

SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED

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

31 MARCH 2015

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

I have reviewed the accompanying consolidated and company statements of financial position as at 31 March 2015, the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and condensed notes to interim financial information of Sri Trang Agro-Industry Public Company Limited and its subsidiaries and of Sri Trang Agro-Industry Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

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

Bangkok
14 May 2015

Sri Trang Agro-Industry Public Company Limited
Statements of Financial Position
As at 31 March 2015

	Notes	Consolidated		Company	
		Unaudited 31 March 2015 Baht	Audited 31 December 2014 Baht	Unaudited 31 March 2015 Baht	Audited 31 December 2014 Baht
Assets					
Current assets					
Cash and cash equivalents		1,964,780,236	2,131,618,737	372,720,727	351,506,312
Derivative financial instruments	6	67,209,040	89,767,267	21,590,740	33,730,806
Trade accounts receivable and other receivables, net	7	5,356,615,081	4,688,380,158	2,772,367,789	2,297,828,991
Amounts due from futures brokers		318,564,475	392,450,064	58,920,349	85,663,956
Inventories, net	8	10,007,870,701	10,029,943,739	4,622,668,149	4,743,353,158
Current portion of long-term loan to a subsidiary	17.4	-	-	327,033,277	-
Other current assets		366,195,784	352,224,156	96,781,737	76,857,998
Total current assets		18,081,235,317	17,684,384,121	8,272,082,768	7,588,941,221
Non-current assets					
Long-term loans to subsidiaries	17.4	-	-	654,066,555	992,656,135
Fixed deposits pledged as collateral		40,623,900	34,585,973	13,630,498	13,622,863
Investments in subsidiaries	9.1	-	-	9,842,140,514	9,684,640,514
Investments in associates	9.2	1,154,816,081	1,157,810,054	649,177,500	649,177,500
Investment in joint ventures	9.3	2,938,950,167	2,878,241,133	83,099,800	83,099,800
Long-term investments		62,560,912	63,672,236	61,548,643	62,666,431
Property, plant and equipment, net	10	14,463,360,784	14,355,033,514	5,932,547,946	5,845,366,056
Rubber and palm plantations, net	11	951,439,997	901,246,752	3,128,596	4,080,879
Intangible assets, net	12	33,989,405	31,639,642	11,282,483	12,311,158
Investment properties		168,607,377	170,255,147	27,769,750	27,769,750
Withholding tax deducted at source		336,328,732	332,854,932	250,167,419	250,167,419
Deferred income tax assets, net	13	144,077,230	146,540,958	-	-
Other non-current assets		38,485,450	34,265,689	15,034,833	12,718,800
Total non-current assets		20,333,240,035	20,106,146,030	17,543,594,537	17,638,277,305
Total assets		38,414,475,352	37,790,530,151	25,815,677,305	25,227,218,526

Director _____

Director _____

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

Sri Trang Agro-Industry Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 March 2015

	Notes	Consolidated		Company	
		Unaudited 31 March 2015 Baht	Audited 31 December 2014 Baht	Unaudited 31 March 2015 Baht	Audited 31 December 2014 Baht
Liabilities and shareholders' equity					
Current liabilities					
Trade accounts payable and other payables	14	2,442,330,806	2,579,501,245	1,317,446,364	1,486,686,421
Short-term borrowings from financial institutions	15	9,956,527,288	9,408,410,287	4,846,596,000	4,261,484,000
Current portion of long-term borrowings from financial institutions	15	162,264,000	140,264,000	100,000,000	50,000,000
Current portion of debentures	15	300,000,000	-	300,000,000	-
Current portion of finance lease liabilities	15	29,846,446	30,046,135	3,251,417	3,585,007
Derivative financial instruments	6	126,869,537	212,826,685	101,289,703	155,819,745
Current income tax liabilities		46,044,776	48,559,037	558,298	-
Other current liabilities		36,012,616	44,348,586	13,607,692	20,985,956
Total current liabilities		13,099,895,469	12,463,955,975	6,682,749,474	5,978,561,129
Non-current liabilities					
Long-term borrowings from financial institutions	15	3,020,611,000	2,913,462,000	3,017,500,000	2,910,000,000
Debentures	15	1,150,000,000	1,450,000,000	1,150,000,000	1,450,000,000
Finance lease liabilities	15	25,696,224	33,310,507	3,223,968	3,979,795
Deferred income tax liabilities, net	13	166,010,499	172,496,107	35,942,200	36,649,938
Provision for retirement benefit obligations		118,376,963	115,226,468	54,102,850	53,448,249
Other non-current liabilities		49,124,006	50,210,804	-	-
Total non-current liabilities		4,529,818,692	4,734,705,886	4,260,769,018	4,454,077,982
Total liabilities		17,629,714,161	17,198,661,861	10,943,518,492	10,432,639,111

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

Sri Trang Agro-Industry Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 March 2015

	Consolidated		Company	
	Unaudited 31 March 2015 Baht	Audited 31 December 2014 Baht	Unaudited 31 March 2015 Baht	Audited 31 December 2014 Baht
Liabilities and shareholders' equity (Cont'd)				
Shareholders' equity				
Share capital				
Authorised share capital				
Ordinary shares, 1,280,000,000 shares of par Baht 1 each (2014: 1,280,000,000 shares of par Baht 1 each)				
	1,280,000,000	1,280,000,000	1,280,000,000	1,280,000,000
Issued and paid-up share capital				
Ordinary shares, 1,280,000,000 shares of par Baht 1 each (2014: 1,280,000,000 shares of par Baht 1 each)				
	1,280,000,000	1,280,000,000	1,280,000,000	1,280,000,000
Premium on share capital	8,550,989,821	8,550,989,821	8,550,989,821	8,550,989,821
Deduction arising from acquisition of additional interest in subsidiaries from non-controlling interests	(173,134,488)	(173,134,488)	-	-
Asset revaluation surplus, net of accumulated depreciation	1,440,245,097	1,470,543,779	662,358,135	691,242,473
Unrealised gains on available-for-sale investments	17,832,035	18,864,175	17,382,632	18,417,816
Cumulative currency differences on translation	(541,853,709)	(445,858,809)	-	-
Retained earnings				
Appropriated - legal reserve	128,000,000	128,000,000	128,000,000	128,000,000
Unappropriated	9,989,853,247	9,662,264,944	4,233,428,225	4,125,929,305
Total equity attributable to owners of the parent	20,691,932,003	20,491,669,422	14,872,158,813	14,794,579,415
Non-controlling interests	92,829,188	100,198,868	-	-
Total shareholders' equity	20,784,761,191	20,591,868,290	14,872,158,813	14,794,579,415
Total liabilities and shareholders' equity	38,414,475,352	37,790,530,151	25,815,677,305	25,227,218,526

