

SRITHAI SUPERWARE PUBLIC COMPANY LIMITED

**CONSOLIDATED AND COMPANY
FINANCIAL STATEMENTS**

31 DECEMBER 2014



AUDITOR'S REPORT

To the Shareholders of Srithai Superware Public Company Limited

I have audited the accompanying consolidated and company financial statements of Srithai Superware Public Company Limited and its subsidiaries and of Srithai Superware 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 Srithai Superware Public Company Limited and its subsidiaries and of Srithai Superware Public Company Limited as at 31 December 2014, and its consolidated and company results of operations and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

A handwritten signature in blue ink, appearing to read "V. W. J.", written over a faint grid.

Vichien Khingmontri
Certified Public Accountant (Thailand) No. 3977
PricewaterhouseCoopers ABAS Ltd.

Bangkok
27 February 2015

Strithai Superware Public Company Limited
Statement of Financial Position
As at 31 December 2014

		Consolidated		Company	
		2014	2013	2014	2013
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	472,956,895	437,117,224	268,054,860	215,856,126
Short-term investments	8	5,837,202	7,858,770	-	-
Trade accounts receivable, net	9	1,992,362,351	1,855,457,482	1,752,883,533	1,674,540,952
Other receivables - third parties		107,652,551	52,943,475	32,841,858	30,912,289
Other receivables - related parties, net	34.2	976,238	6,699,179	21,684,345	11,256,998
Inventories, net	10	1,599,487,486	1,475,138,671	1,100,397,940	1,131,539,015
Other current assets		132,987,073	114,290,528	98,815,551	88,614,959
Total current assets		4,312,259,796	3,949,505,329	3,274,678,087	3,152,720,339
Non-current assets					
Investments in subsidiaries	11.1	-	-	1,013,632,825	761,800,125
Investments in associates, net	11.1	253,116,119	288,172,289	184,113,258	184,113,258
Investments in joint venture	11.1	14,298,886	14,313,342	4,999,800	4,999,800
Other long-term investments, net	12	200,016,354	206,616,354	134,169,970	140,769,970
Investment properties, net	13	128,433,029	134,779,114	493,548,769	499,214,447
Property, plant and equipment, net	14	5,373,054,475	5,295,733,845	3,945,958,229	4,176,798,801
Intangible assets, net	15	52,836,730	49,383,359	32,514,560	39,114,428
Deferred tax assets, net	16	97,704,542	94,162,249	66,529,910	68,417,644
Leasehold right, net	17	46,243,403	48,330,147	-	-
Other non-current assets		38,072,822	44,514,183	20,061,930	21,927,380
Total non-current assets		6,203,776,360	6,176,004,882	5,895,529,251	5,897,155,853
Total assets		10,516,036,156	10,125,510,211	9,170,207,338	9,049,876,192

Director Director

The notes to the consolidated and company financial statements on pages 9 to 68 form an integral part of these financial statements.

Strithai Superware Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2014

		Consolidated		Company	
		2014	2013	2014	2013
	Notes	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans	18	1,452,299,200	823,449,663	1,330,000,000	820,000,000
Long-term loans (maturing within one year)	19	619,919,200	563,878,278	472,245,600	435,091,938
Trade accounts payable - third parties		860,291,338	837,645,983	541,031,858	571,423,566
Trade accounts payable - related parties	34.2	108,129,087	112,561,983	168,462,000	122,262,729
Other payables - third parties	20	428,561,037	404,595,970	265,999,615	285,333,755
Other payables - related parties	34.2	787,194	2,474,859	5,872,686	3,502,743
Other current liabilities		41,566,271	36,132,749	25,736,320	25,790,381
Total current liabilities		3,511,553,327	2,780,739,485	2,809,348,079	2,263,405,112
Non-current liabilities					
Long-term loans	19	1,955,179,661	2,466,413,261	1,421,003,280	1,965,748,880
Finance lease liabilities		20,626,366	2,660,506	-	-
Employee benefit obligations	24	296,568,017	310,552,945	249,196,093	265,234,764
Total non-current liabilities		2,272,374,044	2,779,626,712	1,670,199,373	2,230,983,644
Total liabilities		5,783,927,371	5,560,366,197	4,479,547,452	4,494,388,756
Shareholders' equity					
Share capital	25				
Authorised share capital					
Ordinary shares 2,709,904,800 shares of par Baht 1 each					
(31 December 2013: Ordinary shares 270,990,480 shares of par Baht 10 each		<u>2,709,904,800</u>	<u>2,709,904,800</u>	<u>2,709,904,800</u>	<u>2,709,904,800</u>
Issued and paid-up share capital					
Ordinary shares 2,709,904,800 shares of par Baht 1 each					
(31 December 2013: Ordinary shares 270,990,480 shares of par Baht 10 each		2,709,904,800	2,709,904,800	2,709,904,800	2,709,904,800
Premium on treasury shares	25	19,928,420	19,928,420	19,928,420	19,928,420
Retained earnings					
Appropriated - legal reserve	26	203,000,000	182,000,000	203,000,000	182,000,000
Unappropriated		1,674,792,911	1,496,725,906	1,720,210,666	1,600,758,216
Other components of equity	27	(101,187,888)	(72,939,778)	37,616,000	42,896,000
Total parent's shareholders' equity		4,506,438,243	4,335,619,348	4,690,659,886	4,555,487,436
Non-controlling interests		225,670,542	229,524,666	-	-
Total shareholders' equity		4,732,108,785	4,565,144,014	4,690,659,886	4,555,487,436
Total liabilities and shareholders' equity		10,516,036,156	10,125,510,211	9,170,207,338	9,049,876,192

The notes to the consolidated and company financial statements on pages 9 to 68 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2014

	Notes	Consolidated		Company	
		2014	2013	2014	2013
		Baht	Baht	Baht	Baht
Sales and service income	28	9,750,926,710	9,397,421,494	7,279,370,843	7,169,075,744
Cost of sales and services	28, 34.4	(7,880,823,634)	(7,556,282,689)	(5,935,789,690)	(5,800,143,207)
Gross profit		1,870,103,076	1,841,138,805	1,343,581,153	1,368,932,537
Other income	34.3	110,739,826	106,906,527	324,716,803	225,394,522
Selling expenses	30, 34.4	(913,243,986)	(857,393,367)	(821,264,990)	(764,504,466)
Administrative expenses	30, 34.4	(423,461,555)	(390,387,696)	(288,337,276)	(278,764,718)
Finance costs	29	(167,747,321)	(167,000,062)	(125,427,565)	(123,607,480)
Share of profit of investments					
in associates and joint venture	11.2	63,165,436	50,099,483	-	-
Reversal (loss) on impairment of investment					
in subsidiary and associate, net	11.3 (c), (d)	-	(12,044,661)	-	32,335,135
Profit before income tax		539,555,476	571,319,029	433,268,125	459,785,530
Income tax	16.3	(52,076,669)	(52,365,234)	(21,825,495)	(36,023,042)
Profit for the year		487,478,807	518,953,795	411,442,630	423,762,488
Other comprehensive income:					
Exchange rate differences on					
translating financial statements		(22,789,614)	(48,657,389)	-	-
Gain (Loss) on remeasuring					
available-for-sale investments		(5,291,069)	2,045	(5,280,000)	-
Actuarial loss on defined employee					
benefit plans		-	(34,072,134)	-	(34,437,021)
Other comprehensive income (expense)					
for the year, net of tax		(28,080,683)	(82,727,478)	(5,280,000)	(34,437,021)
Total comprehensive income for the year		459,398,124	436,226,317	406,162,630	389,325,467
Profit attributable to:					
Owners of the parent		470,057,185	486,968,088	411,442,630	423,762,488
Non-controlling interests		17,421,622	31,985,707	-	-
Profit for the year		487,478,807	518,953,795	411,442,630	423,762,488
Total comprehensive income attributable to:					
Owners of the parent		441,809,075	404,766,739	406,162,630	389,325,467
Non-controlling interests		17,589,049	31,459,578	-	-
Total comprehensive income for the year		459,398,124	436,226,317	406,162,630	389,325,467
Earnings per share	31				
Basic earnings per share		0.17	0.18	0.15	0.16

The notes to the consolidated and company financial statements on pages 9 to 68 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Statement of Changes in Shareholders' Equity
For the year ended 31 December 2014

Consolidated (Baht)										
Attributable to owners of the parent										
Notes	Other components of equity									
	Other comprehensive income (expense)									
	Translation									
	Issued and paid-up share capital (Note 25)	Premium on treasury shares (Note 25)	Appropriated retained earnings - legal reserve (Note 26)	Unappropriated retained earnings	investments in overseas subsidiaries and associates	Available- for-sale investments	Total other components of equity (Note 27)	Total owners of the parent	Non-controlling interests	Total shareholders' equity
Opening balance as at 1 January 2014	2,709,904,800	19,928,420	182,000,000	1,496,725,906	(115,846,847)	42,907,069	(72,939,778)	4,335,619,348	229,524,666	4,565,144,014
Net profit for the year	-	-	-	470,057,185	-	-	-	470,057,185	17,421,622	487,478,807
Other comprehensive income (expense) for the year	-	-	-	-	(22,957,041)	(5,291,069)	(28,248,110)	(28,248,110)	167,427	(28,080,683)
Dividends	32	-	-	(270,990,180)	-	-	-	(270,990,180)	(21,443,173)	(292,433,353)
Legal reserve	-	-	21,000,000	(21,000,000)	-	-	-	-	-	-
Closing balance as at 31 December 2014	2,709,904,800	19,928,420	203,000,000	1,674,792,911	(138,803,888)	37,616,000	(101,187,888)	4,506,438,243	225,670,542	4,732,108,785
Opening balance as at 1 January 2013	2,709,904,800	19,928,420	160,000,000	1,363,905,290	(67,715,587)	42,905,024	(24,810,563)	4,228,927,947	228,978,410	4,457,906,357
Net profit for the year	-	-	-	486,968,088	-	-	-	486,968,088	31,985,707	518,953,795
Other comprehensive income (expense) for the year	-	-	-	(34,072,134)	(48,131,260)	2,045	(48,129,215)	(82,201,349)	(526,129)	(82,727,478)
Dividends	32	-	-	(298,075,338)	-	-	-	(298,075,338)	(17,601,980)	(315,677,318)
Legal reserve	-	-	22,000,000	(22,000,000)	-	-	-	-	-	-
Additional investment in a subsidiary	-	-	-	-	-	-	-	-	(13,311,342)	(13,311,342)
Closing balance as at 31 December 2013	2,709,904,800	19,928,420	182,000,000	1,496,725,906	(115,846,847)	42,907,069	(72,939,778)	4,335,619,348	229,524,666	4,565,144,014

The notes to the consolidated and company financial statements on pages 9 to 68 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Statement of Changes in Shareholders' Equity
For the year ended 31 December 2014

Company (Baht)							
Notes	Issued and paid-up share capital (Note 25)	Premium on treasury shares (Note 25)	Appropriated retained earnings - legal reserve (Note 26)	Unappropriated retained earnings	Other components of equity		Total shareholders' equity
					Other comprehensive income (expense)	Total other components of equity (Note 27)	
					Available- for-sale investments		
Opening balance as at 1 January 2014	2,709,904,800	19,928,420	182,000,000	1,600,758,216	42,896,000	42,896,000	4,555,487,436
Net profit for the year	-	-	-	411,442,630	-	-	411,442,630
Other comprehensive income (expense) for the year	-	-	-	-	(5,280,000)	(5,280,000)	(5,280,000)
Dividends	32	-	-	(270,990,180)	-	-	(270,990,180)
Legal reserve	-	-	21,000,000	(21,000,000)	-	-	-
Closing balance as at 31 December 2014	<u>2,709,904,800</u>	<u>19,928,420</u>	<u>203,000,000</u>	<u>1,720,210,666</u>	<u>37,616,000</u>	<u>37,616,000</u>	<u>4,690,659,886</u>
Opening balance as at 1 January 2013	2,709,904,800	19,928,420	160,000,000	1,531,508,087	42,896,000	42,896,000	4,464,237,307
Net profit for the year	-	-	-	423,762,488	-	-	423,762,488
Other comprehensive income (expense) for the year	-	-	-	(34,437,021)	-	-	(34,437,021)
Dividends	32	-	-	(298,075,338)	-	-	(298,075,338)
Legal reserve	-	-	22,000,000	(22,000,000)	-	-	-
Closing balance as at 31 December 2013	<u>2,709,904,800</u>	<u>19,928,420</u>	<u>182,000,000</u>	<u>1,600,758,216</u>	<u>42,896,000</u>	<u>42,896,000</u>	<u>4,555,487,436</u>

The notes to the consolidated and company financial statements on pages 9 to 68 form an integral part of these financial statements.

Srithai Superware Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2014

		Consolidated		Company	
		2014	2013	2014	2013
	Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities					
Cash generated from operations	33.1	980,491,887	957,727,289	802,881,756	510,503,644
Interest paid		(166,812,906)	(166,117,890)	(126,060,131)	(122,869,983)
Income tax paid		(82,848,998)	(80,549,623)	(35,490,738)	(44,689,118)
Net cash receipts from operating activities		730,829,983	711,059,776	641,330,887	342,944,543
Cash flows from investing activities					
Cash payment for short-term investments	8	(47,343,995)	(17,323,863)	-	-
Cash payment for investments in subsidiaries	11.1	-	-	(251,832,700)	(75,514,000)
Purchase of fixed assets	33.2	(781,609,484)	(996,714,246)	(379,574,190)	(786,893,707)
Purchase of intangible assets	33.2	(14,327,096)	(7,300,594)	(1,690,440)	(3,289,812)
Purchase of leasehold rights	17	-	(47,294,571)	-	-
Cash payment for short-term loan to a related party		-	-	-	(8,000,000)
Cash receipt from disposal of short-term investments	8	49,193,126	16,739,860	-	-
Proceeds from disposals of fixed assets and intangible assets		55,032,774	15,411,737	98,962,082	35,042,112
Cash receipt from repayment of short-term loan to a related party and interest income		-	-	-	8,264,719
Interest receipt		7,034,914	7,901,672	3,938,688	2,230,947
Dividend receipts from investments in subsidiaries, associates, and joint venture	33.2	104,103,198	32,869,500	197,460,025	85,267,520
Dividend receipts from other investments		12,186,500	15,179,904	12,186,500	15,179,904
Net cash payments for investing activities		(615,730,063)	(980,530,601)	(320,550,035)	(727,712,317)
Cash flows from financing activities					
Increase (decrease) in bank overdrafts and short-term loans	18	628,849,537	(20,789,795)	510,000,000	30,000,000
Receipt from long-term loans	19	184,800,000	1,196,728,000	-	1,100,000,000
Receipt from short-term loan from a related party		-	3,000,000	-	-
Proceeds from disposal of fixed assets under sales and leaseback agreement		27,767,239	-	-	-
Repayment of long-term loans	19	(642,781,478)	(579,337,827)	(507,591,938)	(463,470,227)
Repayment of finance lease liabilities		(3,414,194)	(2,867,444)	-	-
Repayment of short-term loan from a related party		-	(3,000,000)	-	-
Cash payment for investments in subsidiaries	11.3	-	(12,756,000)	-	-
Dividend payment	32	(270,990,180)	(298,075,338)	(270,990,180)	(298,075,338)
Dividends paid to non-controlling interests in subsidiaries		(3,491,173)	(17,601,980)	-	-
Net cash receipts (payments) from financing activities		(79,260,249)	265,299,616	(268,582,118)	368,454,435
Net increase (decrease) in cash and cash equivalents		35,839,671	(4,171,209)	52,198,734	(16,313,339)
Cash and cash equivalents, opening balance		437,117,224	441,288,433	215,856,126	232,169,465
Cash and cash equivalents, closing balance		7	472,956,895	437,117,224	268,054,860
Non cash transactions					
Conversion of loan to investment in a subsidiary	11.1	-	-	-	181,371,600
Purchase of property, plant and equipment under finance lease		27,767,239	3,078,579	-	

The notes to the consolidated and company financial statements on pages 9 to 68 form an integral part of these financial statements.

