642)	195	(2,447)	-	-	-
Total income tax charges to other comprehensive income	8,504	(629)	7,875	(6,499)	64,841	58,342

35 Earnings per share

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

	Consolidated		Company	
	2014	(Restated) 2013	2014	(Restated) 2013
Net profit attributable to owners of the parent (Baht'000)	1,037,762	1,820,184	1,441,643	924,362
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)	0.81	1.42	1.13	0.72

There are no potential dilutive ordinary shares in issue during the years ended 31 December 2014 and 2013

36 Dividends

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

At the Annual General Meeting of Shareholders held on 25 April 2013, it was resolved that dividend be paid to shareholders in respect of 2012 operating results at Baht 0.5 per share, totaling of Baht 640 million. The dividend was paid in May 2013 to the shareholders.

37 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Group's ultimate parent is Sri Trang Holdings Company Limited (incorporated in Thailand).

37 Related party transactions (Cont'd)

The following transactions were carried out with related companies:

37.1 Revenue from sales and services and other incomes

For the years ended 31 December	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Revenues from sales to:				
Subsidiaries	-	-	2,828,148	3,081,861
Associates	30,940	3,857,431	-	1,131,915
Joint ventures	3,605,049	-	1,066,311	-
	<u>3,635,989</u>	<u>3,857,431</u>	<u>3,894,459</u>	<u>4,213,776</u>
Service income from:				
Subsidiaries	-	-	57,113	57,729
Associates	19,387	211,781	896	11,323
Joint ventures	261,940	-	14,628	-
	<u>281,327</u>	<u>211,781</u>	<u>72,637</u>	<u>69,052</u>
Dividend income:				
Subsidiaries	-	-	581,999	59,633
Associates	113,453	406,840	100,106	327,000
Joint ventures	411,011	51,589	323,710	51,589
	<u>524,464</u>	<u>458,429</u>	<u>1,005,815</u>	<u>438,222</u>
Rental income:				
Subsidiaries	-	-	851	512
Associates	-	9,912	-	768
Joint ventures	12,102	-	708	-
	<u>12,102</u>	<u>9,912</u>	<u>1,559</u>	<u>1,280</u>
Interest income:				
Subsidiaries	-	-	30,889	26,484
An associate	2,564	3,350	2,564	3,350
	<u>2,564</u>	<u>3,350</u>	<u>33,453</u>	<u>29,834</u>

37 Related party transactions (Cont'd)

37.2 Purchases of goods and services

For the years ended 31 December	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Purchases of goods from:				
Subsidiaries	-	-	1,920,614	4,566,589
Associates	74	714,753	-	602,526
Joint ventures	2,182,365	2,984,188	666,062	-
	<u>2,182,439</u>	<u>3,698,941</u>	<u>2,586,676</u>	<u>5,169,115</u>
Service expenses from:				
Subsidiaries	-	-	859,353	678,997
Associates	2,382	2,580	2,329	2,486
Joint ventures	87	-	-	-
	<u>2,469</u>	<u>2,580</u>	<u>861,682</u>	<u>681,483</u>
Rental expense:				
A subsidiary	-	-	1,229	1,421

37.3 Outstanding balances arising from sales/purchases of goods/services and other income as of 31 December

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Trade accounts receivable: (Note 10)				
Subsidiaries	-	-	445,418	275,836
Associates	4,019	127,622	-	13,775
Joint ventures	96,248	-	13,726	-
	<u>100,267</u>	<u>127,622</u>	<u>459,144</u>	<u>289,611</u>
Amounts due from futures broker:				
An associate	<u>85,664</u>	<u>152,662</u>	<u>85,664</u>	<u>152,662</u>
Other receivables:				
Subsidiaries	-	-	15,917	20,043
Associates	895	5,774	629	1,135
Joint ventures	4,995	-	8	-
	<u>5,890</u>	<u>5,774</u>	<u>16,554</u>	<u>21,178</u>
Trade accounts payable: (Note 22)				
Subsidiaries	-	-	162,847	203,278
An associate	10	105,299	-	83,394
Joint ventures	218,275	170,987	115,729	-
	<u>218,285</u>	<u>276,286</u>	<u>278,576</u>	<u>286,672</u>

