

Thai Steel Cable Public Company Limited  
Review report and interim financial statements  
For the three-month and six-month periods ended  
31 March 2014

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Thai Steel Cable Public Company Limited

I have reviewed the accompanying statement of financial position of Thai Steel Cable Public Company Limited as at 31 March 2014, the related statements of comprehensive income for the three-month and six-month periods ended 31 March 2014, and the related statements of changes in shareholders' equity, and cash flows for the six-month period then ended, as well as the condensed notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

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

### **Conclusion**

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

**Emphasis of matter**

I draw attention to Note 2 to the financial statements regarding the change in accounting policy due to the adoption of Thai Accounting Standard 12 *Income Taxes*. The Company has restated the statement of financial position as at 30 September 2013, presented herein as comparative information, to reflect the adjustment resulting from such change. The Company has also presented the statement of financial position as at 1 October 2012 as comparative information, using the newly adopted accounting policy for income taxes. My conclusion is not qualified in respect of this matter.

**Other matter**

The statement of financial position of Thai Steel Cable Public Company Limited as at 30 September 2013 (before restatement) and as at 30 September 2012 (which have been used for preparing the statement of financial position as at 1 October 2012 as described in the preceding paragraph) were audited by other auditors, who expressed unqualified opinions on those statements, under her reports dated 25 November 2013 and 26 November 2012, respectively. The statements of comprehensive income for the three-month and six-month periods ended 31 March 2013 (before restatement), and the related statements of changes in shareholders' equity, and cash flows for the six-month period ended 31 March 2013 (before restatement), were audited by other auditor, who expressed unqualified opinions on those statements, under her report dated 8 May 2013, that nothing had come to her attention that caused her to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Khitsada Lerdwana

Certified Public Accountant (Thailand) No. 4958

EY Office Limited

(Formerly known as "Ernst & Young Office Limited")

Bangkok: 6 May 2014

**Thai Steel Cable Public Company Limited****Statement of financial position**

(Unit: Thousand Baht)

	Note	31 March 2014	30 September 2013	1 October 2012
		(Unaudited but reviewed)	(Audited) (Restated)	
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents		361,671	213,007	141,000
Current investments		100	99	97
Trade and other receivables	4	519,718	615,766	663,698
Inventories		320,012	414,201	415,162
Other current assets		6,441	7,016	15,184
<b>Total current assets</b>		<b>1,207,942</b>	<b>1,250,089</b>	<b>1,235,141</b>
<b>Non-current assets</b>				
Long-term investments	5	25,704	25,704	25,704
Investment properties	6	134,772	135,923	138,003
Property, plant and equipment	7	1,226,745	1,137,114	977,130
Intangible assets		19,740	23,714	28,103
Deferred tax assets	2	7,344	7,233	45
Other non-current assets		46,508	24,144	23,209
<b>Total non-current assets</b>		<b>1,460,813</b>	<b>1,353,832</b>	<b>1,192,194</b>
<b>Total assets</b>		<b>2,668,755</b>	<b>2,603,921</b>	<b>2,427,335</b>

The accompanying notes are an integral part of the financial statements.

**Thai Steel Cable Public Company Limited**  
**Statement of financial position (continued)**

(Unit: Thousand Baht)

	Note	31 March 2014	30 September 2013	1 October 2012
		(Unaudited but reviewed)	(Audited) (Restated)	
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Short-term loans from banks	8	400,000	100,000	-
Trade and other payables	9	505,679	646,754	695,728
Current portion of long-term loan from bank	10	56,250	75,000	56,250
Current portion of hire-purchase payables		6,081	6,771	6,386
Other current liabilities		20,273	22,327	9,393
<b>Total current liabilities</b>		<b>988,283</b>	<b>850,852</b>	<b>767,757</b>
<b>Non-current liabilities</b>				
Long-term loan from bank - net of current portion	10	-	18,750	52,250
Hire-purchase payables - net of current portion		3,998	4,812	8,496
Provision for long-term employee benefits	11	33,807	32,158	21,032
Provisions	12	19,507	18,077	18,572
Other non-current liabilities		155	67	99
<b>Total non-current liabilities</b>		<b>57,467</b>	<b>73,864</b>	<b>100,449</b>
<b>Total liabilities</b>		<b>1,045,750</b>	<b>924,716</b>	<b>868,206</b>
<b>Shareholders' equity</b>				
Share capital				
Registered				
268,500,000 ordinary shares of Baht 1 each		268,500	268,500	268,500
Issued and paid-up				
259,800,000 ordinary shares of Baht 1 each		259,800	259,800	259,800
Share premium		464,870	464,870	464,870
Retained earnings				
Appropriated - statutory reserve		26,850	26,850	26,850
Unappropriated		877,592	933,792	807,609
Other component of shareholders' equity		(6,107)	(6,107)	-
<b>Total shareholders' equity</b>		<b>1,623,005</b>	<b>1,679,205</b>	<b>1,559,129</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,668,755</b>	<b>2,603,921</b>	<b>2,427,335</b>
		-	-	-