1 General information

Srithai Superware Public Company Limited (the Company) is a Public Limited Company and is incorporated and domiciled in Thailand. The address of its registered office is as follows:

15 Suksawat Rd. Soi 36 Bangpakok Rasburana Bangkok 10140, Thailand.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as the “Group”.

The Group’s main business operation is manufacturing and selling of plastics, comprising household products and industrial products, and the trading and moulds business line.

These consolidated and company financial statements have been approved by the Board of Directors on 27 February 2015.

2 Accounting policies

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

2.1 Basis for 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 (“TFRS”) issued under the Accounting Professions 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 information in conformity with Thai Generally Accepted Accounting Principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

An English version of the consolidated and company financial statements has 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.

2 Accounting policies (Cont'd)

2.2 New and revised accounting standards and financial reporting standards, and new and revised related interpretations of accounting standards and financial reporting standards

1) New financial reporting standards and revised financial reporting standards 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

Commencing on 1 January 2014, the Group has applied the aforementioned accounting standards. However, the application of those accounting standards has no significant impacts to the financial statements being presented, except the following accounting standard:

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. The Group's management choose to present the breakdown of other comprehensive income in the statement of changes in equity.

2 Accounting policies (Cont'd)

2.2 New and revised accounting standards and financial reporting standards, and new and revised related interpretations of accounting standards and financial reporting standards (Cont'd)

2) New financial reporting standards and revised financial reporting standards are effective on 1 January 2015. The Group has not early adopted these standards:

TAS 1 (revised 2014)	Presentation of financial statements
TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Cash flow statements
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 16 (revised 2014)	Property, plant and equipment
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 19 (revised 2014)	Employee benefits
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 27 (revised 2014)	Separate financial statements
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 29 (revised 2014)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2014)	Earnings per share
TAS 34 (revised 2014)	Interim financial reporting
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 payments
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
TFRS 10	Consolidated financial statements
TFRS 11	Joint arrangements
TFRS 12	Disclosure of interest in other entities
TFRS 13	Fair value measurement
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
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 14 (revised 2014)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
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	Stripping costs in the production phase of a surface mine

2 Accounting policies (Cont'd)

2.2 New and revised accounting standards and financial reporting standards, and new and revised related interpretations of accounting standards and financial reporting standards (Cont'd)

2) New financial reporting standards and revised financial reporting standards are effective on 1 January 2015. The Group has not early adopted these standards: (Cont'd)

The Group will apply the aforementioned accounting standards from 1 January 2015. The Group's management assessed and determined that there were no significant impacts to the financial statements being presented except the following accounting standard.

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

3) Revised financial reporting standard which is effective on 1 January 2016 is as follow:

TFRS4 (revised 2014)

Insurance contracts

The Group's management assessed that the standard is not relevant to the Group.

2.3 Group accounting - investments in subsidiaries and associates and interests in joint venture

2.3.1 Investments in 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 are considered when assessing whether the Group controls another entity. 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 at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are 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 assets 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.

Intercompany transactions, balances and unrealised gains or loss 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.

2 Accounting policies (Cont'd)

2.3 Group accounting - investments in subsidiaries and associates and interests in joint venture (Cont'd)

2.3.1 Investments in subsidiaries (Cont'd)

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 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.

A list of the Group's subsidiaries is set out in Note 11.

2.3.2 Investments in associates

Associates are 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 in the consolidated financial statements and using the cost method of accounting less allowance for impairment of investments in the company financial statements. The Group's investment in associates includes goodwill identified on acquisition net of accumulated impairment loss (Note 2.13 for the impairment of assets).

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 the Group's obligations or payments that are made on behalf of the associates, 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.

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, investments in associates are accounted for using the cost method.

A list of the Group's associates is set out in Note 11.

2.3.3 Interests in joint venture

The Group's interests in jointly controlled entity are accounted for by the equity method and cost method of accounting in the consolidated and company financial statements, respectively.

A list of the Group's joint venture is set out in Note 11.

2 Accounting policies (Cont'd)

2.4 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 the functional currency 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.

2.5 Cash and cash equivalents

In the consolidated and company statement of cash flows, cash and cash equivalents comprise cash on hand, cheque on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Deposits pledged at banks are not included in cash and cash equivalents balance.

2.6 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 accounts. The Group estimates the allowance for doubtful accounts based on a review of all outstanding amounts at the period end. The estimate encompasses consideration of past collection experiences and other factors such as changes in the composition and volume of the receivable, the relationship of the allowance for doubtful accounts to the receivable and local economic conditions. 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.

2 Accounting policies (Cont'd)

2.7 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost of inventories are determined on the standard cost basis which adjusted to actual cost calculated on a 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 process comprises direct materials, direct labour, other direct costs and manufacturing overheads (based on normal operating capacity). Manufacturing overheads include costs directly related to the units of production and those systematically allocated from variable and fixed production overheads, but exclude borrowing costs. Work-to-order is stated at actual cost.

The Group estimates net realisable value from the estimated selling price in the ordinary course of business, less the costs necessary for completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.8 Investments

Investments other than investments in subsidiaries, associates and joint venture are classified into the following three categories: 1. Held-to-maturity investments, 2. Available-for-sale investments, and 3. 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 purchase and re-evaluates such designation on a regular basis.

- (1) 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.
- (2) Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in 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.
- (3) 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 costs.

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

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. Unrealised gains and losses incurred when its fair value changed are credited/charged against gain (loss) on remeasuring available-for-sale investments in other comprehensive income.

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 profit or loss. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2 Accounting policies (Cont'd)

2.9 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.

The investment property of the Group comprises land and building held for long-term rental yields and land whose future use is currently undetermined.

Investment property is recorded at cost less accumulated depreciation and provision for impairment. Cost is measured at related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalized while acquisition as construction is actively underway and cease once the asset is substantially complete, or suspended if development of the asset is suspended.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20 years
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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 repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

2.10 Property, plant and equipment and depreciation

Property, plant and equipment is recorded at cost less accumulated depreciation. Cost is measured by the cash and cash equivalent price of obtaining the asset and bringing it to the location and condition necessary for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate assets, as appropriated, 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.

Depreciation

Property, plant and equipment, except for land which is considered to have an indefinite life, is presented at cost less accumulated depreciation.

Depreciation is calculated on the straight line basis to write off the cost or of each asset to its residual value over the estimated useful life as follows:

Buildings	20 years
Land improvement	5 years
Building improvement	5 years
Machinery and equipment	5 to 20 years
Furniture and office equipment	5 to 8 years
Motor vehicles	7 to 15 years

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

2 Accounting policies (Cont'd)

2.10 Property, plant and equipment and depreciation (Cont'd)

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with the carrying amount and are recognised as other gains/(losses), net in profit or loss.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised as part of cost of the asset during the period of time required to complete and prepare the property for its intended use.

2.11 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose, and identified according to operating segment.

2.12 Intangible assets

2.12.1 Operational computer software

Acquired computer software licences 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, not exceeding a period of 5 years.

2.12.2 Other intangible assets

Expenditure on acquired patents, copyright and licences is capitalised and amortised using the straight-line method over their useful lives, generally over 5 to 10 years. Intangible assets are not revalued.

2.13 Impairment of assets

Assets that have an indefinite useful life such as goodwill are not subject to amortisation and are tested annually for impairment. 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 assets 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 are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2 Accounting policies (Cont'd)

2.14 Deferred income taxes and income taxes

The tax expense for the period comprises current and deferred tax. 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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period 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 regulation is 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 from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period 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 investment in subsidiaries and associates, 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 tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Other non-current assets

Leasehold right

Leasehold right of lands and buildings is amortised using the straight-line method over the lease period of 48 to 99 years.

Deferred moulds

Deferred moulds represent cash paid in advance for customers' moulds which are used for the manufacture of engineering parts for each customer. The deferred moulds are recognised as expenses based on the actual quantity manufactured from customers' orders over the period of 3 to 6 years.

2 Accounting policies (Cont'd)

2.16 Leases

a) Where the Group is the lessee

Operating leases

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee 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.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Finance leases

Leases of assets where the Company assumes 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 or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance charge 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 and equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset or the lease term.

b) Where the Group is the lessor

Operating leases

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.17 Borrowings

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.

2.18 Employee benefits

The Group's employee benefits comprise of other long-term employee benefits and post-employment benefits both for defined contribution plans and defined benefit plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

2 Accounting policies (Cont'd)

2.18 Employee benefits (Cont'd)

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period and adjusted with unrecognised past-service costs. The defined benefit obligation is calculated using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for defined benefit plans are charged or credited to equity in other comprehensive income in the period in which they arise. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for other long-term employee benefits are recognised in profit or loss.

Past-service costs are recognised immediately in profit or loss, unless the changes to the benefit plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

Post-employment benefits

- Defined contribution plans

The Group has set up a provident fund, being a defined contribution plan, of which the assets are held in a separate trust fund. The provident fund is funded by payments from employees and by the Group. The Group's contributions to the provident fund are charged to profit or loss in the years to which they relate.

- Defined benefit plans

Under the Labour Law applicable in Thailand and the Group's employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement at age 60. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at rate of 300 days of final salary and may be supplemented based on management's judgement.

Other long-term employee benefits

The Group has schemes to award gold and money to employees who have provided services to the Group at every 5 years anniversary, for a maximum of 8 times.

2.19 Provisions

Provisions, 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, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

2.20 Treasury shares

Where the Company or its subsidiaries purchases the Company's equity share capital, the consideration paid including any attributable incremental external costs net of income taxes is deducted from total shareholders' equity as treasury shares until they are cancelled.

According to the Public Limited Companies Act. (No.2) B.E. 2544, Treasury Stock Rules, the Company that repurchase its shares has to dispose all of the repurchased shares within a specified period. If the Company does not dispose all treasury shares within the specified period, it has to reduce its paid-up share capital for offsetting with the treasury shares and the difference between the lower of the repurchase value and the par value should be recognised as premium on treasury shares.

2 Accounting policies (Cont'd)

2.21 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service in the ordinary course of the Group's activities. Revenue is shown net of rebates and discounts, and after eliminating sales within the Group for the consolidated financial statements. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer. Revenue from rendering services are recognised as revenue when work is completed and delivered to customers.

Other revenue are recognised on the following bases:

- Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreement.
- Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.
- Dividend income is recognised when the Group's right to receive payment is established.
- Income from selling scrap is recognised when the scrap is actually sold.

2.22 Dividends

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

2.23 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 President that makes strategic decisions.

Segment information is presented in respect of the Group's business segments which is based on the Group's management and internal reporting structure as per presented in Note 6.

3 Financial risk management

3.1 Financial risk factors

The principle financial risks faced by the Group are exchange rate risk, interest rate risk, and credit risk. To finance its investments and operations, the Group borrows money at both fixed and floating rates. The majority of the debts are in Baht currency, except for loans of a foreign subsidiary, which are in foreign currency (as described in Notes 18 and 19). Part of the revenues from sales and services, and imported machinery and equipment is denominated in foreign currencies. Credit risk arises when sales and services are made on a credit term basis.

Nevertheless, with the exception of entering into forward foreign exchange contracts for imported goods and machinery and exported goods, the Group does not make use of any derivative financial instruments in order to manage such risks because there is no material financial commitment in foreign currency. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

Management of credit, currency and interest rate exposures is the responsibility of the Financial Executive. Monthly management reports contain details of the cost and market value of all financial instruments, including forward foreign exchange contracts. An analysis of exposures against the limits established by the directors is also provided. These limits principally cover the maximum permitted exposure in respect of:

a) Exchange rate risk

Export of products and imports of raw materials, finished goods, machinery and equipment, and minor part of loans expose the Group to risk of foreign exchange fluctuation. In such case, the Group cannot forecast income and cost accurately. The Group has been signing forward contracts with banks to prevent risk of foreign exchange in observation of situation of foreign exchange market at that time. Entering into forward contracts enables the Group to know precisely its income and cost, and facilitate its mapping of appropriate business strategies. In addition, negotiation and quotation of goods prices denominated in other major currencies is diversification of foreign exchange risk and lessening of impact on dependence on any particular currency. This also includes netting off cash inflow and cash outflow in foreign currency using a Natural Hedge.

b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. All interest rate derivative transactions are subject to approval by directors before execution. The Group has no significant interest-bearing assets.

The Group borrows money for investments and business operation at both fixed and floating rates. However, the Group implemented risk counter-measures for managing interest rate risk by setting investment plans in advance so that the Group could have sufficient time to seek proper sources of credit lines with reasonable interest rates, by balancing the fixed interest rate and floating interest rate loans using a Natural Hedge, by considering borrowing money from sources with interest rate other than MLR, by using financial tool to mitigate and diversify risk on fluctuation of interest rates and ascertain finance cost for the Group, and by prepaying a principal amount as deemed appropriate in the case of excess liquidity, which is allowed with no additional charge and no breach of conditions in the loan agreement.

c) Credit risk

The majority of the Company's revenues are derived from manufacturing and selling of plastic products. The Company has set guidelines for customer credit evaluation. Management believes that credit risk arising from sales is insignificant. Concentrations of credit risk with respect to trade receivables are limited despite a few numbers of customers in some business segments. However, such a circumstance should not pose a significant threat to the business as most of these customers are well-known and financially healthy. Moreover, the Group's large numbers of customers are not only dispersed, but also cover the spectrum of manufacturing and distribution and have a variety of end markets in which they sell. The Group's historical experience in collection of accounts receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond the amounts provided for allowance for collection losses.

Furthermore, payment terms for most export customers are opening of letters of credit or partial or full payment before shipment in case of new customers or those whose financial standing is still in doubt.

d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available. Cash and deposits are placed with financial institutions with high credit rating.

3 Financial risk management (Cont'd)

3.2 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts. Such instruments are recognised in the financial statements on inception.

Foreign currency forward contracts mitigate the Group's risk from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the forward exchange contract. The gains and losses on the derivative instruments and the underlying financial asset or liability are therefore offset for financial reporting purposes.

3.3 Fair value estimation

The fair value of available-for-sale investments is based on quoted market prices at the statements of financial position date. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the statements of financial position date.

The face values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group by similar financial instruments.

Information on the fair values of borrowings is set out in Note 19.

4 Critical accounting estimates, assumption and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a) Impairment of investments in a subsidiary and associates

The investments in a subsidiary and associates are reported using the cost method in the Company financial statements. A provision for impairment was recognised as the cost of the investments in a subsidiary and associates exceeded the recoverable amount, which determines by the value in use. As to whether the impairment provision should be provided or reversed, the management made an assessment by considering from past performance, external factors that may affect the business operations, and produced and reviewed financial forecast and expected future cash inflow. The Group use Weighted Average Cost of Capital (WACC) of the company as discount rate in determining the current estimate of value in use.

b) Deferred tax

Deferred tax assets come from the estimation of some temporary difference effects which is probable to utilise tax benefit. Management's estimation comes from an assumption based on an available future income and any factors or external exposures which might affect the projected future performance. The Group also considered the utilisation of the past tax losses and assessed the estimation on a conservative basis.

4 Critical accounting estimates, assumption and judgements (Cont'd)

c) Employee benefit obligations

The present value of the employee 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 employee benefit include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit 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 employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government 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 employee benefit obligations.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 24.

5 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, acquire own shares or sell assets to reduce debt.

In order to obtain the promotional privileges from the Board of Investment, the Group has to maintain minimum capital investment as specified in each certificate.