37 Related party transactions (Cont'd)

37.3 Outstanding balances arising from sales/purchases of goods/services and other incomes as of 31 December (Cont'd)

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Other payables:				
Subsidiaries	-	-	23,559	32,875
An associate	470	45,973	-	10
Joint ventures	20,830	-	28	-
	<u>21,300</u>	<u>45,973</u>	<u>23,587</u>	<u>32,885</u>

The carrying amounts of the outstanding balances with related parties are denominated in the following currencies:

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Trade accounts receivable: (Note 10)				
USD	-	66	364,100	268,497
THB	100,267	127,556	95,044	21,114
	<u>100,267</u>	<u>127,622</u>	<u>459,144</u>	<u>289,611</u>
Amounts due from futures broker:				
THB	<u>85,664</u>	<u>152,662</u>	<u>85,664</u>	<u>152,662</u>
Other receivables:				
USD	492	490	15,557	19,735
THB	5,398	5,284	997	1,443
	<u>5,890</u>	<u>5,774</u>	<u>16,554</u>	<u>21,178</u>
Trade accounts payable: (Note 22)				
USD	-	170,987	85,594	31,493
THB	218,285	105,299	192,982	255,179
	<u>218,285</u>	<u>276,286</u>	<u>278,576</u>	<u>286,672</u>
Other payables:				
USD	-	-	2,490	3,991
THB	21,300	45,973	21,097	28,894
	<u>21,300</u>	<u>45,973</u>	<u>23,587</u>	<u>32,885</u>

The trade accounts receivables from related parties arise mainly from sales transactions and are due approximately one month after the date of sales. The receivables are unsecured in nature and bear no interest. As at 31 December 2014, there is no allowance for impairment against receivables from related parties (2013: Nil).

As at 31 December 2014 and 2013, the trade accounts payable to related parties arise mainly from purchase transactions and are due approximately one month after the date of purchase. The payables bear no interest.

37 Related party transactions (Cont'd)

37.4 Outstanding balances arising from long-term borrowing to subsidiaries and an associate

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Accrued interest income:				
Subsidiaries	-	-	12,078	12,029
An associate	-	995	-	994
	-	995	12,078	13,023
Long-term borrowing to:				
Subsidiaries	-	-	992,656	988,572
An associate	-	65,356	-	65,356
	-	65,356	992,656	1,053,928

Long-term borrowing to subsidiaries and can be summarised as follows:

	Relationship	Company			
		Principle		Interest rates %	Loan periods
		USD million	(Equivalent) Baht million		
PT Sri Trang Lingga Indonesia	A subsidiary	5	165	3.33	5 years
PT Sri Trang Lingga Indonesia	A subsidiary	10	331	2.66	3 years
PT Star Rubber	An indirect subsidiary	15	496	3.33	5 years

The movements in the balance of long-term borrowing to subsidiaries are as follows:

	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
At 1 January	65,356	60,775	1,053,928	60,775
Increase (Decrease)	(65,356)	-	(65,356)	900,000
Unrealised gains on exchange rate	-	4,581	4,084	93,153
Total	-	65,356	992,656	1,053,928

37 Related party transactions (Cont'd)

37.5 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 shown below:

For the years ended 31 December	Consolidated		Company	
	2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Salaries and other short-term employee benefits	263,671	293,236	55,878	74,252
Post-employment benefits	3,014	2,815	1,334	1,203
Total	266,685	296,051	57,212	75,455

38 Financial instruments by category

	Consolidated			
	31 December 2014			
	Loans and receivables Baht'000	Assets at fair value through the profit and loss Baht'000	Available- for-sale Baht'000	Total Baht'000
Assets as per statement of financial position				
Cash and cash equivalents	2,131,619	-	-	2,131,619
Derivative financial instruments	-	89,767	-	89,767
Trade accounts receivable, net	4,380,983	-	-	4,380,983
Amounts due from futures brokers	392,450	-	-	392,450
Fixed deposits pledged as collateral	34,586	-	-	34,586
Long-term investments	-	-	63,672	63,672
Total	6,939,638	89,767	63,672	7,093,077