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Thai Steel Cable Public Company Limited**  
**Statement of comprehensive income**  
**For the three-month period ended 31 March 2014**

	Note	2014	2013
			(Restated)
<b>Revenues</b>			
Sales		690,094	966,911
Other income		8,623	26,960
<b>Total revenues</b>		<b>698,717</b>	<b>993,871</b>
<b>Expenses</b>			
Cost of sales		561,492	783,381
Selling expenses		19,993	29,993
Administrative expenses		70,150	85,670
<b>Total expenses</b>		<b>651,635</b>	<b>899,044</b>
<b>Profit before finance cost and income tax revenues</b>		<b>47,082</b>	<b>94,827</b>
Finance cost		(3,874)	(3,034)
<b>Profit before income tax revenues</b>		<b>43,208</b>	<b>91,793</b>
Income tax revenues	13	127	3,982
<b>Profit for the period</b>		<b>43,335</b>	<b>95,775</b>
<b>Other comprehensive income</b>			
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		<b>43,335</b>	<b>95,775</b>
<b>Earnings per share</b>			
(Unit: Baht)			
<b>Earnings per share</b>			
14			
Basic earnings per share			
Profit attributable to equity holders of the Company		0.17	0.37
Weighted average number of ordinary shares (Thousand shares)		259,800	259,800

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Thai Steel Cable Public Company Limited**  
**Statement of comprehensive income**  
**For the six-month period ended 31 March 2014**

	Note	2014	2013
			(Restated)
<b>Revenues</b>			
Sales		1,414,315	1,879,900
Other income		19,067	52,731
<b>Total revenues</b>		<b>1,433,382</b>	<b>1,932,631</b>
<b>Expenses</b>			
Cost of sales		1,163,859	1,523,373
Selling expenses		39,780	62,251
Administrative expenses		148,911	160,518
<b>Total expenses</b>		<b>1,352,550</b>	<b>1,746,142</b>
<b>Profit before finance cost and income tax expenses</b>		<b>80,832</b>	<b>186,489</b>
Finance cost		(6,556)	(3,848)
<b>Profit before income tax expenses</b>		<b>74,276</b>	<b>182,641</b>
Income tax expenses	13	(576)	(185)
<b>Profit for the period</b>		<b>73,700</b>	<b>182,456</b>
<b>Other comprehensive income</b>			
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		<b>73,700</b>	<b>182,456</b>
<b>Earnings per share</b>			
(Unit: Baht)			
<b>Earnings per share</b>			
14			
Basic earnings per share			
Profit attributable to equity holders of the Company		0.28	0.70
Weighted average number of ordinary shares (Thousand shares)		259,800	259,800

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Thai Steel Cable Public Company Limited**

**Cash flows statement**

**For the six-month period ended 31 March 2014**

(Unit: Thousand Baht)

	2014	2013
<b>Cash flows from operating activities</b>		
Profit before tax	74,276	182,641
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities		
Depreciation and amortisation	62,423	52,232
Reduction of inventory to net realisable value	1,322	-
Gain on disposal/write-off of equipment	(1,422)	(6,387)
Provisions	2,521	5,571
Provision for long-term employee benefits (reversal)	1,649	(498)
Unrealised gain on exchange	(682)	(5,023)
Interest income	(546)	(293)
Interest expenses	6,556	3,848
Profit from operating activities before changes in operating assets and liabilities	146,097	232,091
Operating assets (increase) decrease		
Trade and other receivables	96,683	(32,645)
Inventories	92,867	55,181
Other current assets	(520)	(5,963)
Other non-current assets	(22,475)	11,271
Operating liabilities increase (decrease)		
Trade and other payables	(166,192)	(9,627)
Other current liabilities	2,783	4,864
Other non-current liabilities	(1,003)	(30)
Cash flows from operating activities	148,240	255,142
Cash paid for interest expenses	(6,534)	(3,795)
Cash paid for income tax	(4,319)	(129)
<b>Net cash flows from operating activities</b>	<b>137,387</b>	<b>251,218</b>

The accompanying notes are an integral part of the financial statements.