6 Segment information

The Group's main businesses are manufacturing and selling of plastics, comprising household products and industrial products, and the trading and moulds business line. Intercompany sales were already eliminated. Profit (loss) from sales was determined by subtracting cost of sales and services, selling expenses, administrative expenses from net sales. Other income was unallocated. Fixed assets are allocated to each segment based on their utilisations.

	Consolidated				
	For the year ended 31 December 2014 (Baht'000)				
	Plastics business line				
	Household products		Industrial products		Trading and moulds business line
	Domestic Production	Overseas Production	Domestic Production	Overseas Production	
Sales and service income	2,180,948	89,832	5,922,573	1,351,954	708,950
Revenue from subsidiaries	(317,687)	(688)	(93,104)	(57,396)	(34,455)
Total sales and service income	1,863,261	89,144	5,829,469	1,294,558	674,495
Profit from sales by segment	169,925	8,899	231,690	98,892	23,992
Gain on foreign exchange rate, net					
Other income					
Finance costs					
Share of profit of investments in associates and joint venture					
Profit before income tax					
Income tax					
Profit for the year					
Fixed assets	687,561		4,474,040		173,954
Other unallocated fixed assets					
Other unallocated assets					
Consolidated total assets					

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6 Segment information (Cont'd)

	Consolidated				
	For the year ended 31 December 2013 (Baht'000)				
	Plastics business line				
	Household products	Industrial products	Trading and moulds business line	Total	
	Domestic Production	Overseas Production	Domestic Production	Overseas Production	
Sales and service income	2,316,181	67,513	5,740,474	1,074,054	9,886,633
Revenue from subsidiaries	(371,793)	(3,167)	(64,337)	(2,991)	(489,212)
Total sales and service income	1,944,388	64,346	5,676,137	1,071,063	9,397,421
Profit from sales by segment	184,731	3,336	285,450	71,100	593,358
Gain on foreign exchange rate, net					1,300
Other income					105,607
Finance costs					(167,000)
Share of profit of investments in associates and joint venture					50,099
Loss on impairment of investment in associate					(12,045)
Profit before income tax					571,319
Income tax					(52,365)
Profit for the year					518,954
Fixed assets	516,799		4,541,014	196,620	5,254,433
Other unallocated fixed assets					41,301
Other unallocated assets					4,829,776
Consolidated total assets					10,125,510

7 Cash and cash equivalents

Cash and cash equivalents as at 31 December comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Cash on hand	5,730,991	7,065,208	4,227,725	5,332,550
Cheque on hand	6,152,190	18,207,915	6,152,190	18,168,215
Deposits with banks				
- current accounts	116,034,040	75,112,625	3,328,331	3,632,191
- savings accounts	307,178,615	289,054,579	253,985,555	188,365,463
- fixed deposits	37,861,059	47,676,897	361,059	357,707
Total cash and cash equivalents	472,956,895	437,117,224	268,054,860	215,856,126

As at 31 December 2014, the average interest rate of saving deposits at banks is between 0.05% to 2.00% per annum (2013: 0.10% to 2.75% per annum).

As at 31 December 2014, fixed deposits at banks represent 1-month to 3-month fixed deposits carrying interest at the rate of 1.10% to 4.00% per annum (2013: 1.50% to 1.75% per annum).

8 Short-term investments

Short-term investments as at 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Fixed deposits pledged at bank	96,620	98,940	-	-
Fixed deposits	5,740,582	7,669,925	-	-
Local mutual fund units which are classified as available-for-sale investments	-	78,836	-	-
<u>Add</u> Fair value reserves	-	11,069	-	-
Total short-term investments	<u>5,837,202</u>	<u>7,858,770</u>	<u>-</u>	<u>-</u>

As at 31 December 2014, fixed deposits of a subsidiary amounting to Baht 0.10 million (2013: Baht 0.10 million) are pledged as collateral for tax guarantee.

As at 31 December 2014, fixed deposits of subsidiaries represent 3-month to 12-month fixed deposits at banks carrying interest at the rate of 3.00% to 8.00% per annum (2013: 1.75% to 8.75% per annum).

As at 31 December 2013, short-term investments of a subsidiary amounting to Baht 0.08 million represent local mutual fund units at bank classified as available-for-sale investments.

The movements of short-term investments for the years ended 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Opening book value	7,858,770	7,358,536	-	-
Increase in short-term investments	47,343,995	17,323,863	-	-
Disposals	(49,193,126)	(16,739,860)	-	-
Fair value changes of available-for-sale investments	-	2,045	-	-
Currency translation differences	(172,437)	(85,814)	-	-
Closing book value	<u>5,837,202</u>	<u>7,858,770</u>	<u>-</u>	<u>-</u>

9 Trade accounts receivable, net

Trade accounts receivable as at 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Trade accounts receivable - third parties	1,663,518,727	1,528,902,928	1,351,324,630	1,294,067,519
<u>Less</u> Allowance for doubtful accounts	<u>(8,691,732)</u>	<u>(4,829,402)</u>	<u>(5,042,186)</u>	<u>(4,215,679)</u>
Trade accounts receivable - third parties, net	1,654,826,995	1,524,073,526	1,346,282,444	1,289,851,840
Trade accounts receivable - related parties (Note 34.2)	337,535,356	331,383,956	406,601,089	384,689,112
Total trade accounts receivable, net	<u>1,992,362,351</u>	<u>1,855,457,482</u>	<u>1,752,883,533</u>	<u>1,674,540,952</u>

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9 Trade accounts receivable, net (Cont'd)

Trade accounts receivable can be aged as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Not yet due	1,432,992,889	1,310,423,471	1,133,618,764	1,104,163,978
Overdue not exceeding 3 months	452,111,609	430,916,641	460,345,599	417,828,682
Overdue 3 to 6 months	50,156,840	71,793,209	62,589,220	84,726,227
Overdue 6 to 12 months	48,008,920	38,988,351	66,322,266	42,676,892
Overdue 12 months	17,783,825	8,165,212	35,049,870	29,360,852
Total	2,001,054,083	1,860,286,884	1,757,925,719	1,678,756,631
<u>Less</u> Allowance for doubtful accounts	(8,691,732)	(4,829,402)	(5,042,186)	(4,215,679)
Total trade accounts receivable, net	1,992,362,351	1,855,457,482	1,752,883,533	1,674,540,952

10 Inventories, net

Inventories as at 31 December comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Finished goods	815,269,465	808,919,425	674,642,970	688,173,728
Work in process	179,843,589	175,651,314	81,402,214	89,654,986
Raw materials	363,160,953	349,485,818	259,205,080	262,850,518
Supplies	91,174,023	89,713,148	81,790,752	81,103,683
Moulds for sales	115,798,662	22,661,272	11,882,553	18,888,929
	1,565,246,692	1,446,430,977	1,108,923,569	1,140,671,844
<u>Less</u> Allowance for obsolescence	(15,109,598)	(11,956,327)	(12,000,000)	(9,000,000)
Allowance for inventories cost in excess of net realisable value	(2,256,224)	(2,287,327)	(1,000,000)	(1,000,000)
	1,547,880,870	1,432,187,323	1,095,923,569	1,130,671,844
Goods in transit	51,606,616	42,951,348	4,474,371	867,171
Total inventories, net	1,599,487,486	1,475,138,671	1,100,397,940	1,131,539,015

Allowance for obsolescence and allowance for inventories cost in excess of net realisable value as at 31 December comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Allowance for obsolescence				
Finished goods	8,378,598	5,180,455	7,800,000	4,800,000
Work in process	672,100	672,100	200,000	200,000
Raw materials	3,346,598	2,991,470	1,900,000	1,500,000
Supplies	2,712,302	3,112,302	2,100,000	2,500,000
Total allowance for obsolescence	15,109,598	11,956,327	12,000,000	9,000,000
Allowance for inventories cost in excess of net realisable value				
Finished goods	2,230,000	2,230,000	1,000,000	1,000,000
Work in process	26,224	57,327	-	-
Total allowance for inventories cost in excess of net realisable value	2,256,224	2,287,327	1,000,000	1,000,000
Total allowance for obsolescence and allowance for inventories cost in excess of net realisable value	17,365,822	14,243,654	13,000,000	10,000,000

10 Inventories, net (Cont'd)

The cost of inventories recognised as expense and included in “cost of sales” amounted to Baht 7,843.55 million and Baht 5,935.79 million (2013: Baht 7,528.60 million and Baht 5,800.14 million) in the consolidated and company statement of comprehensive income, respectively.

The Group had recorded allowance for obsolescence and allowance for inventories cost in excess of net realisable value amounted to Baht 3.12 million and Baht 3.00 million (2013: reversal of allowance for inventory of Baht 3.09 million and Baht 2.00 million) in the consolidated and company statement of comprehensive income, respectively.

11 Investments in subsidiaries, associates and joint venture

- 11.1 The movements in book value of investments in subsidiaries, associates and joint venture for the years ended 31 December comprise the following:

Subsidiaries

	Company Cost method	
	2014 Baht	2013 Baht
Opening net book amount	761,800,125	456,714,525
Investment in subsidiaries - cash payment (Note 11.3 (a))	251,832,700	75,514,000
Investment in a subsidiary - conversion of loan to investment (Note 11.3 (a))	-	181,371,600
Reversal of loss on impairment of investment in a subsidiary (Note 11.3 (d))	-	48,200,000
Closing net book amount	<u>1,013,632,825</u>	<u>761,800,125</u>

Associates

	Consolidated Equity method		Company Cost method	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Opening net book amount	288,172,289	293,691,731	184,113,258	199,978,123
Share of profit of investments in associates	62,179,932	47,192,380	-	-
Dividend income	(97,891,511)	(38,192,103)	-	-
Impairment in investment in an associate (Note 11.3 (c))	-	(12,044,661)	-	(15,864,865)
Currency translation differences	655,409	(2,475,058)	-	-
Closing net book amount	<u>253,116,119</u>	<u>288,172,289</u>	<u>184,113,258</u>	<u>184,113,258</u>

Joint venture

	Consolidated Equity method		Company Cost method	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Opening net book amount	14,313,342	11,406,239	4,999,800	4,999,800
Share of profit of investment in joint venture	985,504	2,907,103	-	-
Dividend income	(999,960)	-	-	-
Closing net book amount	<u>14,298,886</u>	<u>14,313,342</u>	<u>4,999,800</u>	<u>4,999,800</u>

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11 Investments in subsidiaries, associates and joint venture (Cont'd)

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

For the year ended 31 December 2014						
	Country of incorporation	Assets Baht	Liabilities Baht	Revenues Baht	Profit (Loss) Baht	Percentage of share holding
<u>Associates</u>						
<u>Local</u>						
Srithai Sanko Co., Ltd. ⁽¹⁾	Thailand	107,845,705	77,523,265	213,241,906	16,612,602	48.0
Thai MFC Co., Ltd.	Thailand	199,297,435	46,506,815	372,111,845	39,332,897	45.0
Sheewamala Co., Ltd.	Thailand	31,576,873	5,761,727	32,420,185	4,211,006	40.0
Srithai Packaging Co., Ltd.	Thailand	81,168,433	44,818,269	60,784,500	(2,156,703)	39.2
		419,888,446	174,610,076	678,558,436	57,999,802	
<u>Foreign</u>						
PT. Srithai Maspion Indonesia	Indonesia	22,178,210	7,812,002	45,140,411	4,180,130	32.5
		22,178,210	7,812,002	45,140,411	4,180,130	
Total associates		442,066,656	182,422,078	723,698,847	62,179,932	
<u>Joint venture</u>						
<u>Local</u>						
Srithai-Otto (Thailand) Co., Ltd.	Thailand	18,429,091	4,129,717	27,330,146	985,504	50.0
Total joint venture		18,429,091	4,129,717	27,330,146	985,504	
Total associates and joint venture		460,495,747	186,551,795	751,028,993	63,165,436	

(1) Include share portion of Sanko Srithai (Malaysia) SDN. BHD. which is a subsidiary of Srithai Sanko Co., Ltd. having 100% of shareholding

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11 Investments in subsidiaries, associates and joint venture (Cont'd)

11.2 The Group's share of the results of associates and joint venture, all of which are unlisted, and its share of the assets including goodwill and liabilities are as follows: (Cont'd)

For the year ended 31 December 2013						
	Country of incorporation	Assets Baht	Liabilities Baht	Revenues Baht	Profit (Loss) Baht	Percentage of share holding
<u>Associates</u>						
<u>Local</u>						
Srithai Sanko Co., Ltd.	Thailand	104,559,366	78,170,304	198,214,840	16,755,849	48.0
Thai MFC Co., Ltd.	Thailand	234,542,419	40,073,831	319,079,932	29,957,813	45.0
Sheewamala Co., Ltd.	Thailand	30,258,688	4,664,148	33,650,453	4,055,283	40.0
Srithai Packaging Co., Ltd.	Thailand	75,238,322	36,846,356	38,987,955	(3,531,131)	39.2
		444,598,795	159,754,639	589,933,180	47,237,814	
<u>Foreign</u>						
Beijing Huatai Replica of Porcelain Products Co., Ltd.	China	47,370,196	39,784,623	4,378,990	(4,304,304)	40.0
PT. Srithai Maspion Indonesia	Indonesia	23,681,066	6,016,454	40,381,276	4,258,870	32.5
		71,051,262	45,801,077	44,760,266	(45,434)	
Total associates		515,650,057	205,555,716	634,693,446	47,192,380	
<u>Joint venture</u>						
<u>Local</u>						
Srithai-Otto (Thailand) Co., Ltd.	Thailand	18,966,071	4,533,339	30,113,958	2,907,103	50.0
Total joint venture		18,966,071	4,533,339	30,113,958	2,907,103	
Total associates and joint venture		534,616,128	210,089,055	664,807,404	50,099,483	

11 Investments in subsidiaries, associates and joint venture (Cont'd)

11.3 Significant events

a) Investment in subsidiaries

Srithai (Vietnam) Company Limited

On 3 January 2013, the Company additionally paid an increased share capital in the subsidiary by converting short-term loan to share capital amounting to US Dollars 6.00 million or equivalent to Baht 181.37 million. The payment is for an increase in share capital that the subsidiary registered in 2012.

On 10 November 2014, the Company paid for the additional share capital in Srithai (Vietnam) Company Limited, a subsidiary, amounting to US dollars 3.00 million or equivalent to Baht 98.34 million according to a 100.00% shareholding. The payment is for an increase in share capital that the subsidiary registered in 2012.

Srithai Superware Manufacturing Private Limited

On 3 May 2013, the Company registered a new subsidiary, Srithai Superware Manufacturing Private Limited, in India with a registered share capital of Indian Rupees 120.00 million according to the resolution of the Board of Directors of the subsidiary. The subsidiary is engaged in the manufacture and distribution of melamine products. The Company holds 100.00% shareholding in the subsidiary. The Company partially paid for the share capital and premium on share capital of Indian Rupees 88.10 million and Indian Rupees 22.00 million, respectively, or totalling equivalent to Baht 62.76 million.

During the year 2014, Srithai Superware Manufacturing Private Limited, a subsidiary, has registered to increase its capital from Indian Rupees 120.00 million to Indian Rupees 400.00 million according to the resolution of the Board of Directors of the subsidiary. The Company paid for the additional share capital and premium on share capital of the subsidiary amounting to Indian Rupees 231.90 million and Indian Rupees 57.98 million, respectively, or totalling equivalent to Baht 153.49 million according to its 100.00% shareholding.

Newly established indirect subsidiary - Srithai (Hanoi) Company Limited

On 10 December 2014, Srithai (Vietnam) Company Limited, a wholly owned subsidiary, registered Srithai (Hanoi) Company Limited in the Socialist Republic of Vietnam. Srithai (Hanoi) Company Limited will engage in the manufacture and distribution of food and beverage packaging products, and plastic industrial products with a registered share capital of Vietnamese Dong 424,920 million. The subsidiary holds 100.00% shareholding in Srithai (Hanoi) Company Limited and partially paid for the share capital of Vietnamese Dong 42,000 million. Srithai (Hanoi) Company Limited is a subsidiary of Srithai (Vietnam) Company Limited and indirect subsidiary of the Company.