	Consolidated		
	31 December 2014		
	Liabilities at fair value through the profit and loss Baht'000	Other financial liabilities Baht'000	Total Baht'000
Liabilities as per statement of financial position			
Trade accounts payable	-	1,490,547	1,490,547
Short-term loans from financial institutions	-	9,408,410	9,408,410
Current portion of long-term loans	-	140,264	140,264
Current portion of finance lease liabilities	-	30,046	30,046
Derivative financial instruments	212,827	-	212,827
Long-term loans from financial institutions	-	2,913,462	2,913,462
Debentures	-	1,450,000	1,450,000
Finance lease liabilities	-	33,311	33,311
Total	212,827	15,466,040	15,678,867

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38 Financial instruments by category (Cont'd)

	Consolidated			
	31 December 2013			
	Assets at fair value			
	Loans and receivables	through the profit and loss	Available-for-sale	Total
	Baht'000	Baht'000	Baht'000	Baht'000
Assets as per statement of financial position				
Cash and cash equivalents	1,892,729	-	-	1,892,729
Derivative financial instruments	-	75,974	-	75,974
Trade accounts receivable, net	7,179,059	-	-	7,179,059
Amounts due from futures brokers	320,816	-	-	320,816
Long-term borrowing to an associate	65,356	-	-	65,356
Fixed deposits pledged as collateral	61,185	-	-	61,185
Long-term investments	-	-	52,439	52,439
Total	9,519,145	75,974	52,439	9,647,558

	Consolidated		
	31 December 2013		
	Liabilities at fair value through the profit and loss		
	Baht'000	Other financial liabilities	Total
	Baht'000	Baht'000	Baht'000
Liabilities as per statement of financial position			
Trade accounts payable	-	2,751,399	2,751,399
Short-term loans from financial institutions	-	14,223,085	14,223,085
Current portion of long-term loans	-	113,404	113,404
Current portion of debentures	-	1,600,000	1,600,000
Current portion of finance lease liabilities	-	17,874	17,874
Derivative financial instruments	532,851	-	532,851
Long-term loans from financial institutions	-	2,113,726	2,113,726
Debentures	-	1,450,000	1,450,000
Finance lease liabilities	-	28,666	28,666
Total	532,851	22,298,154	22,831,005

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38 Financial instruments by category (Cont'd)

	Company			
	31 December 2014			
	Loans and receivables Baht'000	Assets at fair value through the profit and loss Baht'000	Available- for-sale Baht'000	Total Baht'000
Assets as per statement of financial position				
Cash and cash equivalents	351,506	-	-	351,506
Derivative financial instruments	-	33,731	-	33,731
Trade accounts receivable, net	2,121,894	-	-	2,121,894
Amounts due from futures brokers	85,664	-	-	85,664
Long-term borrowing to subsidiaries and an associate	992,656	-	-	992,656
Fixed deposits pledged as collateral	13,623	-	-	13,623
Long-term investments	-	-	62,666	62,666
Total	3,565,343	33,731	62,666	3,661,740
	Consolidated			
	31 December 2014			
	Liabilities at fair value through the profit and loss Baht'000		Other financial liabilities Baht'000	Total Baht'000
Liabilities as per statement of financial position				
Trade accounts payable	-		979,828	979,828
Short-term loans from financial institutions	-		4,261,484	4,261,484
Current portion of long-term loans from financial institutions	-		50,000	50,000
Current portion of finance lease liabilities	-		3,585	3,585
Derivative financial instruments	155,820		-	155,820
Long-term loans from financial institutions	-		2,910,000	2,910,000
Debentures	-		1,450,000	1,450,000
Finance lease liabilities	-		3,980	3,980
Total	155,820		9,658,877	9,814,697

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38 Financial instruments by category (Cont'd)