(Unaudited but reviewed)

**Thai Steel Cable Public Company Limited**  
**Cash flows statement (continued)**  
**For the six-month period ended 31 March 2014**

(Unit: Thousand Baht)

	2014	2013
<b>Cash flows from investing activities</b>		
Increase in current investments	(1)	(1)
Cash paid for purchase of equipment	(121,246)	(172,222)
Cash paid for purchase of intangible assets	(559)	(1,092)
Proceeds from sales of equipment	4,185	12,978
Interest income	546	293
<b>Net cash flows used in investing activities</b>	<b>(117,075)</b>	<b>(160,044)</b>
<b>Cash flows from financing activities</b>		
Increase in short-term loans from banks	300,000	100,000
Cash received from long-term loan	-	22,750
Repayment of long-term loan	(37,500)	-
Repayment of hire-purchase payables	(4,248)	(3,483)
Dividend paid	(129,900)	(129,900)
<b>Net cash flows from (used in) financing activities</b>	<b>128,352</b>	<b>(10,633)</b>
<b>Net increase in cash and cash equivalents</b>	<b>148,664</b>	<b>80,541</b>
Cash and cash equivalents at beginning of period	213,007	141,000
<b>Cash and cash equivalents at end of period</b>	<b>361,671</b>	<b>221,541</b>
	-	
Non-cash items		
Increase in other payables from purchase of equipment	25,142	12,537
Purchases of equipment under finance lease agreements	2,745	4,108

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Thai Steel Cable Public Company Limited**  
**Statement of changes in shareholders' equity**  
**For the six-month period ended 31 March 2014**

(Unit: Thousand Baht)

	Issued and paid-up share capital	Share premium	Retained earnings		Other component of equity	Total shareholders' equity
			Appropriated statutory reserve	Unappropriated	income Actuarial gains (losses)	
<b>Balance as at 1 October 2012 - as previously reported</b>	259,800	464,870	26,850	807,564	-	1,559,084
Cumulative effect of change in accounting policy for income taxes (Note 2)	-	-	-	45	-	45
<b>Balance as at 1 October 2012 - restated</b>	259,800	464,870	26,850	807,609	-	1,559,129
Dividend paid (Note 16)	-	-	-	(129,900)	-	(129,900)
Total comprehensive income for the period - restated	-	-	-	182,456	-	182,456
<b>Balance as at 31 March 2013 - restated</b>	259,800	464,870	26,850	860,165	-	1,611,685
<b>Balance as at 1 October 2013 - as previously reported</b>	259,800	464,870	26,850	926,684	(6,232)	1,671,972
Cumulative effect of change in accounting policy for income taxes (Note 2)	-	-	-	7,108	125	7,233
<b>Balance as at 1 October 2013 - restated</b>	259,800	464,870	26,850	933,792	(6,107)	1,679,205
Dividend paid (Note 16)	-	-	-	(129,900)	-	(129,900)
Total comprehensive income for the period	-	-	-	73,700	-	73,700
<b>Balance as at 31 March 2014</b>	259,800	464,870	26,850	877,592	(6,107)	1,623,005
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

## **Thai Steel Cable Public Company Limited**

### **Notes to interim financial statements**

**For the three-month and six-month periods ended 31 March 2014**

#### **1. General information**

##### **1.1 Corporate information**

Thai Steel Cable Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of control cable of automobiles and motorcycles and window regulator of automobiles. The registered office of the Company is at Amatanakorn Industrial Estate 700/737, Moo 1, Tambol Panthong, Amphur Panthong, Chonburi.

##### **1.2 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2012) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

##### **1.3 New accounting standards**

Below is a summary of accounting standards that became effective in the current accounting year and those that will become effective in the future.

###### **(a) Accounting standards that became effective in the current accounting year**

Accounting Standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

## Financial Reporting Standard:

TFRS 8 Operating Segments

## Accounting Standard Interpretations:

TSIC 10 Government Assistance - No Specific Relation to Operating Activities

TSIC 21 Income Taxes - Recovery of Revalued Non-Depreciable Assets

TSIC 25 Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

## Accounting Treatment Guidance for Transfers of Financial Assets

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements, except for the following accounting standard.