Srithai Nanoplast Company Limited

On 14 May 2013, the Board of Directors of the Company passed a resolution to acquire shares of Srithai Nanoplast Company Limited, a subsidiary. The Company acquired by purchasing shares from former shareholders at the net asset value of the subsidiary as at 31 March 2013 being Baht 10.63 per share, totalling Baht 12.76 million. After the acquisition, the Company's holding in the subsidiary has increased from 70.00% to 100.00%.

SuperIdea Company Limited (Formerly named "PET Siam Company Limited")

On 7 June 2013, the Extraordinary Shareholders' meeting of PET Siam Company Limited approved the change of the company's name to SuperIdea Company Limited. The change was registered with the Ministry of Commerce on 19 June 2013.

11 Investments in subsidiaries, associates and joint venture (Cont'd)

11.3 Significant events (Cont'd)

b) Newly established indirect associate

Sanko Srithai (Malaysia) SDN. BHD.

On 14 March 2014, Srithai Sanko Company Limited, an associate, registered Sanko Srithai (Malaysia) SDN. BHD. in Malaysia engaging in distribution of plastics products with a registered share capital of Malaysian Ringgit 500,000.00. The associate holds 100.00% shareholding. According to this investment, the Company has indirect interest of 48.00% in Sanko Srithai (Malaysia) SDN. BHD. The associate had paid up share capital of Sanko Srithai (Malaysia) SDN. BHD. in full.

c) Associate's dissolution and liquidation

Beijing Huatai Replica of Porcelain Products Co., Ltd.

In the 2nd quarter of 2013, the Company's management had considered and determined to set up additional provision for impairment of investment in an associate, Beijing Huatai Replica of Porcelain Products Company Limited, of Baht 12.04 million and Baht 15.87 million which equals to the net book value of investment in the associate in the consolidated and company financial statements, respectively. The management made its determination based on the associate declining performance and increasing in cumulative deficits. Furthermore the associate had already shutdown its business operation. At the Board of Directors' Meeting of an associate on 25 May 2013, a resolution was passed to process the company's liquidation according to the law. The provision is presented under loss on impairment of investment in associate in the statement of comprehensive income.

On 4 December 2014, the associate's liquidation was confirmed of completion by the government of the People's Republic of China. The Company has not received any return from the associate's liquidation. As at 31 December 2014, the Company had written-off investment in the associate which impairment was already reserved in full.

d) Impairment of investments in a subsidiary

Srithai (Vietnam) Company Limited

In the 2nd quarter of 2013, the Company's management had considered and determined to reverse the provision for impairment of investment in a subsidiary, Srithai (Vietnam) Company Limited, recorded in the Company's financial statements at Baht 48.20 million. The reversed amount is presented under reversal on impairment of investment in subsidiary in the statement of comprehensive income.

The management determined that the forecast of performance and its expectations of market development and adjustment of the business's direction would result in betterment of the financial position and business's operation of the subsidiary. Furthermore, the cash flow projection has been prepared based on the most recent financial budgets approved by management and discounted over the business license period of the subsidiary by the Company's weighted average cost of capital at 14.06%.

11 Investments in subsidiaries, associates and joint venture (Cont'd)

11.3 Significant events (Cont'd)

e) Dividend payment of subsidiaries

Srithai Moulds Company Limited

At the Annual General Shareholders' Meeting of Srithai Moulds Company Limited on 31 March 2014, the meeting has approved a dividend in respect of the subsidiary's net profit for the year 2013 at Baht 5.00 per share, totalling Baht 5.00 million. The Company received a dividend of Baht 3.55 million according to its 71.00% shareholding.

Korat Thai Tech Company Limited

At the Annual General Shareholders' Meeting of Korat Thai Tech Company Limited on 4 April 2014, the meeting has approved a dividend in respect of the subsidiary's net profit for the year 2013 of Baht 23.00 per share, totalling Baht 69.00 million. The Company received a dividend of Baht 69.00 million according to its 100.00% shareholding.

Srithai Miyagawa Company Limited

At the Annual General Shareholders' Meeting of Srithai Miyagawa Company Limited on 24 April 2014, the meeting has approved a dividend in respect of the subsidiary's net profit for the year 2013 at Baht 34.00 per share, totalling Baht 40.80 million. The Company received a dividend of Baht 20.81 million according to its 51.00% shareholding.

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11 Investments in subsidiaries, associates and joint venture (Cont'd)

11.4 Subsidiaries, associates and joint venture as at 31 December comprise the following:

	Nature of business	Country of incorporation	Nature of relationship	Paid up capital	Percentage of shareholding		Company (Unit : Baht) Cost method	
					31 December 2014	31 December 2013	31 December 2014	31 December 2013
<u>Subsidiaries</u>								
<u>Local</u>								
Korat Thai Tech Co., Ltd.	Manufacture of melamine	Thailand	Shareholder	30,000,000	100.0	100.0	29,999,970	29,999,970
P.E.T. Blow Co., Ltd.	Manufacture of plastic	Thailand	Shareholder	20,000,000	100.0	100.0	19,999,970	19,999,970
SuperIdea Co., Ltd.	Manufacture of plastic	Thailand	Shareholder	6,250,000	100.0	100.0	6,249,993	6,249,993
Srithai Nanoplast Co., Ltd.	Manufacture of plastic	Thailand	Shareholder	40,000,000	100.0	100.0	40,755,980	40,755,980
Srithai Moulds Co., Ltd.	Manufacture of moulds and plastic	Thailand	Shareholder	100,000,000	71.0	71.0	82,000,000	82,000,000
Srithai Miyagawa Co., Ltd.	Manufacture of moulds and plastic	Thailand	Shareholder	120,000,000	51.0	51.0	61,200,000	61,200,000
							240,205,913	240,205,913
<u>Foreign</u>								
Srithai (Vietnam) Co., Ltd	Manufacture of plastic and melamine	Vietnam	Shareholder	341,702 Million Vietnamese Dong	100.0	100.0	532,085,712	433,745,712
Srithai Superware Manufacturing Pvt. Ltd.	Manufacture of melamine	India	Shareholder	320.00 Million Indian Rupees	100.0	100.0	216,250,700	62,758,000
Srithai Superware India Ltd.	Trading of melamine	India	Shareholder	42.50 Million Indian Rupees	82.4	82.4	25,090,500	25,090,500
							773,426,912	521,594,212
Total investments in subsidiaries							1,013,632,825	761,800,125
<u>At Cost (Unit : Million Vietnamese Dong)</u>								
							31 December 2014	31 December 2013
<u>Indirect Subsidiary</u>								
<u>Subsidiary of Srithai (Vietnam) Co., Ltd.</u>								
Srithai (Hanoi) Co., Ltd.	Manufacture of plastic	Vietnam	Indirect Shareholder	42,000 Million Vietnamese Dong	100.0	-	42,000 (equivalent to 63 Million Baht)	-

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11 Investments in subsidiaries, associates and joint venture (Cont'd)

11.4 Subsidiaries, associates and joint venture as at 31 December comprise the following: (Cont'd)

					Percentage of shareholding		Consolidated (Unit : Baht)		Company (Unit : Baht)					
					31 December 2014	31 December 2013	Equity method		Cost method 31 December 2014			Cost method 31 December 2013		
	Nature of business	Country of incorporation	Nature of relationship	Paid up capital	31 December 2014	31 December 2013	31 December 2014	31 December 2013	Cost	Allowance for impairment	Net book value	Cost	Allowance for impairment	Net book value
Associates														
Local														
	Trading of plastic	Thailand	Shareholder	20,000,000	48.0	48.0	26,642,040 ⁽¹⁾	20,108,808	9,599,400	-	9,599,400	9,599,400	-	9,599,400
	Manufacture of melamine powder	Thailand	Shareholder	200,000,000	45.0	45.0	152,153,711	193,820,814	90,000,000	-	90,000,000	90,000,000	-	90,000,000
	Manufacture of ceramics	Thailand	Shareholder	125,000,000	42.0	42.0	-	-	52,500,000	(52,500,000)	-	52,500,000	(52,500,000)	-
	Manufacture of plastic and melamine	Thailand	Shareholder	49,800,000	40.0	40.0	22,868,793	22,658,587	19,920,000	-	19,920,000	19,920,000	-	19,920,000
	Manufacture of packaging	Thailand	Shareholder	60,000,000	39.2	39.2	37,085,367	39,242,071	27,156,000	-	27,156,000	27,156,000	-	27,156,000
	Manufacture of plastic	Thailand	Shareholder	250,000,000	24.0	24.0	-	-	48,384,880	(48,384,880)	-	48,384,880	(48,384,880)	-
							238,749,911	275,830,280	247,560,280	(100,884,880)	146,675,400	247,560,280	(100,884,880)	146,675,400
Foreign														
	Manufacture of melamine	China	Shareholder	10.6 Million Yuan	40.0	40.0	-	-	-	-	-	25,864,865	(25,864,865)	-
	Manufacture of melamine	Indonesia	Shareholder	10,394.1 Million Rupiah	32.5	32.5	14,366,207	12,342,009	37,437,858	-	37,437,858	37,437,858	-	37,437,858
							14,366,207	12,342,009	37,437,858	-	37,437,858	63,302,723	(25,864,865)	37,437,858
Total investments in associates							253,116,118	288,172,289	284,998,138	(100,884,880)	184,113,258	310,863,003	(126,749,745)	184,113,258
Joint venture														
Local														
	Trading of plastic	Thailand	Shareholder	10,000,000	50.0	50.0	14,298,886	14,313,342	4,999,800	-	4,999,800	4,999,800	-	4,999,800
Total investments in joint venture							14,298,886	14,313,342	4,999,800	-	4,999,800	4,999,800	-	4,999,800
Total investments in associates and joint venture							267,415,004	302,485,631	289,997,938	(100,884,880)	189,113,058	315,862,803	(126,749,745)	189,113,058

(1) Investment as equity method includes share of profit from Sanko Srithai (Malaysia) SDN. BHD. which is a subsidiary of Srithai Sanko Co., Ltd. having 100% shareholding

(2) Associates were dissolved and have been under the process of liquidation. As at 31 December 2014, the Group has not recognised share of accumulated losses in associates which exceed the Group's interest totaling of Baht 7.37 million (2013 : Baht 7.37 million)

(3) The associate has completed its liquidation in 2014

12 Other long-term investments, net

12.1 Other long-term investments as at 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
<u>Listed company</u> (Available-for-sale investments)				
Union Plastic Public Company Limited	39,980,000	39,980,000	39,980,000	39,980,000
<u>Add</u> Fair value reserves on available-for-sale investments	47,020,000	53,620,000	47,020,000	53,620,000
	<u>87,000,000</u>	<u>93,600,000</u>	<u>87,000,000</u>	<u>93,600,000</u>
<u>Non-listed companies</u>				
LN Srithai Comm Co., Ltd.	73,546,384	73,546,384	15,200,000	15,200,000
Nissen Chemitec (Thailand) Co., Ltd.	17,000,000	17,000,000	17,000,000	17,000,000
D M S Tech Co., Ltd.	11,000,000	11,000,000	-	-
Lock&Lock (Thailand) Co., Ltd.	5,169,970	5,169,970	8,669,970	8,669,970
Others (less than 5% holding)	9,300,000	9,300,000	9,300,000	9,300,000
	<u>116,016,354</u>	<u>116,016,354</u>	<u>50,169,970</u>	<u>50,169,970</u>
<u>Less</u> Allowance for impairment loss of investments	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
	<u>113,016,354</u>	<u>113,016,354</u>	<u>47,169,970</u>	<u>47,169,970</u>
 Total other long-term investments, net	 <u>200,016,354</u>	 <u>206,616,354</u>	 <u>134,169,970</u>	 <u>140,769,970</u>

12.2 The movements in book value of other long-term investments for the years ended 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Opening net book amount	206,616,354	206,616,354	140,769,970	140,769,970
Fair value reserves on available-for-sale investments increase (decrease) during the year	(6,600,000)	-	(6,600,000)	-
Closing net book amount	<u>200,016,354</u>	<u>206,616,354</u>	<u>134,169,970</u>	<u>140,769,970</u>

13 Investment property, net

The movements of investment property for the year ended 31 December comprise the following:

	Consolidated		
	Land Baht	Land and building Baht	Total Baht
As at 1 January 2013			
Cost	27,250,000	177,928,490	205,178,490
<u>Less</u> Accumulated depreciation	-	(64,053,292)	(64,053,292)
Net book value	<u>27,250,000</u>	<u>113,875,198</u>	<u>141,125,198</u>
For the year ended 31 December 2013			
Opening net book value	27,250,000	113,875,198	141,125,198
Depreciation charge (Note 30)	-	(6,346,084)	(6,346,084)
Closing net book value	<u>27,250,000</u>	<u>107,529,114</u>	<u>134,779,114</u>
As at 31 December 2013			
Cost	27,250,000	177,928,490	205,178,490
<u>Less</u> Accumulated depreciation	-	(70,399,376)	(70,399,376)
Net book value	<u>27,250,000</u>	<u>107,529,114</u>	<u>134,779,114</u>
For the year ended 31 December 2014			
Opening net book value	27,250,000	107,529,114	134,779,114
Depreciation charge (Note 30)	-	(6,346,085)	(6,346,085)
Closing net book value	<u>27,250,000</u>	<u>101,183,029</u>	<u>128,433,029</u>
As at 31 December 2014			
Cost	27,250,000	177,928,490	205,178,490
<u>Less</u> Accumulated depreciation	-	(76,745,461)	(76,745,461)
Net book value	<u>27,250,000</u>	<u>101,183,029</u>	<u>128,433,029</u>
Fair value as at 31 December 2013	363,180,000	500,063,250	863,243,250
Fair value as at 31 December 2014	434,910,000	649,574,306	1,084,484,306

13 Investment property, net (Cont'd)

The movements of investment property for the year ended 31 December comprise the following: (Cont'd)

	Company		
	Land Baht	Land and building Baht	Total Baht
As at 1 January 2013			
Cost	201,543,000	359,529,898	561,072,898
<u>Less</u> Accumulated depreciation	-	(56,192,772)	(56,192,772)
Net book value	<u>201,543,000</u>	<u>303,337,126</u>	<u>504,880,126</u>
For the year ended 31 December 2013			
Opening net book value	201,543,000	303,337,126	504,880,126
Depreciation charge (Note 30)	-	(5,665,679)	(5,665,679)
Closing net book value	<u>201,543,000</u>	<u>297,671,447</u>	<u>499,214,447</u>
As at 31 December 2013			
Cost	201,543,000	359,529,898	561,072,898
<u>Less</u> Accumulated depreciation	-	(61,858,451)	(61,858,451)
Net book value	<u>201,543,000</u>	<u>297,671,447</u>	<u>499,214,447</u>
For the year ended 31 December 2014			
Opening net book value	201,543,000	297,671,447	499,214,447
Depreciation charge (Note 30)	-	(5,665,678)	(5,665,678)
Closing net book value	<u>201,543,000</u>	<u>292,005,769</u>	<u>493,548,769</u>
As at 31 December 2014			
Cost	201,543,000	359,529,898	561,072,898
<u>Less</u> Accumulated depreciation	-	(67,524,129)	(67,524,129)
Net book value	<u>201,543,000</u>	<u>292,005,769</u>	<u>493,548,769</u>
Fair value as at 31 December 2013	363,180,000	486,520,000	849,700,000
Fair value as at 31 December 2014	434,910,000	632,461,500	1,067,371,500

The fair value of the Group's investment property is determined by independent professionally qualified valuers who hold a recognised relevant professional qualification and have experience in the locations and categories of the investment properties valued.