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

Sri Trang Agro-Industry Public Company Limited
Statements of Comprehensive Income
For the three-month period ended 31 March 2015

	Consolidated		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	2015	2014	2015	2014
Note	Baht	Baht	Baht	Baht
Revenues from sales of goods and services	14,512,228,633	22,764,907,018	7,150,767,658	11,629,214,613
Cost of sales and services	(13,472,548,954)	(22,166,400,636)	(6,630,265,242)	(11,121,292,876)
Gross profit	1,039,679,679	598,506,382	520,502,416	507,921,737
Other income	67,012,559	36,926,947	52,702,210	14,427,510
Selling expenses	(487,554,072)	(411,060,085)	(402,336,063)	(367,332,610)
Administrative expenses	(315,027,700)	(348,825,640)	(147,396,607)	(179,429,575)
Gains on exchange rate, net	105,455,290	123,267,083	50,737,342	93,793,964
Other gains, net	76,035,081	403,143,745	71,247,685	296,945,467
Operating profit	485,600,837	401,958,432	145,456,983	366,326,493
Share of profit from investments in associates and joint ventures	68,385,987	103,450,646	-	-
Profit before net finance costs and income tax	553,986,824	505,409,078	145,456,983	366,326,493
Finance income	11,817,908	11,934,356	17,069,405	18,560,096
Finance costs	(249,396,438)	(74,508,180)	(83,978,643)	(114,484,872)
Finance costs, net	(237,578,530)	(62,573,824)	(66,909,238)	(95,924,776)
Profit before income tax	316,408,294	442,835,254	78,547,745	270,401,717
Income tax	16 (21,800,938)	(34,269,820)	66,837	(2,532,817)
Profit for the periods	294,607,356	408,565,434	78,614,582	267,868,900
Other comprehensive income:				
<i>An item that will not be reclassified to profit or loss</i>				
Asset revaluation surplus, net of tax	-	9,684,158	-	-
Total item that will not be reclassified to profit or loss	-	9,684,158	-	-
<i>Items that will be reclassified subsequently to profit or loss</i>				
Change in fair value of available-for-sale investments, net of tax	(1,032,140)	5,017,328	(1,035,184)	4,964,426
Currency differences on translation	(100,682,315)	86,897,026	-	-
Total items that will be reclassified subsequently to profit or loss	(101,714,455)	91,914,354	(1,035,184)	4,964,426
Other comprehensive income (expense) for the periods, net of tax	(101,714,455)	101,598,512	(1,035,184)	4,964,426
Total comprehensive income for the periods	192,892,901	510,163,946	77,579,398	272,833,326

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

Sri Trang Agro-Industry Public Company Limited
Statements of Comprehensive Income (Cont'd)
For the three-month period ended 31 March 2015

	Consolidated		Company	
	Unaudited 2015 Baht	Unaudited 2014 Baht	Unaudited 2015 Baht	Unaudited 2014 Baht
Profit for the periods attributable to:				
Owners of the parent	297,289,621	401,960,092	78,614,582	267,868,900
Non-controlling interests	(2,682,265)	6,605,342	-	-
Profit for the periods	294,607,356	408,565,434	78,614,582	267,868,900
Total comprehensive income for the periods attributable to:				
Owners of the parent	200,262,581	496,229,597	77,579,398	272,833,326
Non-controlling interests	(7,369,680)	13,934,349	-	-
Total comprehensive income for the periods	192,892,901	510,163,946	77,579,398	272,833,326
Earnings per share				
Basic earnings per share	0.23	0.31	0.06	0.21

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

Consolidated (Unaudited)											
Attributable to owners of the parent											
	Issued and paid-up share capital Baht	Premium on share capital Baht	Deduction arising from acquisition of additional interest in subsidiaries from non-controlling interests Baht	Asset revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Cumulative currency differences on translation Baht	Retained earnings		Total owners of the parent Baht	Non-controlling interests Baht	Total shareholders' equity Baht
							Appropriated - legal reserve Baht	Unappropriated Baht			
Opening balance as at 1 January 2015	1,280,000,000	8,550,989,821	(173,134,488)	1,470,543,779	18,864,175	(445,858,809)	128,000,000	9,662,264,944	20,491,669,422	100,198,868	20,591,868,290
Profit for the period	-	-	-	-	-	-	-	297,289,621	297,289,621	(2,682,265)	294,607,356
Other comprehensive income											
Depreciation transfer on assets revaluation, net of tax	-	-	-	(4,866,101)	-	-	-	4,866,101	-	-	-
Disposal of assets, net of tax	-	-	-	(25,432,581)	-	-	-	25,432,581	-	-	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	-	(1,032,140)	-	-	-	(1,032,140)	-	(1,032,140)
Currency differences on translation	-	-	-	-	-	(95,994,900)	-	-	(95,994,900)	(4,687,415)	(100,682,315)
Total other comprehensive income, net of tax	-	-	-	(30,298,682)	(1,032,140)	(95,994,900)	-	30,298,682	(97,027,040)	(4,687,415)	(101,714,455)
Total comprehensive income	-	-	-	(30,298,682)	(1,032,140)	(95,994,900)	-	327,588,303	200,262,581	(7,369,680)	192,892,901
Closing balance as at 31 March 2015	1,280,000,000	8,550,989,821	(173,134,488)	1,440,245,097	17,832,035	(541,853,709)	128,000,000	9,989,853,247	20,691,932,003	92,829,188	20,784,761,191

Sri Trang Agro-Industry Public Company Limited
 Statements of Changes in Shareholders' Equity (Cont'd)
 For the three-month period ended 31 March 2015