**TAS 12 Income Taxes**

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company has changed this accounting policy in this current period and restated the prior year's financial statements, presented as comparative information, as though the Company had initially recognised the tax effects as deferred tax assets or liabilities. The cumulative effect of this change in accounting policy has been presented in Note 2 to the financial statements.

**(b) Accounting standards that will become effective in the future**

		<u>Effective date</u>
Accounting Standards:		
TAS 1 (revised 2012)	Presentation of Financial Statements	1 January 2014
TAS 7 (revised 2012)	Statement of Cash Flows	1 January 2014
TAS 12 (revised 2012)	Income Taxes	1 January 2014
TAS 17 (revised 2012)	Leases	1 January 2014
TAS 18 (revised 2012)	Revenue	1 January 2014
TAS 19 (revised 2012)	Employee Benefits	1 January 2014
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates	1 January 2014
TAS 24 (revised 2012)	Related Party Disclosures	1 January 2014

(Unaudited but reviewed)

		<u>Effective date</u>
TAS 28 (revised 2012)	Investments in Associates	1 January 2014
TAS 31 (revised 2012)	Interests in Joint Ventures	1 January 2014
TAS 34 (revised 2012)	Interim Financial Reporting	1 January 2014
TAS 36 (revised 2012)	Impairment of Assets	1 January 2014
TAS 38 (revised 2012)	Intangible Assets	1 January 2014
Financial Reporting Standards:		
TFRS 2 (revised 2012)	Share-based Payment	1 January 2014
TFRS 3 (revised 2012)	Business Combinations	1 January 2014
TFRS 4	Insurance Contracts	1 January 2016
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations	1 January 2014
TFRS 8 (revised 2012)	Operating Segments	1 January 2014
Accounting Standard Interpretations:		
TSIC 15	Operating Leases - Incentives	1 January 2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32	Intangible Assets - Web Site Costs	1 January 2014
Financial Reporting Standard Interpretations:		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014

(Unaudited but reviewed)

		<u>Effective date</u>
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non-cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

The Company's management believes that these accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standards interpretations will not have any significant impact on the financial statements for the year when they are initially applied.

#### **1.4 Significant accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 30 September 2013, except for the change in the accounting policies due to the adoption of TAS 12 Income Taxes as follow.

##### **Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

(Unaudited but reviewed)

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## 2. Cumulative effect of the change in accounting policy due to the adoption of new accounting standard

During the current period, the Company made the change described in Note 1.4 to the financial statements to its significant accounting policies, as a result of the adoption of TAS 12 Income Taxes. The cumulative effect of the change in the accounting policy has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

	(Unit: Thousand Baht)		
	As at	As at	As at
	<u>31 March 2014</u>	<u>30 September 2013</u>	<u>1 October 2012</u>
<b>Statements of financial position</b>			
Increase in deferred tax assets	7,344	7,233	45
Increase in unappropriated retained earnings	7,219	7,108	45
Increase in other component of shareholders' equity	125	125	-

	(Unit: Thousand Baht)	
	For the three-month periods ended 31 March	
	<u>2014</u>	<u>2013</u>
<b>Statements of comprehensive income</b>		
<b>Profit or loss:</b>		
Increase (decrease) in income tax revenues	127	(55)
Increase (decrease) in profit attributable to equity holders of the Company	127	(55)
Increase (decrease) in basic earnings per share (Baht)	0.0005	(0.0002)

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month  
periods ended 31 March

	2014	2013
<b>Statements of comprehensive income</b>		
<b>Profit or loss:</b>		
Decrease in income tax expenses	(111)	(61)
Increase in profit attributable to equity holders of the Company	111	61
Increase in basic earnings per share (Baht)	0.0004	0.0002

### 3. Related party transactions

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 31 March		For the six-month periods ended 31 March		Transfer Pricing Policy
	2014	2013	2014	2013	
<u>Related companies</u>					
Service income	40.6	30.5	72.3	60.0	Market price
Purchases of raw materials and finished goods	91.8	167.7	196.6	375.9	Market price
Purchases of assets	0.5	7.8	1.4	9.2	Agreed upon basis
Royalty fee	10.6	14.6	21.6	27.4	2.0% on the net sales amount

As at 31 March 2014 and 30 September 2013, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	31 March 2014	30 September 2013
<b>Trade and other receivables - related parties (Note 4)</b>		
<u>Trade receivables - related parties</u>		
Related companies	29,998	29,882
<u>Other receivables - related parties</u>		
Related companies	145	140