Amounts recognised in profit and loss that are related to investment property are as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Rental income	5,214,599	6,846,159	4,794,543	6,377,150

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14 Property, plant and equipment, net

The movements of property, plant and equipment for the years ended 31 December comprise the following:

	Consolidated							
	Land and buildings Baht	Land improvement Baht	Building improvement Baht	Machinery and equipment Baht	Furniture and office equipment Baht	Motor vehicles Baht	Work under installation Baht	Total Baht
As at 1 January 2013								
Cost	1,200,217,368	16,708,913	371,947,874	5,413,943,272	292,934,250	123,026,711	344,304,884	7,763,083,272
<u>Less</u> Accumulated depreciation	(325,279,910)	(16,025,510)	(281,130,342)	(1,979,453,397)	(216,367,580)	(98,196,863)	-	(2,916,453,602)
Allowance for impairment	-	-	-	(3,700,000)	-	-	(40,000)	(3,740,000)
Net book value	874,937,458	683,403	90,817,532	3,430,789,875	76,566,670	24,829,848	344,264,884	4,842,889,670
For the year ended 31 December 2013								
Opening net book value	874,937,458	683,403	90,817,532	3,430,789,875	76,566,670	24,829,848	344,264,884	4,842,889,670
Additions	10,043,580	475,000	16,472,966	238,910,728	16,539,393	14,984,579	742,909,688	1,040,335,934
Depreciation charge (Note 30)	(42,860,101)	(223,270)	(33,526,659)	(467,613,904)	(24,622,394)	(7,139,345)	-	(575,985,673)
Disposals- cost	-	-	(2,688,700)	(26,892,053)	(3,849,262)	(19,189,198)	-	(52,619,213)
- accumulated depreciation	-	-	2,228,177	19,236,175	3,727,928	19,001,182	-	44,193,462
Assets written off - cost	-	-	-	(10,218,567)	(165,885)	-	-	(10,384,452)
- accumulated depreciation	-	-	-	9,376,963	82,471	-	-	9,459,434
Reclassification - cost	(157,500)	-	-	(3,358,500)	(468,000)	-	-	(3,984,000)
- accumulated depreciation	93,000	-	-	1,518,000	286,500	-	-	1,897,500
Transfer within account	6,484,500	-	4,254,176	555,127,290	-	-	(565,865,966)	-
Foreign exchange rate adjustment	-	-	-	-	(52,857)	(15,960)	-	(68,817)
Closing net book value	848,540,937	935,133	77,557,492	3,746,876,007	68,044,564	32,471,106	521,308,606	5,295,733,845
As at 31 December 2013								
Cost	1,216,587,948	17,183,913	389,986,316	6,167,512,170	304,881,471	118,775,672	521,348,606	8,736,276,096
<u>Less</u> Accumulated depreciation	(368,047,011)	(16,248,780)	(312,428,824)	(2,416,936,163)	(236,836,907)	(86,304,566)	-	(3,436,802,251)
Allowance for impairment	-	-	-	(3,700,000)	-	-	(40,000)	(3,740,000)
Net book value	848,540,937	935,133	77,557,492	3,746,876,007	68,044,564	32,471,106	521,308,606	5,295,733,845

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

The movements of property, plant and equipment for the years ended 31 December comprise the following: (Cont'd)

	Consolidated							Total Baht
	Land and buildings Baht	Land improvements Baht	Building improvements Baht	Machinery and equipment Baht	Furniture and office equipment Baht	Motor vehicles Baht	Work under installation Baht	
For the year ended 31 December 2014								
Opening net book value	848,540,937	935,133	77,557,492	3,746,876,007	68,044,564	32,471,106	521,308,606	5,295,733,845
Additions	11,626,659	206,186	15,774,146	372,823,117	49,299,448	7,185,589	326,236,542	783,151,687
Depreciation charge (Note 30)	(44,771,334)	(271,075)	(31,559,591)	(530,371,902)	(27,147,069)	(7,470,710)	-	(641,591,681)
Disposals - cost	(23,655,306)	-	(294,085)	(80,133,005)	(3,826,855)	(7,603,163)	-	(115,512,414)
- accumulated depreciation	5,172,631	-	32,304	29,151,933	3,794,348	7,334,016	-	45,485,232
Assets written off - cost	-	-	(6,599,157)	(17,201,137)	(20,017,612)	-	-	(43,817,906)
- accumulated depreciation	-	-	6,599,145	12,168,189	20,015,933	-	-	38,783,267
Reclassification - cost	-	-	-	7,984,500	8,211,128	-	-	16,195,628
- accumulated depreciation	-	-	-	(700,500)	(8,368,628)	-	-	(9,069,128)
Transfer within account	97,122,450	-	8,642,306	528,482,669	3,441,945	-	(637,689,370)	-
Reversal of fixed assets impairment	-	-	-	3,700,000	-	-	-	3,700,000
Foreign exchange rate adjustment	-	-	-	-	(3,253)	(802)	-	(4,055)
Closing net book value	<u>894,036,037</u>	<u>870,244</u>	<u>70,152,560</u>	<u>4,072,779,871</u>	<u>93,443,949</u>	<u>31,916,036</u>	<u>209,855,778</u>	<u>5,373,054,475</u>
As at 31 December 2014								
Cost	1,301,681,751	17,390,099	407,509,526	6,979,468,314	341,933,495	118,336,386	209,895,778	9,376,215,349
<u>Less</u> Accumulated depreciation	(407,645,714)	(16,519,855)	(337,356,966)	(2,906,688,443)	(248,489,546)	(86,420,350)	-	(4,003,120,874)
Allowance for impairment	-	-	-	-	-	-	(40,000)	(40,000)
Net book value	<u>894,036,037</u>	<u>870,244</u>	<u>70,152,560</u>	<u>4,072,779,871</u>	<u>93,443,949</u>	<u>31,916,036</u>	<u>209,855,778</u>	<u>5,373,054,475</u>

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

The movements of property, plant and equipment for the years ended 31 December comprise the following: (Cont'd)

	Company							
	Land and buildings Baht	Land improvements Baht	Building improvements Baht	Machinery and equipment Baht	Furniture and office equipment Baht	Motor vehicles Baht	Work under installation Baht	Total Baht
As at 1 January 2013								
Cost	1,069,799,521	16,708,913	353,697,107	4,537,939,983	218,418,399	101,870,167	87,979,012	6,386,413,102
<u>Less</u> Accumulated depreciation	(250,205,563)	(16,025,510)	(272,149,261)	(1,721,327,108)	(171,109,434)	(83,697,784)	-	(2,514,514,660)
Allowance for impairment	-	-	-	(3,700,000)	-	-	-	(3,700,000)
Net book value	819,593,958	683,403	81,547,846	2,812,912,875	47,308,965	18,172,383	87,979,012	3,868,198,442
For the year ended 31 December 2013								
Opening net book value	819,593,958	683,403	81,547,846	2,812,912,875	47,308,965	18,172,383	87,979,012	3,868,198,442
Additions	7,253,580	475,000	10,072,966	173,232,932	10,791,860	10,906,000	582,676,822	795,409,160
Depreciation charge (Note 30)	(27,199,762)	(223,270)	(30,045,090)	(381,796,179)	(13,528,564)	(4,692,413)	-	(457,485,278)
Disposals - cost	-	-	(2,038,700)	(51,813,634)	(3,849,263)	(17,955,198)	-	(75,656,795)
- accumulated depreciation	-	-	2,038,698	23,715,895	3,727,928	17,767,182	-	47,249,703
Assets written off - cost	-	-	-	(10,208,567)	(165,885)	-	-	(10,374,452)
- accumulated depreciation	-	-	-	9,375,549	82,472	-	-	9,458,021
Transfer within account	-	-	4,254,176	283,052,886	-	-	(287,307,062)	-
Closing net book value	799,647,776	935,133	65,829,896	2,858,471,757	44,367,513	24,197,954	383,348,772	4,176,798,801
As at 31 December 2013								
Cost	1,077,053,101	17,183,913	365,985,549	4,932,203,600	225,195,111	94,820,969	383,348,772	7,095,791,015
<u>Less</u> Accumulated depreciation	(277,405,325)	(16,248,780)	(300,155,653)	(2,070,031,843)	(180,827,598)	(70,623,015)	-	(2,915,292,214)
Allowance for impairment	-	-	-	(3,700,000)	-	-	-	(3,700,000)
Net book value	799,647,776	935,133	65,829,896	2,858,471,757	44,367,513	24,197,954	383,348,772	4,176,798,801

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

The movements of property, plant and equipment for the years ended 31 December comprise the following: (Cont'd)

	Company							
	Land and buildings Baht	Land improvements Baht	Building improvements Baht	Machinery and equipment Baht	Furniture and office equipment Baht	Motor vehicles Baht	Work under installation Baht	Total Baht
For the year ended 31 December 2014								
Opening net book value	799,647,776	935,133	65,829,896	2,858,471,757	44,367,513	24,197,954	383,348,772	4,176,798,801
Additions	2,562,700	206,186	14,121,846	193,465,190	13,002,187	7,185,589	131,387,050	361,930,748
Depreciation charge (Note 30)	(26,942,545)	(271,075)	(27,519,416)	(423,439,471)	(13,566,240)	(4,791,311)	-	(496,530,058)
Disposals - cost	-	-	-	(154,106,794)	(3,651,534)	(7,603,163)	-	(165,361,491)
- accumulated depreciation	-	-	-	59,232,797	3,619,034	7,334,015	-	70,185,846
Assets written off - cost	-	-	(1,774,959)	(16,629,001)	(7,484,132)	-	-	(25,888,092)
- accumulated depreciation	-	-	1,774,947	11,865,075	7,482,453	-	-	21,122,475
Transfer within account	-	-	8,642,306	404,258,059	-	-	(412,900,365)	-
Reversal of fixed assets impairment	-	-	-	3,700,000	-	-	-	3,700,000
Closing net book value	<u>775,267,931</u>	<u>870,244</u>	<u>61,074,620</u>	<u>2,936,817,612</u>	<u>43,769,281</u>	<u>26,323,084</u>	<u>101,835,457</u>	<u>3,945,958,229</u>
As at 31 December 2014								
Cost	1,079,615,801	17,390,099	386,974,742	5,359,191,054	227,061,632	94,403,395	101,835,457	7,266,472,180
<u>Less</u> Accumulated depreciation	(304,347,870)	(16,519,855)	(325,900,122)	(2,422,373,442)	(183,292,351)	(68,080,311)	-	(3,320,513,951)
Allowance for impairment	-	-	-	-	-	-	-	-
Net book value	<u>775,267,931</u>	<u>870,244</u>	<u>61,074,620</u>	<u>2,936,817,612</u>	<u>43,769,281</u>	<u>26,323,084</u>	<u>101,835,457</u>	<u>3,945,958,229</u>

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

Consolidated financial information

During the year ended 31 December 2014, the additions of a subsidiary included Baht 27.77 million assets acquired from financial lease agreements. (2013: Baht 3.08 million).

During the year ended 31 December 2014, the disposals of a subsidiary included the carrying amount of assets under sales and leaseback agreements of Baht 27.26 million. Net gain on disposals of such assets amounting to Baht 0.51 million were recognised as deferred revenue and amortised over the lease term.

Commitments

The Group has mortgaged part of the land, buildings and machineries to banks as collateral for overdrafts, long-term loans and working capital facilities from bank as follows:

	Consolidated		Company	
	Cost 2014 Million Baht	Cost 2013 Million Baht	Cost 2014 Million Baht	Cost 2013 Million Baht
Subsidiaries:				
Srithai Moulds Company Limited				
- Land, buildings and machinery	26.2	26.2	-	-
Srithai Miyagawa Company Limited				
- Land and machinery	317.8	226.8	-	-
Srithai Nanoplast Company Limited				
- Land and machinery	-	19.1	-	-

During the year 2013, the Company has already released a mortgage of land and building which are collateral for overdrafts, long-term loans, and working capital facilities from 2 local banks.

During the year 2014, Srithai Nanoplast Company Limited has already released a mortgage of land and building which are collateral for overdrafts, long-term loans, and working capital facilities from a local bank.

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15 Intangible assets, net

Intangible assets as at 31 December comprise the following:

	Consolidated			
	Software copyright and operational computer software Baht	Work under installation- computer software Baht	Production technique patents Baht	Total Baht
As at 1 January 2013				
Cost	127,413,130	402,000	39,289,855	167,104,985
<u>Less</u> Accumulated amortisation	(92,442,559)	-	(16,366,603)	(108,809,162)
Allowance for impairment	(364,803)	-	-	(364,803)
Net book value	34,605,768	402,000	22,923,252	57,931,020
For the year ended 31 December 2013				
Opening net book value	34,605,768	402,000	22,923,252	57,931,020
Additions	4,560,622	2,350,050	-	6,910,672
Amortisation charge	(11,392,018)	-	(4,048,986)	(15,441,004)
Transfer within account	1,367,500	(1,367,500)	-	-
Assets written off - cost	(24,252)	-	-	(24,252)
- accumulated amortisation	15,349	-	-	15,349
Foreign exchange rate adjustment	(8,426)	-	-	(8,426)
Closing net book value	29,124,543	1,384,550	18,874,266	49,383,359
As at 31 December 2013				
Cost	133,317,000	1,384,550	39,289,855	173,991,405
<u>Less</u> Accumulated amortisation	(103,827,654)	-	(20,415,589)	(124,243,243)
Allowance for impairment	(364,803)	-	-	(364,803)
Net book value	29,124,543	1,384,550	18,874,266	49,383,359
For the year ended 31 December 2014				
Opening net book value	29,124,543	1,384,550	18,874,266	49,383,359
Additions	7,613,450	10,021,913	-	17,635,363
Amortisation charge	(10,666,690)	-	(3,808,985)	(14,475,675)
Transfer within account	2,624,550	(2,624,550)	-	-
Assets written off - cost	(10,128,558)	(72,000)	(1,200,000)	(11,400,558)
- accumulated amortisation	10,128,558	-	1,200,000	11,328,558
Reversal of intangible assets impairment	364,803	-	-	364,803
Foreign exchange rate adjustment	880	-	-	880
Closing net book value	29,061,536	8,709,913	15,065,281	52,836,730
As at 31 December 2014				
Cost	134,183,958	8,709,913	38,089,855	180,983,726
<u>Less</u> Accumulated amortisation	(105,122,422)	-	(23,024,574)	(128,146,996)
Allowance for impairment	-	-	-	-
Net book value	29,061,536	8,709,913	15,065,281	52,836,730

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15 Intangible assets, net (Cont'd)

Intangible assets as at 31 December comprise the following: (Cont'd)

	Company			
	Software copyright and operational computer software Baht	Work under installation- computer software Baht	Production technique patents Baht	Total Baht
As at 1 January 2013				
Cost	102,473,262	402,000	39,289,855	142,165,117
<u>Less</u> Accumulated amortisation	(76,869,116)	-	(16,366,603)	(93,235,719)
Allowance for impairment	(364,803)	-	-	(364,803)
Net book value	<u>25,239,343</u>	<u>402,000</u>	<u>22,923,252</u>	<u>48,564,595</u>
For the year ended 31 December 2013				
Opening net book value	25,239,343	402,000	22,923,252	48,564,595
Additions	549,840	2,350,050	-	2,899,890
Amortisation charge	(8,301,071)	-	(4,048,986)	(12,350,057)
Transfer within account	1,367,500	(1,367,500)	-	-
Closing net book value	<u>18,855,612</u>	<u>1,384,550</u>	<u>18,874,266</u>	<u>39,114,428</u>
As at 31 December 2013				
Cost	104,390,602	1,384,550	39,289,855	145,065,007
<u>Less</u> Accumulated amortisation	(85,170,187)	-	(20,415,589)	(105,585,776)
Allowance for impairment	(364,803)	-	-	(364,803)
Net book value	<u>18,855,612</u>	<u>1,384,550</u>	<u>18,874,266</u>	<u>39,114,428</u>
For the year ended 31 December 2014				
Opening net book value	18,855,612	1,384,550	18,874,266	39,114,428
Additions	403,490	3,284,500	-	3,687,990
Amortisation charge	(6,771,676)	-	(3,808,985)	(10,580,661)
Assets written off - cost	(8,416,628)	(72,000)	(1,200,000)	(9,688,628)
- accumulated depreciation	8,416,628	-	1,200,000	9,616,628
Transfer within account	2,624,550	(2,624,550)	-	-
Reversal of intangible assets impairment	364,803	-	-	364,803
Closing net book value	<u>15,476,779</u>	<u>1,972,500</u>	<u>15,065,281</u>	<u>32,514,560</u>
As at 31 December 2014				
Cost	99,002,014	1,972,500	38,089,855	139,064,369
<u>Less</u> Accumulated amortisation	(83,525,235)	-	(23,024,574)	(106,549,809)
Allowance for impairment	-	-	-	-
Net book value	<u>15,476,779</u>	<u>1,972,500</u>	<u>15,065,281</u>	<u>32,514,560</u>

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16 Deferred income taxes

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 15.00% to 30.00% (2013: 15.00% to 30.00%).