	Consolidated (Unaudited)										
	Attributable to owners of the parent										
	Issued and paid-up share capital	Premium on share capital	Deduction arising from acquisition of additional interest in subsidiaries from non-controlling interests	Asset revaluation surplus, net of accumulated depreciation	Unrealised gains on available-for-sale investments	Cumulative currency differences on translation	Retained earnings		Total owners of the parent	Non-controlling interests	Total shareholders' equity
							Appropriated - legal reserve	Unappropriated			
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Opening balance as at 1 January 2014	1,280,000,000	8,550,989,821	(173,134,488)	1,206,286,840	8,546,917	(453,395,072)	128,000,000	9,430,734,049	19,978,028,067	88,273,312	20,066,301,379
Profit for the period	-	-	-	-	-	-	-	401,960,092	401,960,092	6,605,342	408,565,434
Other comprehensive income											
Asset revaluation surplus, net of tax	-	-	-	9,684,158	-	-	-	-	9,684,158	-	9,684,158
Depreciation transfer on assets revaluation, net of tax	-	-	-	(7,602,047)	-	-	-	7,602,047	-	-	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	-	5,017,328	-	-	-	5,017,328	-	5,017,328
Currency differences on translation	-	-	-	-	-	79,568,020	-	-	79,568,020	7,329,006	86,897,026
Total other comprehensive income, net of tax	-	-	-	2,082,111	5,017,328	79,568,020	-	7,602,047	94,269,506	7,329,006	101,598,512
Total comprehensive income	-	-	-	2,082,111	5,017,328	79,568,020	-	409,562,139	496,229,598	13,934,348	510,163,946
Closing balance as at 31 March 2014	1,280,000,000	8,550,989,821	(173,134,488)	1,208,368,951	13,564,245	(373,827,052)	128,000,000	9,840,296,188	20,474,257,665	102,207,660	20,576,465,325

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

Sri Trang Agro-Industry Public Company Limited
 Statements of Changes in Shareholders' Equity (Cont'd)
 For the three-month period ended 31 March 2015

	Company (Unaudited)						Total shareholders' equity Baht
	Issued and paid-up share capital Baht	Premium on share capital Baht	Asset revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Retained earnings		
					Appropriated	Unappropriated	
					- legal reserve Baht	Baht	
Opening balance as at 1 January 2015	1,280,000,000	8,550,989,821	691,242,473	18,417,816	128,000,000	4,125,929,305	14,794,579,415
Profit for the period	-	-	-	-	-	78,614,582	78,614,582
Other comprehensive income							
Depreciation transfer on assets revaluation, net of tax	-	-	(3,451,757)	-	-	3,451,757	-
Disposal of assets, net of tax	-	-	(25,432,581)	-	-	25,432,581	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	(1,035,184)	-	-	(1,035,184)
Total other comprehensive income, net of tax	-	-	(28,884,338)	(1,035,184)	-	28,884,338	(1,035,184)
Total comprehensive income	-	-	(28,884,338)	(1,035,184)	-	107,498,920	77,579,398
Closing balance as at 31 March 2015	1,280,000,000	8,550,989,821	662,358,135	17,382,632	128,000,000	4,233,428,225	14,872,158,813

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

Sri Trang Agro-Industry Public Company Limited
 Statements of Changes in Shareholders' Equity (Cont'd)
 For the three-month period ended 31 March 2015

	Company (Unaudited)						Total shareholders' equity Baht
	Issued and paid-up share capital Baht	Premium on share capital Baht	Asset revaluation surplus, net of accumulated depreciation Baht	Unrealised gains on available-for-sale investments Baht	Retained earnings		
					Appropriated	Unappropriated	
					- legal reserve Baht	Baht	
Opening balance as at 1 January 2014	1,280,000,000	8,550,989,821	769,785,087	8,095,919	128,000,000	3,502,944,762	14,239,815,589
Profit for the period	-	-	-	-	-	267,868,900	267,868,900
Other comprehensive income							
Depreciation transfer on assets revaluation, net of tax	-	-	(5,527,809)	-	-	5,527,809	-
Change in fair value of available-for-sale investments, net of tax	-	-	-	4,964,426	-	-	4,964,426
Total other comprehensive income, net of tax	-	-	(5,527,809)	4,964,426	-	5,527,809	4,964,426
Total comprehensive income	-	-	(5,527,809)	4,964,426	-	273,396,709	272,833,326
Closing balance as at 31 March 2014	1,280,000,000	8,550,989,821	764,257,278	13,060,345	128,000,000	3,776,341,471	14,512,648,915

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

Statements of Cash Flows

For the three-month period ended 31 March 2015

	Consolidated		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	2015	2014	2015	2014
Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities				
Profit before income tax	316,408,294	442,835,254	78,547,745	270,401,717
Adjustments for:				
Unrealised losses on foreign currency translations	294,714,801	117,658,808	11,556,302	12,023,583
Unrealised gains from revaluation of derivative financial instruments	(63,398,920)	(409,875,144)	(42,389,976)	(273,275,143)
(Reversal of) allowance for impairment of trade accounts receivable	(273,939)	7,408,414	-	6,266,700
(Reversal of) allowance for inventory cost in excess of net realisable value	(104,013,751)	929,101,208	-	362,624,578
Provision for retirement benefit obligations	4,297,995	7,755,716	1,802,101	1,308,217
Depreciation charges	10 231,069,387	197,215,403	100,339,326	76,697,390
Amortisation charges - rubber and palm plantations	11 157,256	2,744,552	76,410	2,072,061
Amortisation charges - intangible assets	12 2,429,142	2,388,371	1,213,751	1,176,653
Finance costs	249,396,438	74,508,180	83,978,643	114,484,872
Dividend income	(16,214)	(3,067)	(13,214)	-
Share of profit from investments in associates and joint ventures	(68,385,987)	(103,450,646)	-	-
(Gains) losses on disposal and write-off of property, plant and equipment, rubber and palm plantations and intangible assets	(34,426,462)	838,890	(34,240,024)	838,015
Changes in operating assets and liabilities:				
(Increase) decrease in operating assets				
- Trade accounts receivable and other receivables	(667,960,984)	691,662,444	(474,538,798)	(33,447,152)
- Amounts due from futures brokers	73,885,589	(66,777,799)	26,743,607	56,536,802
- Inventories	126,086,789	638,990,956	120,685,009	(194,346,703)
- Other current assets	(190,926)	(18,076,712)	(5,643,299)	(8,041,333)
- Other non-current assets	(4,219,761)	(10,115,816)	(2,316,033)	(99,416)
Increase (decrease) in operating liabilities				
- Trade accounts payable and other payables	(159,498,647)	(859,998,825)	(199,169,576)	(261,446,701)
- Other current liabilities	(8,335,970)	9,334,960	(7,378,264)	(5,967,283)
Cash provided by (used in) operating activities	187,724,130	1,654,145,147	(340,746,290)	127,806,857
Interest paid	(241,957,901)	(66,806,017)	(80,541,831)	(104,322,740)
Income tax paid	(51,996,180)	(78,838,979)	(14,280,440)	(24,016,649)
Employee benefits paid	(1,147,500)	(100,000)	(1,147,500)	(100,000)
Net cash provided by (used in) operating activities	(107,377,451)	1,508,400,151	(436,716,061)	(632,532)