(Unaudited but reviewed)

(Unit: Thousand Baht)

31 March 2014	30 September 2013
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**Trade and other payables - related parties (Note 9)**

Trade payables - related parties

Related companies	59,894	88,355
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Other payables - related parties

Related companies	437	515
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Accrued royalty - related party

Related company	34,872	13,279
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Directors and management's benefits

During the three-month and six-month periods ended 31 March 2014 and 2013, the Company had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March		For the six-month periods ended 31 March	
	2014	2013	2014	2013
Short-term employee benefits	23,405	20,460	51,184	41,523
Post-employee benefits	43	171	85	343
Total	23,448	20,631	51,269	41,866

**4. Trade and other receivables**

(Unit: Thousand Baht)

31 March 2014	30 September 2013
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Trade receivables - related parties

Aged on the basis of due dates

Not yet due	29,907	27,207
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Past due up to 3 months	91	2,675
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Total trade receivables - related parties	29,998	29,882
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(Unaudited but reviewed)

(Unit: Thousand Baht)

	31 March 2014	30 September 2013
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	457,786	556,089
Past due		
Up to 3 months	1,629	1,738
3 - 6 months	254	116
Over 12 months	13,039	12,510
Total	472,708	570,453
Less: Allowance for doubtful debts	(12,361)	(12,361)
Total trade receivables - unrelated parties - net	460,347	558,092
Total trade receivables - net	490,345	587,974
<u>Other receivables</u>		
Other receivables - related parties	145	140
Other receivables - unrelated parties	56,144	54,568
Total	56,289	54,708
Less: Allowance for doubtful debts	(26,916)	(26,916)
Total other receivables - net	29,373	27,792
Total trade and other receivables - net	519,718	615,766

## 5. Long-term investments

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	31 March 2014	30 September 2013	31 March 2014	30 September 2013	31 March 2014	30 September 2013
			(%)	(%)		
Hi-Lex Vietnam Co., Ltd.	USD 11,150,000	USD 11,150,000	6.28	6.28	25,704	25,704

## 6. Investment properties

Movements of the investment properties account during the six-month period ended 31 March 2014 are summarised below.

(Unit: Thousand Baht)

Net book value as at 1 October 2013	135,923
Depreciation for period	(1,151)

(Unaudited but reviewed)

Net book value as at 31 March 2014 134,772

## 7. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 31 March 2014 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 October 2013	1,137,114
Acquisitions during period - at cost	149,133
Disposal/write-off during period - net book value at disposal/write-off dates	(2,763)
Depreciation for period	(56,739)
Net book value as at 31 March 2014	<u><u>1,226,745</u></u>

As at 31 March 2014, the Company had equipment under hire-purchase agreements with net book values amounting to Baht 6 million (30 September 2013: Baht 7 million).

## 8. Short-term loans from banks

	(Unit: Thousand Baht)		
	Interest rate (% per annum)	31 March 2014	30 September 2013
Promissory notes	MMR	<u>400,000</u>	<u>100,000</u>

The short-term loans from banks are unsecured loans.

## 9. Trade and other payables

	(Unit: Thousand Baht)	
	31 March 2014	30 September 2013
Trade payables - related parties	59,894	88,355
Trade payables - unrelated parties	268,143	353,092
Other payables	68,987	52,076
Accrued expenses	108,655	153,231
Total	<u><u>505,679</u></u>	<u><u>646,754</u></u>

(Unaudited but reviewed)

## 10. Long-term loan from bank

		(Unit: Thousand Baht)	
Interest rate (% per annum)	Repayment schedule	31 March 2014	30 September 2013
MLR - 2.40	Payment of principal in monthly installments of Baht 6.25 million commencing in January 2013	56,250	93,750
Less: Current portion		<u>(56,250)</u>	<u>(75,000)</u>
Long-term loan from bank - net of current portion		<u><u>-</u></u>	<u><u>18,750</u></u>

Movements in the long-term loan from bank account during the six-month period ended 31 March 2014 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 October 2013	93,750
Less: Repayment	<u>(37,500)</u>
Balance as at 31 March 2014	<u><u>56,250</u></u>

The loan agreement contains covenants as specified in the agreement that, among other things, require the Company to maintain certain debt to equity and debt service coverage ratios according to the agreement.