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 tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred income taxes as at 31 December comprise the following:

	Notes	Consolidated		Company	
		2014 Baht	2013 Baht	2014 Baht	2013 Baht
Deferred tax assets	16.1	107,108,542	104,886,249	75,933,910	79,141,644
Deferred tax liabilities	16.2	(9,404,000)	(10,724,000)	(9,404,000)	(10,724,000)
Deferred income taxes, net		<u>97,704,542</u>	<u>94,162,249</u>	<u>66,529,910</u>	<u>68,417,644</u>

16.1 Deferred tax assets

The movements in the components of deferred income tax assets during the years are as follows:

	Consolidated						
	1 January 2013 Baht	Transaction recorded in Profit and Loss Baht	Transaction recorded directly to equity Baht	31 December 2013 Baht	Transaction recorded in Profit and Loss Baht	Transaction recorded directly to Equity Baht	31 December 2014 Baht
Tax loss carry forward	7,941,467	3,402,812	-	11,344,279	2,776,735	-	14,121,014
Allowance for impairment of investments	20,176,977	5,172,973	-	25,349,950	-	-	25,349,950
Employee benefit obligations	57,561,395	(3,968,839)	8,518,033	62,110,589	(2,796,986)	-	59,313,603
Foreign exchange rate adjustment	(1,319,094)	-	(452,823)	(1,771,917)	-	(427,729)	(2,199,646)
Others	1,888,742	5,964,606	-	7,853,348	2,670,273	-	10,523,621
	<u>86,249,487</u>	<u>10,571,552</u>	<u>8,065,210</u>	<u>104,886,249</u>	<u>2,650,022</u>	<u>(427,729)</u>	<u>107,108,542</u>
	Company						
	1 January 2013 Baht	Transaction recorded in Profit and Loss Baht	Transaction recorded directly to equity Baht	31 December 2013 Baht	Transaction recorded in Profit and Loss Baht	Transaction recorded directly to Equity Baht	31 December 2014 Baht
Allowance for impairment of investments	20,176,977	5,172,973	-	25,349,950	-	-	25,349,950
Employee benefit obligations	49,269,569	(4,831,871)	8,609,255	53,046,953	(3,207,734)	-	49,839,219
Others	744,741	-	-	744,741	-	-	744,741
	<u>70,191,287</u>	<u>341,102</u>	<u>8,609,225</u>	<u>79,141,644</u>	<u>(3,207,734)</u>	<u>-</u>	<u>75,933,910</u>

16.2 Deferred tax liabilities

The movements in the components of deferred tax liabilities during the years are as follows:

	Consolidated and Company				
	1 January 2013 Baht	Transaction recorded directly to Equity Baht	31 December 2013 Baht	Transaction recorded directly to Equity Baht	31 December 2014 Baht
Available - for - sale investments	10,724,000	-	10,724,000	(1,320,000)	9,404,000

16 Deferred income taxes (Cont'd)

16.3 Income tax expense

Income tax expense for the years ended 31 December comprises the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Current income tax expense	54,726,691	62,936,786	18,617,761	36,364,144
Deferred income tax				
- Deferred tax assets (Note 16.1)	(2,650,022)	(10,571,552)	3,207,734	(341,102)
- Deferred tax liabilities (Note 16.2)	-	-	-	-
	<u>52,076,669</u>	<u>52,365,234</u>	<u>21,825,495</u>	<u>36,023,042</u>

A reconciliation between current income tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Profit before tax	539,555,476	571,319,029	433,268,125	459,785,530
Tax rate	20%	20%	20%	20%
The result of the accounting profit multiplied by the income tax rate	107,911,095	114,263,806	86,653,625	91,957,106
Effect of exempted income and extra deduction expenses	(11,247,071)	(8,382,728)	(49,578,306)	(25,824,423)
Effect from (income)/expenses not deductible for tax purpose	12,042,535	(7,037,914)	10,199,971	(8,611,388)
Profit exempt from corporate income tax due to promotional privilege from BOI	(47,088,823)	(40,903,779)	(25,449,795)	(21,498,253)
Utilisation of previously unrecognised tax losses	1,115,915	3,399,443	-	-
Share of net (profit)/loss from investments				
- equity method	(12,633,087)	(10,019,897)	-	-
Effect of different tax rates	1,976,105	1,046,303	-	-
Income tax	<u>52,076,669</u>	<u>52,365,234</u>	<u>21,825,495</u>	<u>36,023,042</u>

The Group's and the Company's weighted average applicable tax rate were 9.65% and 5.04% respectively (2013 : 9.17% and 7.83%, respectively).

The allocation of taxable profit under BOI privileges between corporate income tax exemption and non corporate income tax exemption.

	Consolidated		Company	
	2014	2013	2014	2013
Corporate income tax exemption	44%	33%	58%	37%
Non corporate income tax exemption	56%	67%	42%	63%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

Deferred income tax assets are recognised for tax loss carried forward only to the extent that realisation of the related tax benefit through the future taxable profits is realisable. The Company has unrecognised tax losses of Baht 9,166,641 (2013 : Baht 17,718,933), to carry forward against future taxable income; these tax losses will expire in 2019.

17 Leasehold right, net

Leasehold right represents leasehold right on land of Srithai Superware Manufacturing Private Limited, a subsidiary, for the period of 99 years. The subsidiary paid for the leasehold right of Indian Rupees 97.69 million or equivalent to Baht 48.33 million. Leasehold right as at 31 December comprise the following:

	Consolidated	
	2014	2013
	Baht	Baht
Current portion of leasehold right (presented in other receivables – third parties)	476,736	-
Leasehold right dues later than 1 year	46,243,403	48,330,147
Total leasehold right, net	<u>46,720,139</u>	<u>48,330,147</u>

The movements of leasehold right for the years ended 31 December comprise the following.

	Consolidated	
	2014	2013
	Baht	Baht
Opening book value	48,330,147	-
Addition	-	47,294,571
Amortisation	(513,643)	-
Currency translation differences	(1,096,365)	1,035,576
Closing book value	<u>46,720,139</u>	<u>48,330,147</u>

18 Bank overdrafts and short-term loans

Bank overdrafts and short-term loans as at 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Bank overdrafts	-	449,663	-	-
Short-term loans from banks				
- Baht	1,364,000,000	823,000,000	1,330,000,000	820,000,000
- US Dollar	88,299,200	-	-	-
Total bank overdrafts and short-term loans	<u>1,452,299,200</u>	<u>823,449,663</u>	<u>1,330,000,000</u>	<u>820,000,000</u>

As at 31 December 2014, short-term loans in Thai Baht from local banks amounting to Baht 1,364.00 million (2013: Baht 823.00 million), represent promissory notes due at call with a period not exceeding 3 months, bearing fixed interest rate over loan period (2013: fixed interest rate over loan period).

As at 31 December 2014, short-term loans in US Dollars of an overseas subsidiary amounting to US Dollars 2.58 million (equivalent to Baht 88.30 million) represent short-term loans contracts with a period not exceeding 6 months, bearing interest at Cost of Fund plus margin of a bank in Vietnam and are secured by Srithai Superware Public Company Limited (2013: Nil).

19 Long-term loans

Long-term loans as at 31 December comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
<u>Long-term loans</u>				
- Baht	2,230,143,661	2,614,105,939	1,893,248,880	2,400,840,818
- Vietnamese Dong - Vietnamese Dong 86,573 million (2013: Vietnamese Dong 103,862 million)	138,516,800	166,179,200	-	-
- US dollars - US dollars 6.04 million (2013: US dollars 7.41 million)	206,438,400	250,006,400	-	-
Total long-term loans	<u>2,575,098,861</u>	<u>3,030,291,539</u>	<u>1,893,248,880</u>	<u>2,400,840,818</u>

Long-term loans are due for repayments as follows:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Current portion of long-term loans	619,919,200	563,878,278	472,245,600	435,091,938
Loans due later than 1 year and not later than 3 years	1,031,499,061	1,151,626,521	711,298,280	901,666,600
Loans due later than 3 years and not later than 5 years	780,015,000	868,462,940	575,705,000	676,017,280
Loans due later than 5 years	143,665,600	446,323,800	134,000,000	388,065,000
	<u>1,955,179,661</u>	<u>2,466,413,261</u>	<u>1,421,003,280</u>	<u>1,965,748,880</u>
Total long-term loans	<u>2,575,098,861</u>	<u>3,030,291,539</u>	<u>1,893,248,880</u>	<u>2,400,840,818</u>

The movements of long-term loans for the years ended 31 December comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Opening balance	3,030,291,539	2,385,007,966	2,400,840,818	1,764,311,045
Additions	184,800,000	1,196,728,000	-	1,100,000,000
Repayment	(642,781,478)	(579,337,827)	(507,591,938)	(463,470,227)
Foreign exchange rate adjustment	2,788,800	27,893,400	-	-
Closing balance	<u>2,575,098,861</u>	<u>3,030,291,539</u>	<u>1,893,248,880</u>	<u>2,400,840,818</u>

19 Long-term loans (Cont'd)

19.1 The requirements and conditions for long-term loans comprise the following:

Contract No.	Consolidated Long-term loans as of		Company	Loan Purpose	Loan Limit	Interest rate and repayment terms	Guarantees and collaterals
	31 December 2014 (Million Baht)	31 December 2013 (Million Baht)					
1	-	3.7	Parent company Srithai Superware Public Company Limited	The energy preservation project	Baht 47.7 million (1 agreement comprising 1 loan)	Fixed interest rate over loan period. Repayment is due every three months from September 2008 to 2014.	As at 31 December 2014, there is no collateral.
2	1,893.2	2,397.2	Srithai Superware Public Company Limited	Investment in building improvement, machinery, moulds, factory equipment and investment in overseas subsidiaries	Baht 3,434.6 million (17 agreements comprising 18 loans)	5 loans bear fixed interest rate over loan period. 13 loans bear interest rate at fixed, MLR less margin, Prime Rate less margin, THBFIX 3-month plus margin, FDR 6-month plus margin and BIBOR 3-month plus margin. Repayment is due every three months from June 2009 to 2020.	The Company will not enter into any encumbrance or commitment on its assets, currently owned or acquitted in the future, except for authorised commitments by the lenders.

19 Long-term loans (Cont'd)

19.1 The requirements and conditions for long-term loans comprise the following: (Cont'd)

Contract No.	Consolidated Long-term loans as of		Company	Loan Purpose	Loan Limit	Interest rate and repayment terms	Guarantees and collaterals
	31 December 2014 (Million Baht)	31 December 2013 (Million Baht)					
3	14.8	-	<u>Local subsidiaries</u> Srithai Moulds Company Limited	Investment in building	Baht 14.8 million	Interest rate at MLR less margin. Repayment is due every three months from January 2015 to 2021.	The subsidiary has mortgaged its current land and buildings, as well as those to be acquired in the future. (as described in Notes 13 and 14).
4	303.3	182.7	Srithai Miyagawa Company Limited	The energy preservation project and investment in machinery and building	Baht 401.3 million	Fixed interest rate and MLR less margin. Repayment is due every month from July 2006 to 2020.	The subsidiary has mortgaged its land and machinery (as described in Note 14) and two land parcels and buildings including prospective construction on the land parcels being covenanted not to perform any legal act or any commitment with any person or juristic person during the loan period, except legal transactions in favour of the lending bank.

19 Long-term loans (Cont'd)

19.1 The requirements and conditions for long-term loans comprise the following: (Cont'd)

Contract No.	Consolidated Long-term loans as of		Company	Loan Purpose	Loan limit	Interest rate and repayment terms	Guarantees and collaterals
	31 December 2014 (Million Baht)	31 December 2013 (Million Baht)					
5	18.8	22.9	P.E.T. Blow Company Limited	Investment in machinery and factory equipment	Baht 25.0 million	Interest rate at MLR less margin of local bank. Repayment is due every three months from September 2013 to 2019.	Guaranteed by Srithai Superware Public Company Limited.
6	-	7.6	Srithai Nanoplast Company Limited	Investment in machinery and factory equipment	Baht 9.0 million	Interest rate at MLR less margin of local bank Repayment is due every three months from February 2013 to 2019.	The subsidiary has mortgaged its land and machinery (as described in Note 14). As at 31 December 2014, there is no collateral from the release during the year 2014.
7	345.0 (Vietnamese Dong 86,573 million and US Dollars 6.04 million)	416.2 (Vietnamese Dong 103,862 million and US Dollars 7.41 million)	<u>Overseas subsidiary</u> Srithai (Vietnam) Company Limited	Investment in machinery and factory equipment	Equivalent to US dollars 8.78 million and Vietnamese Dong 104,140 million (2013 : US dollars 8.78 million and Vietnamese Dong 104,140 million)	Interest rate at Cost of Fund plus margin of a bank in Vietnam. Repayment will be due for a period of 7 years from the date of the first draw down with 1 year grace period for principal repayment.	Guaranteed by Srithai Superware Public Company Limited.
Total	2,575.1	3,030.3					

The Company and subsidiaries must comply with other conditions and restrictions for long-term loans provided for in the agreements.

19 Long-term loans (Cont'd)

19.2 The interest rate exposure on the borrowings of the Group and the Company comprises the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Total borrowings:				
at fixed rates	330,440,061	885,983,739	320,622,880	867,859,818
at floating rates	2,244,658,800	2,144,307,800	1,572,626,000	1,532,981,000
	<u>2,575,098,861</u>	<u>3,030,291,539</u>	<u>1,893,248,880</u>	<u>2,400,840,818</u>

The interest rates at the statement of financial position date were as follows:

bank borrowings	4.00% to 11.50%	3.58% to 13.00%	3.36% to 6.25%	3.58% to 6.38%
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The carrying values and fair value of long-term loans are as follow:

	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Long-term loans - carrying value	2,575.1	3,030.3	1,893.2	2,400.8
Long-term loans - fair value	2,443.6	2,835.0	1,778.2	2,250.7

The fair values of long-term loans are based on discounted cash flows using a discount rate from the borrowing market rates which are available to the Group and the Company at the statement of financial position date. The carrying amounts of short-term loans are shown at an approximate fair value.