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

	Note	Consolidated		Company	
		Unaudited	Unaudited	Unaudited	Unaudited
		2015	2014	2015	2014
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Increase in fixed deposits pledged as collateral		(6,037,927)	(6,927,594)	(7,634)	(206,087)
Dividends received		16,214	3,067	13,214	-
Cash paid for investments in subsidiaries		-	-	(157,500,000)	(227,000,000)
Proceeds from disposal of property, plant and equipment, rubber and palm plantations and intangible assets		88,381,128	249,617	86,556,211	247,604
Cash paid for purchases of property, plant and equipment, rubber and palm plantations and intangible assets		(531,892,130)	(523,515,098)	(212,653,899)	(238,972,549)
Net cash used in investing activities		(449,532,715)	(530,190,008)	(283,592,108)	(465,931,032)
Cash flows from financing activities					
Increase (decrease) in short-term borrowings from financial institutions		268,736,637	(1,039,223,444)	585,112,000	103,330,000
Proceeds from long-term borrowings	15	157,500,000	227,000,000	157,500,000	227,000,000
Repayments of long-term borrowings	15	(28,351,000)	(28,351,000)	-	-
Payments on finance lease liabilities	15	(7,813,972)	(4,785,921)	(1,089,416)	(1,477,319)
Net cash provided by (used in) financing activities		390,071,665	(845,360,365)	741,522,584	328,852,681
Net increase (decrease) in cash and cash equivalents		(166,838,501)	132,849,778	21,214,415	(137,710,883)
Cash and cash equivalents at the beginning of the periods		2,131,618,737	1,892,728,704	351,506,312	558,713,673
Cash and cash equivalents at end of the periods		1,964,780,236	2,025,578,482	372,720,727	421,002,790
Supplementary information for cash flows					
Cash paid for purchases of property, plant and equipment, rubber and palm plantations and intangible assets:					
Property, plant and equipment, rubber and palm plantation and intangible assets acquired		(545,695,004)	(469,871,586)	(239,146,607)	(158,523,907)
Increase in liabilities under finance lease contracts		-	18,119,626	-	1,887,200
Increase (decrease) in payables from purchases of assets		13,802,874	(71,763,138)	26,492,708	(82,335,842)
Cash paid for purchases of property, plant and equipment, rubber and palm plantations and intangible assets		(531,892,130)	(523,515,098)	(212,653,899)	(238,972,549)

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

1 General information

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

On 29 April 2014, the Company changed its listing status from a primary listing to a secondary listing on the main board of Singapore Exchange Securities Trading Limited. The address of its registered office is as follows:

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

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

The Group interim consolidated and company financial information was authorised for issue by the Board of Directors 14 May 2015.

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

2 Accounting policies

2.1 Basis of preparation

This interim consolidated and company financial information was prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e., statement of financial position, statement of comprehensive income, statement of changes in shareholders’ equity and statement of cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial information are prepared in a condensed format according to Thai Accounting Standard 34 (revised 2014), ‘Interim Financial Reporting’ and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014.

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

The accounting policies used in the preparation of the interim consolidated and company financial information are consistent with those used in the annual consolidated and company financial statements for the year ended 31 December 2014.

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

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

2 Accounting policies (Cont'd)

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

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

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

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

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

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

2 Accounting policies (Cont'd)

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

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

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

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

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

TFRIC 4 (revised 2014)	Insurance contracts
------------------------	---------------------

3 Estimates

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

In preparing this interim financial information, the significant judgments made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2014.

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

4 Fair value measurements

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

Level 1 : Quoted prices in active markets for financial assets

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

Level 3 : Inputs for the assets or liabilities that are not based on observable market data

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

	Consolidated (Unaudited)			
	Level 1 Baht'000	Level 2 Baht'000	Level 3 Baht'000	Total Baht'000
At 31 March 2015				
Available-for-sale investments				
- Equity securities	52,134	-	-	52,134
Financial assets at fair value through profit or loss				
- Trading derivatives	53,838	13,371	-	67,209
Financial liabilities at fair value through profit or loss				
- Trading derivatives	47,316	79,554	-	126,870

	Company (Unaudited)			
	Level 1 Baht'000	Level 2 Baht'000	Level 3 Baht'000	Total Baht'000
At 31 March 2015				
Available-for-sale investments				
- Equity securities	51,122	-	-	51,122
Financial assets at fair value through profit or loss				
- Trading derivatives	13,461	8,129	-	21,590
Financial liabilities at fair value through profit or loss				
- Trading derivatives	21,736	79,554	-	101,290

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

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

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

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

Specific valuation techniques used to value financial instruments include:

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

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

5 Segment information

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

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

There are two reportable segments as follows:

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

As at 31 March 2015, the Group operates two business segments in seven main geographical areas (31 March 2014: five main geographical areas). The allocation of revenue to each geographical area is based on the origin of sales.