## 11. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

	(Unit: Thousand Baht)
Balance as at 1 October 2013	32,158
Current service cost	1,272
Interest cost	<u>377</u>
Balance as at 31 March 2014	<u><u>33,807</u></u>

## 12. Provisions

These provisions are provisions for product warranty which have movements during the six-month period ended 31 March 2014 summarised below.

	(Unit: Thousand Baht)
Balance as at 1 October 2013	18,077
Increase during the period	2,521

(Unaudited but reviewed)

Utilised	<u>(1,091)</u>
Balance as at 31 March 2014	<u>19,507</u>

### 13. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses (revenues) for the three-month and six-month periods ended 31 March 2014 and 2013 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March		For the six-month periods ended 31 March	
	2014	2013	2014	2013
		(Restated)		(Restated)
<b>Current income tax:</b>				
Interim corporate income tax charge	-	(4,037)	687	246
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	<u>(127)</u>	<u>55</u>	<u>(111)</u>	<u>(61)</u>
<b>Income tax expenses (revenues) reported in the statements of comprehensive income</b>	<u>(127)</u>	<u>(3,982)</u>	<u>576</u>	<u>185</u>

### 14. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

### 15. Segment information

The Company is principally engaged in the manufacture and distribution of control cable of automobiles and motorcycles and window regulator of automobiles. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

(Unaudited but reviewed)

## 16. Dividend

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividends for the year ended 30 September 2012	The Annual General Meeting of the Company's shareholders on 29 January 2013	<u>129,900</u>	0.50
Dividends for the year ended 30 September 2013	The Annual General Meeting of the Company's shareholders on 28 January 2014	<u>129,900</u>	0.50

## 17. Commitments and contingent liabilities

### 17.1 Capital commitments

As at 31 March 2014, the Company had capital commitments of approximately Baht 68 million (30 September 2013: Baht 19 million), relating to the purchase of equipment.

### 17.2 Operating lease and service commitments

The Company has entered into several operating lease agreements in respect of the lease of vehicles and equipment and service agreements. The terms of the agreements are generally between 1 and 5 years.

The Company had future minimum lease and service payments required under these non-cancellable operating leases and service agreements as follows.

	(Unit: Million Baht)	
	31 March 2014	30 September 2013
Payable		
In up to 1 year	8	28
In over 1 and up to 3 years	2	2

### 17.3 Long-term service commitments

The Company has entered into license and technical assistance agreement with an overseas related company for the use of a trademark and the receipt of information related to the manufacture and assembly of control cable of automobiles and motorcycles. Under the conditions of the license agreement, the Company is to pay the fee twice a year as stipulated in the agreement. The fees for the three-month and six-month periods ended 31 March 2014 amounting to approximately Baht 11 million and

(Unaudited but reviewed)

Baht 22 million, respectively (2013: Baht 14 million and Baht 27 million, respectively) were recognised as expenses.

#### 17.4 Guarantees

As at 31 March 2014, there were outstanding bank guarantees of approximately Baht 3 million (30 September 2013: Baht 3 million) issued by banks on behalf of the Company in respect of guarantee electricity use.

#### 18. Reclassification

Except for the cumulative effect of the change in accounting policy as described in Note 2, certain amounts in the statements of financial position as at 30 September 2013 and as at 1 October 2012, and statements of comprehensive income for the three-month and six-month periods ended 31 March 2013 have been reclassified to conform to the current period's classification but with no effect to previously reported profit or shareholders' equity. The reclassifications are as follows:

(Unit: Thousand Baht)

	As at 30 September 2013		As at 1 October 2012	
	As reclassified	As previously reported	As reclassified	As previously reported
<b>Statements of financial position</b>				
Trade and other receivables	615,766	620,624	663,698	674,736
Other current assets	7,016	25,283	15,184	26,336
Other non-current assets	24,144	1,019	23,209	1,019
Trade and other payables	646,754	640,921	695,728	658,736
Asset payables	-	21,296	-	39,718
Other current liabilities	22,327	6,864	9,393	6,667

(Unit: Thousand Baht)

	For the three-month period ended 31 March 2013		For the six-month period ended 31 March 2013	
	As reclassified	As previously reported	As reclassified	As previously reported
<b>Statement of comprehensive income</b>				
Cost of sales	783,381	783,249	1,523,373	1,523,097
Administrative expenses	85,670	70,470	160,518	131,259
Directors and management' remuneration	-	15,104	-	29,078
Finance cost	3,034	3,262	3,848	4,305

**19. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 6 May 2014.