19.3 Unutilised credit facilities

Unutilised credit facilities as at 31 December comprise the following:

	Consolidated					
	31 December 2014			31 December 2013		
	Overdraft Baht	Long-term loan facilities Baht	Working capital facilities Baht	Overdraft Baht	Long-term loan facilities Baht	Working capital facilities Baht
Floating rate						
- draw down within 1 year	-	320,000,000	-	-	54,470,000	-
- draw down with no timeframe limitation	208,238,720	-	113,055,437	221,550,337	-	283,766,400
Fixed rate						
- draw down within 1 year	-	800,000,000	-	-	-	-
- draw down with no timeframe limitation	-	-	3,923,735,429	-	-	4,308,879,961
	<u>208,238,720</u>	<u>1,120,000,000</u>	<u>4,036,790,866</u>	<u>221,550,337</u>	<u>54,470,000</u>	<u>4,592,646,361</u>
	Company					
	31 December 2014			31 December 2013		
	Overdraft Baht	Long-term loan facilities Baht	Working capital facilities Baht	Overdraft Baht	Long-term loan facilities Baht	Working capital facilities Baht
Floating rate						
- draw down within 1 year	-	300,000,000	-	-	-	-
- draw down with no timeframe limitation	165,000,000	-	-	175,000,000	-	-
Fixed rate						
- draw down within 1 year	-	800,000,000	-	-	-	-
- draw down with no timeframe limitation	-	-	3,863,735,429	-	-	4,248,879,961
	<u>165,000,000</u>	<u>1,100,000,000</u>	<u>3,863,735,429</u>	<u>175,000,000</u>	<u>-</u>	<u>4,248,879,961</u>

20 Other payables - third parties

Other payables as at 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Payable of long-term assets	99,743,488	126,352,439	58,056,240	77,112,937
Other payables	48,900,620	43,539,498	47,029,825	41,671,680
Advance receipt from customers	82,204,857	66,011,110	18,023,747	24,060,554
Accrued commission expenses	65,406,298	58,550,819	65,404,106	58,539,619
Accrued utility expenses	33,379,656	30,970,851	30,548,408	28,937,848
Accrued staff cost	19,461,945	19,464,059	17,280,089	16,288,322
Dividend payable	17,952,000	-	-	-
Current portion of finance lease liabilities	8,255,077	1,014,856	-	-
Others	53,257,096	58,692,338	29,657,200	38,722,795
Total other payables - third parties	428,561,037	404,595,970	265,999,615	285,333,755

21 Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability of another enterprise.

Fair values

Financial assets carried on the statement of financial position include cash and cash equivalents, short-term investments, trade accounts receivable, amounts due from related parties, short-term loans to related parties, and investments. Financial liabilities carried on the statement of financial position include short-term and long-term loans from banks and financial institutions, trade accounts payable, amounts due to related parties, and accrued expenses.

The accounting policies are disclosed in the individual policy statements associated with each items.

Objectives and significant terms and conditions

In order to manage the risks arising from fluctuations in currency exchange rates, the Company makes use of the following derivative financial instruments:

Forward foreign exchange contracts

Forward foreign exchange contracts have been entered into to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.

The fair values of forward foreign exchange contracts have been calculated (using rates quoted by the Group's bankers) as if the contracts were terminated at the statement of financial position date. As at 31 December 2014 and 2013, the Group has no outstanding forward foreign exchange contracts.

22 Contingent liabilities and bank guarantee

22.1 Contingent liabilities

Contingent liabilities as at 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Guarantee of related parties' loans	893.58	876.24	889.58	872.24

22.2 Bank guarantee

As at 31 December, the Group's bankers had issued letters of guarantee on behalf of the Group as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
In respect of electricity usage	57.76	60.28	54.66	57.48
Other guarantee	4.01	3.16	3.90	2.32

23 Commitments

Commitments as at 31 December comprise the following:

23.1 Capital expenditure commitments

	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Commitment for purchase of machinery, moulds and equipment	141.30	54.09	82.06	46.77
Commitment for installation of facilities system	32.21	10.53	17.59	10.53
Commitment for land and building improvements	24.93	51.10	4.04	-
Commitment for purchase of software program	2.26	2.36	0.70	1.06
Commitment for purchase of motor vehicle	3.00	-	3.00	-

23.2 Operating lease commitments

The Company and subsidiaries have entered into operating lease agreements for land, buildings, cars, computers, computer servers and computer network services. As at 31 December, the future minimum lease payments under non-cancellable operating leases comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Not later than 1 year	29.83	31.03	23.29	25.38
Later than 1 year and not later than 2 years	21.74	23.52	16.91	19.30
Later than 2 years and not later than 5 years	10.47	19.79	6.36	13.43
Later than 5 years	27.87	28.62	-	-
	89.91	102.96	46.56	58.11

24 Employee benefit obligations

Employee benefit obligations as at 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Statement of financial position				
Post-employment benefits	196,933,886	204,874,532	162,393,428	172,381,635
Other long-term employment benefits	99,634,131	105,678,413	86,802,665	92,853,129
	<u>296,568,017</u>	<u>310,552,945</u>	<u>249,196,093</u>	<u>265,234,764</u>
(Profit) or loss				
Post-employment benefits	15,392,205	17,336,850	11,095,672	13,132,535
Other long-term employment benefits	9,797,964	14,288,347	7,743,212	10,827,406
Actuarial gain	-	(25,858,435)	-	(25,743,310)
Reduction in past service cost	(300,511)	(8,548,531)	(300,511)	(8,477,075)
	<u>24,889,658</u>	<u>(2,781,769)</u>	<u>18,538,373</u>	<u>(10,260,444)</u>

During the year 2014, there are 22 staff and 22 staff (2013: 512 staff and 444 staff) of the Group and the Company changed the benefit scheme from defined benefit plan to defined contribution plan. This result in reduction in past service cost of Baht 0.3 million and Baht 0.3 million, respectively (2013: Baht 8.55 million and Baht 8.48 million).

The movement in the defined benefit obligations during the year is as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Opening balance	310,552,945	285,631,020	265,234,764	246,347,843
Current service cost	15,952,097	19,811,870	11,792,925	14,235,676
Interest cost	9,238,072	11,813,327	7,045,959	9,724,264
Negative past service cost	(300,511)	(8,548,531)	(300,511)	(8,477,075)
Actuarial loss	-	16,731,732	-	17,302,967
Benefits paid	(38,874,586)	(14,886,473)	(34,577,044)	(13,898,911)
Closing balance	<u>296,568,017</u>	<u>310,552,945</u>	<u>249,196,093</u>	<u>265,234,764</u>

The principal actuarial assumptions used were as follows:

	Consolidated		Company	
	2014	2013	2014	2013
Discount rates	3.97% - 4.79%	3.97% - 4.79%	3.97%-4.79%	3.97%-4.79%
Future salary increase rates	3.00% - 7.52%	3.00% - 7.52%	3.00%-6.00%	3.00%-6.00%
Staff turnover rates	0.00% - 81.00%	0.00% - 81.00%	3.00%-67.00%	3.00%-67.00%

25 Share capital and premium on treasury shares

Share capital as at 31 December comprises the following:

	Number of shares	Ordinary shares Baht	Premium on treasury shares Baht	Total Baht
As at 31 December 2012	270,990,480	2,709,904,800	19,928,420	2,729,833,220
Issue of shares during the year	-	-	-	-
As at 31 December 2013	270,990,480	2,709,904,800	19,928,420	2,729,833,220
Split of shares	2,438,914,320	-	-	-
As at 31 December 2014	<u>2,709,904,800</u>	<u>2,709,904,800</u>	<u>19,928,420</u>	<u>2,729,833,220</u>

The Company's registered share capital as at 31 December 2014 comprises 2,709,904,800 ordinary shares (2013: 270,990,480 ordinary shares) of Baht 1 each (2013: Baht 10 each). All issued shares are fully paid-up.

At the Company's Annual General Shareholders' Meeting on 29 April 2014, the meeting has approved a resolution to change the par value from Baht 10.00 per share to Baht 1.00 per share and change in the number of issued and paid-up shares from 270,990,480 shares to 2,709,904,800 shares. The authorised and paid-up share capital remain unchanged being Baht 2,709,904,800. The change was registered with the Ministry of Commerce on 8 May 2014.

26 Legal reserve

Legal reserve as at 31 December comprises the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Opening balance	182,000,000	160,000,000	182,000,000	160,000,000
Appropriation during the year	21,000,000	22,000,000	21,000,000	22,000,000
Closing balance	<u>203,000,000</u>	<u>182,000,000</u>	<u>203,000,000</u>	<u>182,000,000</u>

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

27 Other components of equity

Other components of equity as at 31 December comprise the following:

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Fair value reserves on available-for-sale investments				
- Short-term investments	-	11,069	-	-
- Other long-term investments	37,616,000	42,896,000	37,616,000	42,896,000
Total fair value reserves on available-for-sale investments	37,616,000	42,907,069	37,616,000	42,896,000
Translation adjustment for investment in overseas subsidiaries and associates	(138,803,888)	(115,846,847)	-	-
Total other components of equity	<u>(101,187,888)</u>	<u>(72,939,778)</u>	<u>37,616,000</u>	<u>42,896,000</u>

27 Other components of equity (Cont'd)

The movements of fair value reserves on available-for-sale investments for the years ended 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Opening balance	42,907,069	42,905,024	42,896,000	42,896,000
Increase from fair value reserves				
- Short-term investments	-	2,045	-	-
- Other long-term investments, net tax	(5,280,000)	-	(5,280,000)	-
Decrease from disposal of available - for - sale investments	(11,069)	-	-	-
Closing balance	<u>37,616,000</u>	<u>42,907,069</u>	<u>37,616,000</u>	<u>42,896,000</u>

28 Sales and service income, and cost of sales and services

Sales and service income, and cost of sales and services for the years ended 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Sales	8,888,511,369	8,502,568,484	7,279,370,843	7,169,075,744
Service income	862,415,341	894,853,010	-	-
Total sales and service income	<u>9,750,926,710</u>	<u>9,397,421,494</u>	<u>7,279,370,843</u>	<u>7,169,075,744</u>
Cost of sales	7,148,476,112	6,832,847,088	5,935,789,690	5,800,143,207
Cost of services	732,347,522	723,435,601	-	-
Total cost of sales and services	<u>7,880,823,634</u>	<u>7,556,282,689</u>	<u>5,935,789,690</u>	<u>5,800,143,207</u>

29 Finance costs

Finance costs for the years ended 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Interest expense from bank borrowings	167,346,595	165,594,624	125,427,565	123,607,480
Interest expense from finance leases	400,726	1,405,438	-	-
Total finance costs	<u>167,747,321</u>	<u>167,000,062</u>	<u>125,427,565</u>	<u>123,607,480</u>

30 Expenses by nature

The following expenditures, classified by nature, have been charged in arriving at operating profit for the years ended 31 December.

	Consolidated		Company	
	2014 Baht	2013 Baht	2014 Baht	2013 Baht
Staff costs	1,312,977,825	1,201,484,855	897,253,780	896,188,507
Depreciation (Notes 13,14)	647,937,766	582,331,757	502,195,736	463,150,957
Advertising and sales promotion	393,757,610	351,163,950	392,391,802	339,269,473
Repair and maintenance	165,537,519	156,389,637	146,885,196	138,827,710
Transportation	182,592,640	183,387,839	132,444,442	129,577,317
Operating lease rentals	48,918,831	47,753,386	36,937,105	36,146,842
Amortisation of assets	73,104,777	77,334,976	53,146,016	55,573,903
Assets written-off	6,553,262	2,691,186	6,284,239	2,675,752
Loss on impairment of investment in subsidiary and associate (reversal) (Note 11.1)	-	12,044,661	-	(32,335,135)
(Gain) loss on foreign exchange rate, net	(8,573,111)	(1,299,644)	(3,328,942)	(18,245,042)

31 Basic earnings per share

The Company presents basic earnings per share in the statement of comprehensive income which is computed by dividing the profit by the weighted-average number of paid-up ordinary shares outstanding during the year.

	Consolidated		Company	
	2014	2013	2014	2013
Profit attributable to equity holders of the parent (Baht)	470,057,185	486,968,088	411,442,630	423,762,488
Weighted average number of outstanding ordinary shares (Share)	2,709,904,800	2,709,904,800	2,709,904,800	2,709,904,800
Basic earnings per share (Baht)	0.17	0.18	0.15	0.16

The Company recalculates basic earnings per share for the year ended 31 December 2013 for the purpose of comparability in financial information, which is calculated by using weighted average number of ordinary shares as if the par value and the number of issued and paid-up share capital was changed in consistent with the change in the par value and the number of issued and paid-up share capital during the year ended 31 December 2014.

There are no potential dilutive ordinary shares issued for the years ended 31 December 2014 and 2013.

32 Dividends

2014

At the Company's Annual General Shareholders' Meeting on 29 April 2014, the meeting has approved a dividend in respect of the Company's net profit for the year 2013 of Baht 1.00 per share, totalling Baht 270.99 million and the Company paid all dividends during the year ended 31 December 2014.

2013

At the Annual General Meeting of shareholders on 26 April 2013, the meeting has approved a dividend in respect of the Company's net profit for the year 2012 of Baht 1.10 per share, totalling of Baht 298.08 million and the Company paid all dividends during the year ended 31 December 2013.

Srithai Superware Public Company Limited
Notes to the Consolidated and Company Financial Statements
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33 Cash flows from operating activities and supplementary cash flows information

33.1 Cash flows from operating activities

Reconciliation of profit to cash flows from operating activities comprises the following:

	Notes	Consolidated		Company	
		2014 Baht	2013 Baht	2014 Baht	2013 Baht
Profit before income tax for the year		539,555,476	571,319,029	433,268,125	459,785,530
Adjustments to reconcile net profit to net cash provided by (paid for) operations:					
Depreciation	13, 14	647,937,766	582,331,757	502,195,736	463,150,957
Amortisation		58,629,102	61,893,972	42,565,355	43,223,846
Amortisation of intangible assets	15	14,475,675	15,441,004	10,580,661	12,350,057
Assets written off		6,553,262	2,691,186	6,284,239	2,675,752
Allowance for doubtful accounts		4,035,823	300,503	1,000,000	-
Allowance for inventory obsolescence and for inventories cost in excess of net realisable value (reversal)	10	3,122,168	(3,089,628)	3,000,000	(2,000,000)
Loss on impairment in value of investments in subsidiary and associates (reversal)	11.3	-	12,044,661	-	(32,335,135)
Reversal of fixed assets impairment	14	(3,700,000)	-	(3,700,000)	-
Reversal of intangible assets impairment	15	(364,803)	-	(364,803)	-
(Gain) loss on disposal of fixed and intangible assets		(12,184,571)	(6,951,403)	(21,401,439)	(8,699,340)
Employee benefits expense	24	24,889,658	23,076,666	18,538,373	15,482,865
Actuarial gain - other long-term employment benefits	24	-	(25,858,435)	-	(25,743,310)
Unrealised (gain) loss on foreign exchange rate		(13,588,276)	(16,131,960)	(3,846,826)	(18,030,818)
Interest income		(6,913,388)	(8,136,458)	(3,952,810)	(2,490,810)
Share of profit of investments in associates and joint venture	11.2	(63,165,436)	(50,099,483)	-	-
Dividend income from investments in subsidiaries, associates, and joint venture	34.3	-	-	(192,248,298)	(90,590,123)
Dividend income from other investments		(12,186,500)	(15,179,904)	(12,186,500)	(15,179,904)
Finance costs-interest expense	29	167,747,321	167,000,062	125,427,565	123,607,480
		<u>1,354,843,277</u>	<u>1,310,651,569</u>	<u>905,159,378</u>	<u>925,207,047</u>
Changes in operating assets and liabilities					
(Increase) decrease in operating assets:					
Trade accounts receivable		(137,697,027)	(149,076,099)	(73,742,956)	(129,638,531)
Other receivables		(107,393,806)	(64,259,046)	(44,460,800)	(38,934,393)
Inventories		(129,446,674)	(123,909,300)	26,911,722	(89,579,417)
Other current assets		(15,249,277)	(30,585,165)	(7,482,425)	(34,889,909)
Other assets		(5,784,340)	18,869,509	1,845,448	45,829,281
Increase (decrease) in operating liabilities:					
Trade accounts payable		30,764,507	26,433,773	15,686,795	(144,188,266)
Other payables		(780,876)	(29,475,159)	(559,110)	(1,984,761)
Other current liabilities		30,110,689	13,963,680	14,100,748	(7,418,496)
Employee benefits paid	24	(38,874,586)	(14,886,473)	(34,577,044)	(13,898,911)
Cash generated from operations		<u>980,491,887</u>	<u>957,727,289</u>	<u>802,881,756</u>	<u>510,503,644</u>

33 Cash flows from operating activities and supplementary cash flows information (Cont'd)

33.2 Supplementary cash flows information comprises the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Property, plant and equipment				
Additions (Note 14)	783,151,687	1,040,335,934	361,930,748	795,409,160
<u>Less</u> Decrease (increase) in payables of fixed assets	26,608,951	(42,014,031)	19,056,697	(12,336,545)
Fixed assets increased by finance lease	(27,767,239)	(3,078,579)	-	-
Decrease (increase) in amounts due to related parties of fixed assets	(320,486)	-	(1,349,826)	2,350,170
Unrealised (gain) loss on exchange rate	(63,429)	1,470,922	(63,429)	1,470,922
Payment for purchase of fixed assets	<u>781,609,484</u>	<u>996,714,246</u>	<u>379,574,190</u>	<u>786,893,707</u>
Intangible assets				
Additions (Note 15)	17,635,363	6,910,672	3,687,990	2,899,890
<u>Less</u> Decrease (increase) in payables of intangible assets	(3,308,267)	389,922	(1,997,550)	389,922
Payment for purchase of intangible assets	<u>14,327,096</u>	<u>7,300,594</u>	<u>1,690,440</u>	<u>3,289,812</u>
Dividend income				
Dividends of investments in subsidiaries, associates, and joint venture (Note 34.3)	98,891,471	38,192,103	192,248,298	90,590,123
<u>Less</u> Decrease (increase) in dividend receivable	5,322,603	(5,322,603)	5,322,603	(5,322,603)
<u>Less</u> Realised loss on exchange rate	(110,876)	-	(110,876)	-
Dividends received from subsidiaries, associates, and joint venture	<u>104,103,198</u>	<u>32,869,500</u>	<u>197,460,025</u>	<u>85,267,520</u>

34 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 relationships between the Company and subsidiaries, associates and joint venture are described in Note 11.4.