	Company			
	31 December 2013			
	Loans and receivables Baht'000	Assets at fair value through the profit and loss Baht'000	Available- for-sale Baht'000	Total Baht'000
Assets as per statement of financial position				
Cash and cash equivalents	558,714	-	-	558,714
Derivative financial instruments	-	60,511	-	60,511
Trade accounts receivable, net	3,764,021	-	-	3,764,021
Amounts due from futures brokers	152,662	-	-	152,662
Long-term borrowing to subsidiaries and an associate	1,053,928	-	-	1,053,928
Fixed deposits pledged as collateral	13,128	-	-	13,128
Long-term investments	-	-	51,521	51,521
Total	5,542,453	60,511	51,521	5,654,485
	Consolidated			
	31 December 2013			
	Liabilities at fair value through the profit and loss Baht'000	Other financial liabilities Baht'000	Total Baht'000	
Liabilities as per statement of financial position				
Trade accounts payable	-	1,537,132	1,537,132	
Short-term loans from financial institutions	-	5,985,183	5,985,183	
Current portion of debentures	-	1,600,000	1,600,000	
Current portion of finance lease liabilities	-	4,400	4,400	
Derivative financial instruments	433,016	-	433,016	
Long-term loans from financial institutions	-	2,020,000	2,020,000	
Debentures	-	1,450,000	1,450,000	
Finance lease liabilities	-	5,150	5,150	
Total	433,016	12,601,865	13,034,881	

39 Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if any) or to historical information about counterparty default rates:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Deposits held at call with banks				
Aa1	44,588	34,548	-	-
Aa2	32,355	52,180	-	-
Aa3	166,998	9,643	-	-
A1	252,415	237,686	68,189	25
A2	-	114,266	-	110,076
A3	318,412	479,504	100,158	144,685
Baa1	540,275	698,345	151,227	264,728
Baa2	24,006	1,901	16,693	383
Baa3	701,762	227,889	10,512	19,215
No rating	30,497	9,008	-	340
Total deposits held at call with banks	2,111,308	1,864,970	346,779	539,452

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Trade accounts receivable				
Counterparties without external credit rating				
Group 1	1,945,488	657,652	1,667,626	357,357
Group 2	2,147,155	5,535,080	454,268	3,406,664
Group 3	288,340	986,327	-	-
Total unimpaired trade accounts receivable	4,380,983	7,179,059	2,121,894	3,764,021

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Derivative financial instruments				
Counterparties with external credit rating				
Aa1	-	16,275	-	15,945
Aa2	3,917	10,996	-	10,411
A2	-	130	-	130
A3	3,305	-	-	-
Counterparties without external credit rating				
Group 2	82,545	48,573	33,731	34,025
Total derivative financial instruments	89,767	75,974	33,731	60,511

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39 Credit quality of financial assets (Cont'd)

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Fixed deposits pledged as collateral				
Aa2	2,406	23,083	-	-
A2	-	16,407	-	-
Baa1	32,180	21,695	13,623	13,128
Total fixed deposits pledged as collateral	34,586	61,185	13,623	13,128

Group 1 New other customers/related parties (less than 6 months)

Group 2 Existing customers/ related parties (more than 6 months) with no defaults in the past

Group 3 Existing customers/ related parties (more than 6 months) with some defaults in the past that were fully recovered

Maintenance margins are held with high quality counterparties with no history of default. None of the financial assets that are fully performing has been renegotiated during the financial year.

40 Promotional privileges

By virtue of the provisions of Industrial Investment Promotion Act. B.E. 2520, the Group and the Company were granted certain privileges on their manufactures of concentrated latex, STR block rubber and Skim Crepe, which included among others, as follows:

- Exemption from payment of import duty on imported machinery and equipment as approved by BOI committee
- Exemption from payment of income tax for the period of eight years starting from the commencement date of the promoted business, and 50 percent reduced from the normal income tax rate for the next five years after the period of eight years is expired

As a promoted industry, the Group and the Company must comply with certain conditions and restrictions provided for in the promotional certificates.

Sales classified as promoted and non-promoted business for the years ended 31 December 2014 and 2013 of the Group are summarised as follows:

	2014			2013		
	Promoted business	Non-promoted business	Total	Promoted business	Non-promoted business	Total
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Export sales and service income, net	30,576,770	41,399,599	71,976,369	35,170,866	56,163,993	91,334,859
Domestic sales and service income, net	6,819,914	10,634,257	17,454,171	8,198,482	12,868,187	21,066,669
Total	37,396,684	52,033,856	89,430,540	43,369,348	69,032,180	112,401,528
Intersegmental balances			(13,900,665)			(20,216,347)
Total			75,529,875			92,185,181

41 Contingent liabilities and commitments

41.1 Sales and purchases commitments

The Group and the Company are committed to certain sales and purchases. Some of the contractual prices are fixed and 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 price are not determined at the contract date as follows:

	<u>Consolidated</u>	<u>Company</u>
	2014	2014
	Baht'000	Baht'000
Purchases from:		
A joint venture	222,138	-
Third parties	1,975,143	-
	<u>2,197,281</u>	<u>-</u>
Sales to:		
A joint venture	927,803	81,483
Third parties	19,340,836	8,577,772
	<u>20,268,639</u>	<u>8,659,255</u>

41.2 Capital commitments

The Group and the Company has capital commitments as follows:

	<u>Consolidated</u>	<u>Company</u>
	2014	2014
	Baht'000	Baht'000
Capital commitments	<u>1,081,360</u>	<u>60,490</u>

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

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

			31 December 2014	
	<u>Relationships</u>	<u>Currencies</u>	<u>Amount</u>	<u>(Equivalent)</u>
				Baht Million
Sri Trang USA, Inc.	An overseas subsidiary	USD Million	40	1,333
PT Sri Trang Lingga Indonesia	An overseas subsidiary	USD Million Rupiah Billion	31 165	1,043 439
PT Star Rubber	An overseas subsidiary	USD Million	8	265
Thaitech Rubber Corp. Ltd.	A joint venture	Baht Million	-	37
Sempermed USA, Inc.	An overseas associated company	USD Million	1	33

41 Contingent liabilities and commitments (Cont'd)

41.3 Commitments to guarantee borrowings of subsidiaries, associates, and a joint venture and contingent liabilities (Cont'd)

41.3.2 The Group has contingent liabilities for bank guarantees issued in favor of government agency totaling Baht 67 million and has pledged its fixed deposits of Baht 14 million as collateral for these bank guarantees.

41.4 Operating lease commitments - where the Group and the Company is the lessee

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

	<u>Consolidated</u>	<u>Company</u>
	2014	2014
	Baht 000	Baht '000
Not later than 1 year	99,183	34,514
Later than 1 year but not later than 5 years	121,681	34,757
Later than 5 years	1,105	-
Total	<u>221,969</u>	<u>69,271</u>

42 Commercial dispute relating to the Joint Venture Agreement

On 5 September 2014, Semperit Technische Produkte Gesellschaft m.b.H. ("Semperit") filed requests for arbitration in Switzerland to the ICC International Court of Arbitration, alleging that (a) the Company; (b) Rubberland Products Co., Ltd. ("Rubberland") (a subsidiary); and (c) other shareholders of Siam Sempermed Corp., Ltd. ("SSC") (a joint venture company) had breached the Joint Venture Agreement and other related agreements. Semperit claimed initial damages of approximately EUR 35 million (equivalent to approximately Baht 1,412 million) and requested the arbitral tribunal to issue an order demanding that the Company and Rubberland (and other shareholders of SSC) undertake or refrain from undertaking any act with respect to the management of SSC.

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

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

42 Commercial dispute relating to the Joint Venture Agreement (Cont'd)

In addition to the requests for arbitration proceedings against the Company and Rubberland as the shareholders of SSC, Semperit filed another request for arbitration against SSC. Semperit alleged that SSC had breached the JVA and other commercial agreements between SSC and Semperit. Semperit claimed initial damages of approximately EUR 3 million (equivalent to approximately Baht 121 million). According to the legal advisor of the Company, the management of the Company believes that SSC is not obligated to pay the damages of approximately EUR 3 million as stated in the request for arbitration submitted by Semperit because the allegations made by Semperit are not supported by concrete evidence and are not consistent with the agreements and long-standing practice between the parties. Therefore, the management of the Company believes that the result of the dispute should not have any material impact upon the operation and financial position of SSC and the Company.

The Company and SSC have already filed answers to the requests for arbitration. These disputes are pending the appointment of the chairman of the arbitral tribunals.

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

43 Event occurring after the reporting date

At the Extraordinary General Shareholders' Meetings of a subsidiary, the shareholders approved a resolution to increase the authorised share capital from Baht 4,700 million to Baht 4,950 million by registering additional 2,500,000 ordinary shares at par of Baht 100 each. The Company purchased all increasing shares. The subsidiary registered the increased share capital with the Ministry of Commerce on 21 January 2015.