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

Reportable segments by geographical area of interim consolidated financial information for the three-month period ended 31 March 2015:

	Consolidated (Unaudited)							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	Myanmar Baht'000		
Segment revenues	9,833,428	1,972,328	4,222,566	711,613	167,279	-	-	641,777	17,548,991
Inter-segment revenues	(991,268)	(1,361,064)	(406,801)	(15,994)	-	-	-	(261,635)	(3,036,762)
Revenues from external customers	8,842,160	611,264	3,815,765	695,619	167,279	-	-	380,142	14,512,229
Depreciation and amortisation	(164,699)	(49,638)	(2,792)	(540)	(730)	-	-	(15,257)	(233,656)
Finance income	9,675	1,799	15	-	319	7	-	3	11,818
Finance costs	(94,917)	(142,896)	(2,483)	(8,274)	-	-	-	(826)	(249,396)
Share of profit from investments in associates and joint ventures	68,386	-	-	-	-	-	-	-	68,386
Profit (loss) before income tax	234,766	(70,693)	120,663	(48,402)	(7,458)	(334)	-	38,457	266,999
Income tax	(2,881)	20,258	(28,999)	6,943	(4,389)	-	-	(12,733)	(21,801)
Profit (loss) for the period	231,885	(50,435)	91,664	(41,459)	(11,847)	(334)	-	25,724	245,198
Intersegmental balances									49,409
Total profit for the period									294,607
Total assets	31,535,145	4,444,596	4,143,137	1,371,421	365,218	30,178	31,182	7,674,882	49,595,759
Intersegmental balances									(11,181,284)
Total assets									38,414,475

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

5 Segment information (Cont'd)

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

	Consolidated (Unaudited)						Total Baht'000
	Natural Rubber Products					Other Businesses	
	Thailand Baht'000	Indonesia Baht'000	Singapore Baht'000	USA Baht'000	China Baht'000	Thailand Baht'000	
Segment revenues	17,141,989	3,449,641	5,366,260	797,485	61,541	667,181	27,484,097
Inter-segment revenues	(1,717,197)	(2,432,236)	(271,450)	-	-	(298,307)	(4,719,190)
Revenues from external customers	15,424,792	1,017,405	5,094,810	797,485	61,541	368,874	22,764,907
Depreciation and amortisation	(140,966)	(45,631)	(2,825)	(434)	(800)	(11,692)	(202,348)
Finance income	10,990	435	22	-	467	20	11,934
Finance costs	(140,191)	81,403	(5,635)	(9,476)	-	(609)	(74,508)
Share of profit from investments in associates and a joint venture	103,451	-	-	-	-	-	103,451
Profit (loss) before income tax	297,685	31,101	101,084	16,844	34,009	35,678	516,401
Income tax	(26)	(26,190)	(3,154)	10,188	(4,017)	(11,071)	(34,270)
Profit for the period	297,659	4,911	97,930	27,032	29,992	24,607	482,131
Intersegmental balances							(73,566)
Total profit for the period							408,565
Total assets	35,375,291	4,945,037	4,521,668	1,913,693	409,772	6,491,035	53,656,496
Intersegmental balances							(10,670,170)
Total assets							42,986,326

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

	Consolidated	
	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000
	Thailand	13,657,222
Indonesia	1,802,250	1,868,692
Singapore	177,091	181,942
USA	5,519	5,975
China	11,567	12,389
Myanmar	2,094	2,094
Vietnam	140	8
Total	15,655,883	15,492,441

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

6 Derivative financial instruments

	Consolidated			
	(Unaudited)		(Audited)	
	31 March 2015		31 December 2014	
	Assets	Liabilities	Assets	Liabilities
	Baht'000	Baht'000	Baht'000	Baht'000
Foreign exchange swaps	-	(79,554)	-	(89,118)
Forward foreign exchange contracts	13,370	-	7,222	(53,616)
Rubber futures	17,783	(34,884)	37,799	(37,017)
Physical forward contracts	36,056	(12,432)	44,746	(33,076)
Total derivative financial instruments	67,209	(126,870)	89,767	(212,827)

	Company			
	(Unaudited)		(Audited)	
	31 March 2015		31 December 2014	
	Assets	Liabilities	Assets	Liabilities
	Baht'000	Baht'000	Baht'000	Baht'000
Foreign exchange swaps	-	(79,554)	-	(89,118)
Forward foreign exchange contracts	8,130	-	-	(39,038)
Rubber futures	13,461	(21,736)	33,731	(27,664)
Total derivative financial instruments	21,591	(101,290)	33,731	(155,820)

7 Trade accounts receivable and other receivables, net

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
Trade accounts receivable				
- other companies	4,791,044	4,407,507	2,005,148	1,724,600
<u>Less</u> Allowance for impairment of trade accounts receivable	(129,093)	(126,791)	(64,552)	(61,850)
Total trade accounts receivable				
- other companies, net	4,661,951	4,280,716	1,940,596	1,662,750
Trade accounts receivable				
- related companies (Note 17.3)	111,458	100,267	521,014	459,144
Total trade accounts receivable, net	4,773,409	4,380,983	2,461,610	2,121,894
Advances for inventories	113,608	48,287	5,319	6,465
Prepaid expenses	216,766	110,074	70,432	17,645
Accrued income and other receivables	252,832	149,036	235,007	151,825
Total trade accounts receivable and other receivables, net	5,356,615	4,688,380	2,772,368	2,297,829

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

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

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

	Consolidated		Company	
	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Within credit terms	3,984,394	3,960,804	2,101,999	1,955,459
Overdue 1 - 30 days	682,348	406,268	316,538	147,041
Overdue 31 - 60 days	103,545	8,318	34,236	7,695
Overdue 61 - 90 days	5,985	1,497	691	893
Overdue 91 - 120 days	1,395	1,967	2,464	1,956
Overdue 121 - 365 days	3,249	5,691	4,210	5,691
More than 365 days	121,586	123,229	66,024	65,009
	4,902,502	4,507,774	2,526,162	2,183,744
<u>Less</u> Allowance for impairment of trade accounts receivable	(129,093)	(126,791)	(64,552)	(61,850)
Total trade accounts receivable, net	<u>4,773,409</u>	<u>4,380,983</u>	<u>2,461,610</u>	<u>2,121,894</u>

8 Inventories, net

	Consolidated					
	At cost		Allowance for inventory cost in excess of net realisable value		Total inventories, net	
	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Finished goods	3,848,077	3,607,598	(9,069)	(82,866)	3,839,008	3,524,732
Work-in-progress	2,067,079	2,092,067	(12)	(13,696)	2,067,067	2,078,371
Raw materials, vessels and chemicals	3,989,819	4,321,694	(14,362)	(30,895)	3,975,457	4,290,799
Spare parts and supplies	126,339	136,042	-	-	126,339	136,042
Total	<u>10,031,314</u>	<u>10,157,401</u>	<u>(23,443)</u>	<u>(127,457)</u>	<u>10,007,871</u>	<u>10,029,944</u>