The relationships between the Company and related parties that are transacted with are as the following:

Company name	Relationship
Srithai Marketing Co., Ltd.	shares held by relatives of executives of the Company and some of them serve as directors
Siam Melamine Marketing Co., Ltd.	shares held by relatives of executives of the Company
Srithai Stainless Co., Ltd.	shares held by relatives of executives of the Company and some of them serve as directors
S. Sahatara (Thailand) Co., Ltd.	shares held by executive of the Company and relatives of some executives; some of them serve as directors
Toho Foam (Thailand) Co., Ltd.	shares held by executive of the Company and relative of some executives; some of them serve as directors

34 Related party transactions (Cont'd)

34.1 Group's policy regarding business transactions with related parties comprises the following:

a) Sales/Purchases of goods and services

The Company has made sales/purchases of goods and services to related parties in the normal course of business. The sales/purchases were transacted at prices close to those charged to third parties except for sales of goods to related parties which are the Company's distributors being charged at cost plus gross profit. Credit term for such related parties are longer than normal credit terms of accounts receivable which are between 30 to 90 days.

Mould repair and injection work were transacted with related parties at cost plus gross profit.

b) Service income

Office and factory rental income was transacted with related parties at the rate determined in the rental agreement. The rental rate was based on area and relevant space utilisation.

Machinery and mould rental was transacted with related parties at the agreed rate determined in the rental agreements.

c) Management fee income

The Group received a management fee which was transacted with related parties at an agreed rate.

d) Sales of fixed assets

The selling price of fixed assets charges at net book value plus profit. The credit term for related parties is the normal credit term which is 60 days.

34.2 Outstanding balances as at the years ended

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Trade accounts receivable – related parties				
Subsidiaries	-	-	120,280,840	107,138,340
Associates	145,420,436	142,554,349	145,420,436	142,554,349
Joint venture	6,511,199	7,741,160	6,466,345	7,741,160
Other related parties	185,603,721	181,088,447	134,433,468	127,255,263
Total trade accounts receivable - related parties	<u>337,535,356</u>	<u>331,383,956</u>	<u>406,601,089</u>	<u>384,689,112</u>
Other receivables - related parties, net				
Subsidiaries	-	-	20,708,107	4,557,819
Associates - dividend receivable	-	6,295,183	-	6,295,183
- other receivable	764,188	1,154,080	764,188	1,154,080
Joint venture	139,931	141,041	139,931	141,041
Other related parties	72,119	81,455	72,119	81,455
Total other receivables - related parties	<u>976,238</u>	<u>7,671,759</u>	<u>21,684,345</u>	<u>12,229,578</u>
<u>Less</u> Allowance for doubtful accounts	-	(972,580)	-	(972,580)
Total other receivables - related parties, net	<u>976,238</u>	<u>6,699,179</u>	<u>21,684,345</u>	<u>11,256,998</u>

34 Related party transactions (Cont'd)

34.2 Outstanding balances as at the years ended (Cont'd)

Srithai Nanoplast Company Limited

As at 31 December 2013, Korat Thai Tech Company Limited, a subsidiary, has granted a short-term loan of Baht 6.00 million to Srithai Nanoplast Company Limited, another subsidiary, under credit facility Baht 10.00 million of a short-term loan agreement charging interest at the fixed rate of 4.00% per annum. The payment of interest is due every month and repayment of principal is due within 1 year.

During the year 2014, Korat Thai Tech Company Limited had received the repayment in full.

P.E.T. Blow Company Limited

As at 31 December 2014, Korat Thai Tech Company Limited, a subsidiary, has granted a short-term loan of Baht 8.00 million to P.E.T. Blow Company Limited, another subsidiary, under credit facility Baht 10.00 million of a short-term loan agreement charging interest at the fixed rate of 4.00% per annum. The payment of interest is due every month and repayment of principal is due within 1 year.

Srithai (Vietnam) Company Limited

On 3 January 2013, the Company has entered into an agreement with Srithai (Vietnam) Company Limited, the subsidiary, to convert all short-term loan balance to increase share capital of the subsidiary amounting to US Dollars 6.00 million or equivalent to Baht 182.91 million under credit facility US Dollars 9.00 million of a short-term loan agreement (Note 11.3 (a)).

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Trade accounts payable - related parties				
Subsidiaries	-	-	92,811,986	38,251,238
Associates	94,810,513	105,335,861	66,980,289	79,782,490
Joint venture	78,707	-	78,707	-
Other related parties	13,239,867	7,226,122	8,591,018	4,229,001
Total trade accounts payable - related parties	<u>108,129,087</u>	<u>112,561,983</u>	<u>168,462,000</u>	<u>122,262,729</u>
Other payables - related parties				
Subsidiaries - other payables	-	-	4,010,142	989,899
- payable for fixed assets	-	-	1,075,350	46,010
Associates	370,408	2,446,530	370,408	2,438,505
Other related parties - other payables	96,300	28,329	96,300	28,329
- payable for fixed assets	320,486	-	320,486	-
Total other payables - related parties	<u>787,194</u>	<u>2,474,859</u>	<u>5,872,686</u>	<u>3,502,743</u>

34 Related party transactions (Cont'd)

34.3 Transactions during the years

Revenues for the years ended 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
<u>Sales and service income</u>				
Subsidiaries	-	-	137,974,495	162,700,871
Associates	381,895,575	320,791,210	381,895,575	320,788,620
Joint venture	34,361,459	36,140,217	34,216,087	35,984,146
Other related parties	401,028,698	448,404,819	285,973,842	393,132,655
Total sales and service income	817,285,732	805,336,246	840,059,999	912,606,292
<u>Other income</u>				
<u>Service income</u>				
Subsidiaries	-	-	29,140,528	26,982,845
Associates	5,211,950	3,854,938	5,211,950	3,854,938
Joint venture	610,234	628,952	610,234	628,952
Other related parties	1,306,200	1,712,601	1,048,740	1,712,601
Total	7,128,384	6,196,491	36,011,452	33,179,336
<u>Management fee income</u>				
Subsidiaries	-	-	4,020,000	4,320,000
Joint venture	1,000,000	1,000,000	1,000,000	1,000,000
Total	1,000,000	1,000,000	5,020,000	5,320,000
<u>Interest income</u>				
Subsidiaries	-	-	-	264,718
Total	-	-	-	264,718
<u>Dividend income</u>				
Subsidiaries	-	-	93,356,827	52,398,020
Associates	97,891,511	38,192,103	97,891,511	38,192,103
Joint venture	999,960	-	999,960	-
Total	98,891,471	38,192,103	192,248,298	90,590,123
Total other income	107,019,855	45,388,594	233,279,750	129,354,177
<u>Sales of fixed assets</u>				
Subsidiaries	-	-	95,115,000	24,796,038
Associates	48,000	-	48,000	-
Total sales of fixed assets	48,000	-	95,163,000	24,796,038

34 Related party transactions (Cont'd)

34.3 Transactions during the years (Cont'd)

Expenses for the years ended 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
<u>Cost of sales and services</u>				
<u>Purchases of goods</u>				
Subsidiaries	-	-	352,326,570	304,489,947
Associates	406,573,836	432,845,457	287,171,997	348,063,331
Joint venture	358,181	63,771	333,281	63,771
Other related parties	34,801,710	36,475,700	22,273,235	25,686,280
Total	<u>441,733,727</u>	<u>469,384,928</u>	<u>662,105,083</u>	<u>678,303,329</u>
<u>Expenses</u>				
<u>Service expenses</u>				
Subsidiaries	-	-	7,895,190	5,776,578
Associates	1,042,600	4,087,535	1,042,600	4,087,535
Other related parties	5,385,826	4,866,274	5,385,826	4,866,274
Total	<u>6,428,426</u>	<u>8,953,809</u>	<u>14,323,616</u>	<u>14,730,387</u>
<u>Purchases of fixed assets</u>				
Subsidiaries	-	-	15,181,821	17,070,000
Other related parties	487,220	43,550	487,220	43,550
Total	<u>487,220</u>	<u>43,550</u>	<u>15,669,041</u>	<u>17,113,550</u>

34.4 Directors and managements' remuneration

Directors and managements' remuneration for the years ended 31 December comprise the following:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Directors' remuneration	2,335,000	2,222,500	2,335,000	2,222,500
Managements' remuneration				
Short-term employee benefits	108,816,359	106,421,597	68,665,255	65,096,715
Post-employment benefits	6,071,291	3,362,211	4,258,577	2,620,905
Other long-term employee benefits	40,400	64,641	36,816	61,057
Total directors and managements' remuneration	<u>117,263,050</u>	<u>112,070,949</u>	<u>75,295,648</u>	<u>70,001,177</u>

35 Promotional privileges

The Company and its subsidiaries received promotional privileges from the Board of Investment and must comply with the conditions and restrictions provided in the promotional certificates as follows:

Company	No. of BOI card	Date of approval	Period	Product	Significant privilege
Srithai Superware Public Company Limited	1764(4)/2548	13 July 2005	8 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years from the date income is first derived (12 January 2007) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 11 January 2020).
	1339(2)/2550	14 February 2007	7 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of seven years totally not exceeding 100% of the investment which excluded land cost and working capital from the date income is first derived (7 December 2007) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 6 December 2019).
	1872(2)/2554	18 January 2011	8 years	melamine products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years totally not exceeding 100% of the investment which excluded land cost and working capital from the date income is first derived (19 September 2012) and the reduction of 50% from regular corporate income tax including the deduction of annual net losses arising during the privilege period from net profit for a period of five years from the end of the privilege period (expired on 18 September 2025).
	1529(2)/2555	6 March 2012	7 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of seven years totally not exceeding 100% of the investment which excluded land cost and working capital from the date income is first derived (4 September 2012) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 3 September 2024).
	1872(2)/2556	14 May 2013	7 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of seven years totally not exceeding 100% of the investment which excluded land cost and working capital from the date income is first derived (28 February 2014) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 27 February 2026).

35 Promotional privileges (Cont'd)

The Company and its subsidiaries received promotional privileges from the Board of Investment and must comply with the conditions and restrictions provided in the promotional certificates as follows: (Cont'd)

Company	No. of BOI card	Date of approval	Period	Product	Significant privilege
Subsidiary : Srithai Moulds Company Limited	1684(1)/OR/2546	21 November 2003	8 years	moulds production and repair	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years from the date income is first derived (3 March 2005 to 2 March 2013).
	2458(5)/2554	19 July 2011	8 years	moulds production and repair	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years from the date income is first derived (12 March 2013) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 11 March 2026).
	1268(5)/2556	5 March 2012	8 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years from the date income is first derived (20 February 2014) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 19 February 2027).
Subsidiary : Srithai Nanoplast Company Limited	1838(2)/2547	18 August 2004	7 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of seven years totally not exceeding 100% of the investment which excluded land cost and working capital from the date income is first derived (1 April 2005) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 31 March 2017).
	1960(2)/2555	8 June 2012	7 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of seven years totally not exceeding 100% of the investment which excluded land and working capital from the date income is first derived (10 August 2012) and losses incurred within the privilege period can be carried forward for five years from the end of the privilege period (expired on 9 August 2024).
Subsidiary : Korat Thai Tech Company Limited	1616(5)/2554	18 April 2011	8 years	melamine products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years from the date income is first derived (19 July 2011) and the reduction of 50% from regular corporate income tax including the deduction of annual net losses arising during the privilege period from net profit for a period of five years from the end of the privilege period (expired on 18 July 2024).
Subsidiary : P.E.T. Blow Company Limited	1067(5)/2555	14 March 2011	8 years	plastic products	<ul style="list-style-type: none"> Exemption from corporate income tax from the promoted activities for the period of eight years from the date income is first derived (3 February 2012) and the deduction of annual net losses arising during the privilege period from net profit for a period of five years from the end of the privilege period (expired on 2 February 2025).

35 Promotional privileges (Cont'd)

Srithai Superware Public Company Limited

Operating results from promoted and non-promoted activities for the years ended 31 December for the Company can be analysed as follows:

	Company (Million Baht)					
	2014			2013		
	Promoted activity	Non-promoted activity	Total	Promoted activity	Non-promoted activity	Total
Revenue						
Domestic sales and service income	1,235	4,076	5,311	1,198	3,814	5,012
Export sales and service income	695	1,273	1,968	1,004	1,153	2,157
Total sales and service income	<u>1,930</u>	<u>5,349</u>	<u>7,279</u>	<u>2,202</u>	<u>4,967</u>	<u>7,169</u>

36 Post statement of financial position event

Additional investment in subsidiaries

Srithai Superware Manufacturing Private Limited

On 9 February 2015, the Company paid for the additional share capital of Srithai Superware Manufacturing Private Limited, a subsidiary, being share capital and premium on share capital amounting to Indian Rupees 80.00 million and 20.00 million, respectively, or totalling to Baht 52.80 million according to its 100.00% shareholding.

Srithai (Vietnam) Company Limited

Srithai (Vietnam) Company Limited has registered increase its registered capital from US dollars 20.00 million to 40.00 million in February 2015. This was approved by a resolution of the Board of Directors of the Company on 30 September 2014. The Company will wholly invest in the increase registered capital according to its 100.00% shareholding. The Company partially paid for additional investment share capital in a subsidiary amounting to US dollars 3.00 million or equivalent to Baht 97.95 million on 11 February 2015.

Approval of dividends

On 27 February 2015, the Board of Directors of the Company passed a resolution to propose the dividend payment from the operating results of 2014 at Baht 0.10 per share, totalling Baht 270.99 million. However, the approval for the dividend payment shall be proposed to the Annual General Meeting of Shareholders No. 34 (year 2015) for further consideration and approval.