	Company					
	At cost		Allowance for inventory cost in excess of net realisable value		Total inventories, net	
	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Finished goods	1,144,793	1,248,361	-	-	1,144,793	1,248,361
Work-in-progress	931,418	899,707	-	-	931,418	899,707
Raw materials, vessels and chemicals	2,504,431	2,550,788	-	-	2,504,431	2,550,788
Spare parts and supplies	42,026	44,497	-	-	42,026	44,497
Total	<u>4,622,668</u>	<u>4,743,353</u>	<u>-</u>	<u>-</u>	<u>4,622,668</u>	<u>4,743,353</u>

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

9 Investments in subsidiaries, associates and interests in joint ventures

9.1 Investments in subsidiaries

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

	Activities	Consolidated Countries of incorporation	% Ownership interest	
			(Unaudited) 31 March 2015	(Audited) 31 December 2014
Subsidiaries				
Sri Trang International Pte Ltd.	Distribution of rubber products	Singapore	100.00	100.00
Sri Trang USA, Inc.	Distribution of rubber products	USA	100.00	100.00
PT Sri Trang Lingga Indonesia	Manufacture of STR block rubber products	Indonesia	90.00	90.00
Anvar Parawood Co., Ltd.	Manufacture of parawood	Thailand	99.94	99.94
Rubberland Products Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99
Namhua Rubber Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99
Sadao P.S. Rubber Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99
Startex Rubber Co., Ltd.	Rubber and palm plantation	Thailand	99.99	99.99
Premier System Engineering Co., Ltd.	Providing engineering services	Thailand	99.99	99.99
Starlight Express Transport Co., Ltd.	Providing 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	59.00

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

Relationships	Company	(Unaudited)	(Audited)
		31 March 2015	31 December 2014
		Baht Million	Baht Million
Sri Trang Rubber & Plantation Co., Ltd.	A subsidiary	158	940

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

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

9.2 Investments in associates

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

	Activities	Consolidated Countries of incorporation	% Ownership interest	
			(Unaudited) 31 March 2015	(Audited) 31 December 2014
Direct associates				
Semperflex Asia Co., Ltd.	Manufacture of hydraulic hoses	Thailand	42.50	42.50
Sempermed USA, Inc.	Distribution of medical gloves	USA	45.12	45.12
Pattana Agro Futures Co., Ltd.	Futures broker	Thailand	40.00	40.00
Semperflex Shanghai Co., Ltd.	Manufacture of hydraulic hoses	China	50.00	50.00
Sempermed Singapore Pte Ltd.	Investment holding in the company selling medical gloves	Singapore	50.00	50.00
Indirect associates				
Sempermed Brazil Comercio Exterior LTDA. (Held by Sempermed Singapore Pte Ltd.)	Sales of medical gloves	Brazil	50.00	50.00
Shanghai Sempermed Gloves Co., Ltd. (Formerly Shanghai Foremost Plastic Industrial Co., Ltd. held by Siam Sempermed Corp., Ltd.)	Manufacture of medical gloves	China	40.23	40.23
Formtech Engineering (M) Sdn. Bhd. (Held by Sempermed Singapore Pte Ltd.)	Manufacture of glove formers	Malaysia	41.43	41.43

9.3 Interests in joint ventures

The jointly controlled entities are as follows:

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

10 Property, plant and equipment, net

	Consolidated (Unaudited) Baht'000	Company (Unaudited) Baht'000
For the three-month period ended 31 March 2015		
Opening net book value	14,355,034	5,845,366
Additions	499,357	238,961
Disposals and write-offs, net	(53,079)	(51,440)
Depreciation charges	(231,069)	(100,339)
Depreciation capitalised to assets	(9,827)	-
Cumulative currency differences on translation	(97,055)	-
Closing net book value	14,463,361	5,932,548

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

11 Rubber and palm plantations, net

	Consolidated (Unaudited) Baht'000	Company (Unaudited) Baht'000
For the three-month period ended 31 March 2015		
Opening net book value	901,247	4,081
Additions	41,399	-
Disposals and write-offs, net	(876)	(876)
Amortisation charges	(157)	(76)
Depreciation capitalised to assets	9,827	-
Closing net book value	<u>951,440</u>	<u>3,129</u>

12 Intangible assets, net

	Consolidated (Unaudited) Baht'000	Company (Unaudited) Baht'000
For the three-month period ended 31 March 2015		
Opening net book value	31,640	12,311
Additions	4,938	185
Amortisation charges	(2,429)	(1,214)
Cumulative currency differences on translation	(160)	-
Closing net book value	<u>33,989</u>	<u>11,282</u>

13 Deferred income tax

Deferred income taxes are calculated in full on temporary differences, using the liability method and using a principal tax rate of 1.7% - 36.3% (2014: 1.7% - 37.7%). The deferred income taxes are temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax assets are recognised for all deferred income tax assets to the extent that the realisation of the related tax benefit through future taxable profits is probable.

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

	Consolidated (Unaudited)		Company (Unaudited)	
	2015	2014	2015	2014
	Baht'000	Baht'000	Baht'000	Baht'000
As at 1 January	(25,955)	53,529	(36,650)	(21,097)
Charged/credited to profit or loss	10,604	33,867	625	4,923
Charged/credited to				
other comprehensive income	79	(2,820)	83	(396)
Cumulative currency differences				
on translation	(6,661)	5,606	-	-
As at 31 March	<u>(21,933)</u>	<u>90,182</u>	<u>(35,942)</u>	<u>(16,570)</u>

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

13 Deferred income tax (Cont'd)

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

	Consolidated				
	(Audited) 31 December 2014 Baht'000	Charged to profit or loss Baht'000	Charged to other comprehensive income Baht'000	Cumulative currency differences on translation Baht'000	(Unaudited) 31 March 2015 Baht'000
Deferred income tax assets					
Tax losses carried forward	110,694	34,066	-	(5,739)	139,021
Unrealised gains (losses) on derivative financial instruments	17,705	(17,168)	-	2,364	2,901
Allowance for inventory cost in excess of net realisable value	24,069	(12,594)	-	(1,640)	9,835
Cumulative loss from asset revaluation	25,020	-	-	(484)	24,536
Provision for retirement benefit obligations	14,950	106	-	378	15,434
Others	36,845	(5,237)	-	(1,518)	30,090
	<u>229,283</u>	<u>(827)</u>	<u>-</u>	<u>(6,639)</u>	<u>221,817</u>
Deferred income tax liabilities					
Asset revaluation surplus	228,161	(2,530)	-	-	225,631
Fair value estimation of investment properties	1,108	-	-	-	1,108
Unrealised gains (losses) on derivative financial instruments	2,493	(1,373)	-	-	1,120
Adjustment of inventory from fair value to the lower of cost and net realisable value	20,505	(7,458)	-	28	13,075
Others	2,971	(70)	(79)	(6)	2,816
	<u>255,238</u>	<u>(11,431)</u>	<u>(79)</u>	<u>22</u>	<u>243,750</u>
Deferred income tax liabilities, net	<u>(25,955)</u>	<u>10,604</u>	<u>79</u>	<u>(6,661)</u>	<u>(21,933)</u>

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

13 Deferred income tax (Cont'd)

	Company			
	(Audited) 31 December 2014 Baht'000	Charged to profit or loss Baht'000	Charged to other comprehensive income Baht'000	(Unaudited) 31 March 2015 Baht'000
Deferred income tax assets				
Unrealised gains (losses) on derivative financial instruments	11,514	(2,966)	-	8,548
Allowance for inventory cost in excess of net realisable value	214	(147)	-	67
Cumulative loss from asset revaluation	7,885	(1)	-	7,884
Provision for retirement benefit obligations	3,949	49	-	3,998
Others	17	-	-	17
	<u>23,579</u>	<u>(3,065)</u>	<u>-</u>	<u>20,514</u>
Deferred income tax liabilities				
Asset revaluation surplus	55,159	(2,305)	-	52,854
Fair value estimation of investment properties	1,108	-	-	1,108
Unrealised gains (losses) on derivative financial instruments	2,493	(1,385)	-	1,108
Others	1,469	-	(83)	1,386
	<u>60,229</u>	<u>(3,690)</u>	<u>(83)</u>	<u>56,456</u>
Deferred income tax liabilities, net	<u>(36,650)</u>	<u>625</u>	<u>83</u>	<u>(35,942)</u>

14 Trade accounts payable and other payables

	Consolidated		Company	
	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Trade accounts payable - other companies	1,055,028	1,272,262	587,294	701,252
Trade accounts payable - related companies (Note 17.3)	477,730	218,285	301,646	278,576
Accrued expenses	587,147	743,523	352,594	413,540
Deferred income	183,317	246,678	53,615	72,839
Deposits and retentions received from customers	139,109	98,753	22,297	20,479
Total trade accounts payable and other payables	<u>2,442,331</u>	<u>2,579,501</u>	<u>1,317,446</u>	<u>1,486,686</u>

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

15 Borrowings

	Consolidated		Company	
	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Current				
Loans for packing credit	441,206	264,184	441,206	264,184
Short-term borrowings from financial institutions	9,036,756	8,796,812	4,405,390	3,997,300
Bills payable	478,566	347,414	-	-
Total short-term borrowings from financial institutions	9,956,528	9,408,410	4,846,596	4,261,484
Current portion of long-term borrowings from financial institutions	162,264	140,264	100,000	50,000
Current portion of debentures	300,000	-	300,000	-
Current portion of finance lease liabilities	29,846	30,046	3,251	3,585
Total current borrowings	10,448,638	9,578,720	5,249,847	4,315,069
Non-current				
Long-term borrowings from financial institutions	3,020,611	2,913,462	3,017,500	2,910,000
Debentures	1,150,000	1,450,000	1,150,000	1,450,000
Finance lease liabilities	25,696	33,311	3,224	3,980
Total non-current borrowings	4,196,307	4,396,773	4,170,724	4,363,980
Total borrowings	14,644,945	13,975,493	9,420,571	8,679,049

The movements in borrowings can be analysed as follows:

	Consolidated (Unaudited) Baht'000	Company (Unaudited) Baht'000
For the three-month period ended 31 March 2015		
Opening balance as at 1 January 2015	13,975,493	8,679,049
Changes in short-term borrowings from financial institutions	268,737	585,112
Additions of long-term borrowings from financial institutions and finance lease liabilities	157,500	157,500
Repayments of long-term borrowings from financial institutions and finance lease liabilities	(36,165)	(1,090)
Cumulative currency differences on translation	279,380	-
Closing balance as at 31 March 2015	14,644,945	9,420,571

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

15 Borrowings (Cont'd)

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

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

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

16 Income tax

The interim income tax was accrued based on management's estimate, using the tax rate that would be applicable to the expected total annual earnings. The estimated average effective tax rate for the interim consolidated financial information for the three-month period ended 31 March 2015 was 7.4% (the average effective tax rate for the year ended 31 December 2014 was 3.7%), and for the interim company financial information, it was 0.1% (the average effective tax rate for the year ended 31 December 2014 was 1.4%).

Sri Trang Agro-Industry Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

17 Related party transactions

The following transactions were carried out with related companies:

17.1 Revenues from sales and services and other income

For the three-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	31 March 2015 Baht'000	31 March 2014 Baht'000	31 March 2015 Baht'000	31 March 2014 Baht'000
Revenues from sales to:				
Subsidiaries	-	-	709,567	789,861
Associates	5,061	883,658	-	214,314
A joint venture	792,153	-	300,818	-
	<u>797,214</u>	<u>883,658</u>	<u>1,010,385</u>	<u>1,004,175</u>
Service income from:				
Subsidiaries	-	-	6,464	6,925
Associates	4,241	61,789	243	4,026
A joint venture	69,955	-	3,768	-
	<u>74,196</u>	<u>61,789</u>	<u>10,475</u>	<u>10,951</u>
Rental income:				
Subsidiaries	-	-	120	213
Associates	-	3,041	-	192
A joint venture	3,011	-	162	-
	<u>3,011</u>	<u>3,041</u>	<u>282</u>	<u>405</u>
Interest income:				
Subsidiaries	-	-	7,414	7,590
An associate	-	881	-	881
	<u>-</u>	<u>881</u>	<u>7,414</u>	<u>8,471</u>

17.2 Purchases of goods and services

For the three-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	31 March 2015 Baht'000	31 March 2014 Baht'000	31 March 2015 Baht'000	31 March 2014 Baht'000
Purchases of goods from:				
Subsidiaries	-	-	412,014	937,554
Associates	3	201,947	-	175,908
A joint venture	1,371,343	588,317	287,018	-
	<u>1,371,346</u>	<u>790,264</u>	<u>699,032</u>	<u>1,113,462</u>
Service expenses from:				
Subsidiaries	-	-	199,291	238,621
Associates	137	693	137	689
A joint venture	195	-	-	-
	<u>332</u>	<u>693</u>	<u>199,428</u>	<u>239,310</u>
Rental expense:				
Subsidiaries	-	-	307	307

17 Related party transactions (Cont'd)

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

	Consolidated		Company	
	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Trade accounts receivable: (Note 7)				
Subsidiaries	-	-	477,034	445,418
Associates	2,860	4,019	-	-
Joint ventures	108,598	96,248	43,980	13,726
	<u>111,458</u>	<u>100,267</u>	<u>521,014</u>	<u>459,144</u>
Amounts due from futures broker:				
An associate	<u>58,920</u>	<u>85,664</u>	<u>58,920</u>	<u>85,664</u>
Other receivables:				
Subsidiaries	-	-	27,124	15,917
Associates	634	895	60	629
Joint ventures	5,502	4,995	25	8
	<u>6,136</u>	<u>5,890</u>	<u>27,209</u>	<u>16,554</u>
Trade accounts payable: (Note 14)				
Subsidiaries	-	-	141,562	162,847
An associate	-	10	-	-
Joint ventures	477,730	218,275	160,084	115,729
	<u>477,730</u>	<u>218,285</u>	<u>301,646</u>	<u>278,576</u>
Other payables:				
Subsidiaries	-	-	32,545	23,559
An associate	444	470	-	-
Joint ventures	23,998	20,830	18	28
	<u>24,442</u>	<u>21,300</u>	<u>32,563</u>	<u>23,587</u>

17 Related party transactions (Cont'd)

17.4 Outstanding balances arising from long-term borrowings to subsidiaries

	Consolidated		Company	
	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000	(Unaudited) 31 March 2015 Baht'000	(Audited) 31 December 2014 Baht'000
Accrued interest income:				
Subsidiaries	-	-	3,940	12,078
	-	-	3,940	12,078
Long-term loans to:				
Subsidiaries	-	-	981,100	992,656
	-	-	981,100	992,656

Long-term loans to subsidiaries are as follows:

	Relationships	Company (Unaudited)		Interest rates %	Loan periods
		USD million	(Equivalent) Baht million		
PT Sri Trang Lingga Indonesia	A subsidiary	5	163	3.33	5 years
PT Sri Trang Lingga Indonesia	A subsidiary	10	327	2.66	3 years
PT Star Rubber	An indirect subsidiary	15	491	3.33	5 years

17.5 Key management compensation

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

For the three-month periods ended	Consolidated (Unaudited)		Company (Unaudited)	
	31 March 2015 Baht'000	31 March 2014 Baht'000	31 March 2015 Baht'000	31 March 2014 Baht'000
Salaries and other short-term employee benefits	43,626	56,072	14,273	18,157
Post-employment benefits	1,235	768	322	334
Total	44,861	56,840	14,595	18,491

18 Contingent liabilities and commitments

18.1 Sales and purchases commitments

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

	<u>Consolidated</u> <u>(Unaudited)</u> 31 March 2015 Baht'000	<u>Company</u> <u>(Unaudited)</u> 31 March 2015 Baht'000
Purchases from:		
A joint venture	160,726	-
Third parties	2,127,917	-
	<u>2,288,643</u>	<u>-</u>
Sales to:		
Associates	1,460,378	813,078
Third parties	19,055,259	11,813,257
	<u>20,515,637</u>	<u>12,626,335</u>

18.2 Capital commitments

The Group and the Company have capital commitments as follows:

	<u>Consolidated</u> <u>(Unaudited)</u> 31 March 2015 Baht'000	<u>Company</u> <u>(Unaudited)</u> 31 March 2015 Baht'000
Capital commitments	995,931	90,712

18 Contingent liabilities and commitments (Cont'd)

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

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

	Consolidated (Unaudited)			
	Relationships	Currencies	31 March 2015	
			Amount	(Equivalent) Baht Million
Sri Trang USA, Inc.	An overseas subsidiary	USD Million	38	1,232
PT Sri Trang Lingga Indonesia	An overseas subsidiary	USD Million Rupiah Billion	31 210	1,037 530
PT Star Rubber	An overseas subsidiary	USD Million	10	329
Sempermed USA, Inc.	An overseas associated company	USD Million	1	33

18.3.2 The Group has contingent liabilities for bank guarantees issued in favor of government agencies totaling Baht 69 million and has pledged its fixed deposits of Baht 14 million as collateral for these bank guarantees.

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

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

	Consolidated (Unaudited) 31 March 2015 Baht'000	Company (Unaudited) 31 March 2015 Baht'000
Not later than 1 year	98,833	28,797
Later than 1 year but not later than 5 years	121,509	30,632
Later than 5 years	915	-
Total	221,257	59,429

19 Significant legal proceedings

Commercial dispute relating to the Joint Venture Agreement

On 5 September 2014, Semperit Technische Produkte Gesellschaft m.b.H. (“Semperit”) filed requests for arbitration proceedings in Switzerland to the ICC International Court of Arbitration, alleging that (a) the Company; (b) Rubberland Products Co., Ltd. (“Rubberland”) (a subsidiary); and (c) other shareholders of Siam Sempermed Corp., Ltd. (“SSC”) (a joint venture company) had breached the Joint Venture Agreement and other related agreements. Semperit claimed initial damages of approximately EUR 35 million (equivalent to approximately Baht 1,243 million) and requested the arbitral tribunals to issue orders demanding that the Company and Rubberland (and other shareholders of SSC) undertake or refrain from undertaking certain acts with respect to SSC.

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

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

In addition to the requests for arbitration proceedings against the Company and Rubberland as the parties to the Joint Venture Agreement, Semperit filed another request for arbitration against SSC. Semperit alleged that SSC had breached the Joint Venture Agreement and other commercial agreements entered into between SSC and Semperit. Semperit claimed initial damages of approximately EUR 3 million (equivalent to approximately Baht 107 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 or the financial position of SSC and the Company.

The Company and SSC have already filed answers to the requests for arbitration. These disputes are pending consideration 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 disputes in the arbitral proceedings.

20 Events occurring after the reporting date

At the Annual General Meeting of Shareholders held on 29 April 2015, it was resolved that dividend will be paid to shareholders in respect of 2014 operating results at Baht 0.40 per share, totaling Baht 512 million. The dividend will be paid on 27 May 2015 to the shareholders.