



รายงานประจำปี 2557

บริษัท โรงงานผ้าไทย จำกัด (มหาชน)

Annual Report 2014

Thai Textile Industry
Public Company Limited



CONTENT

	Page
Message from the Board of Directors	03
Report of the Audit Committee	04
Annual Company Information Filing	
Part 1: Company's Business	
1. Policy and Business Overview	06
2. Business Nature	07
3. Risk Factors	09
4. Operating Assets	10
5. Legal Disputes	10
6. General Information and Other Key Information	11
Part 2: Management and Corporate Governance	
7. Securities and Shareholder Information	13
8. Management Structure	14
9. Corporate Governance	18
10. Corporate Social Responsibility	20
11. Internal Control and Risk Management	21
12. Related Transaction	21
Part 3: Financial Status and Operational Results	
13. Financial Statement Highlights	23
14. Analysis and Memorandum for Director	24
Information Certification	
Information Certification	29
Attachment	
Attachment 1: Details of Directors, Managers, Administrators, and Secretary of the Company	33
Attachment 2: Profile of Subsidiary Directors	35
Attachment 3: Profile of Internal Auditor and Head of Company Compliance Unit	36
Attachment 4: Detail of Asset Appraisal	36
Financial Statements and Independent Auditor's Report	
Independent Auditor's Report	39
Statement of Financial Position	41
Statement of Comprehensive Income	43
Statement of Changes in Shareholders' Equity	44
Statement of Cash Flows	46
Notes to The Financial Statements	48

This page intentionally left blank

Message from the Board of Directors

In the early May of 2014, when the protracted protests by the anti-government groups were met with counter-protests by the pro-government red shirts, promoting the military to step in with an offer to mediate. However, when it became clear that neither side would budge, the military finally pulled the plug.

The hopes that the Thai economy crippled by the political mayhem would bounce back very quickly after the coup had not happened as many businessmen anticipated. Economic problems were far more complicated than in the past, a perfect of tepid exports, subdued domestic consumption, bleak private and public spending, ebbing tourism growth and falling prices of farm goods. On top of that, household debt rose to 10 Trillion Baht or about 83.5% of GDP from approximately 82.3% in 2013, 77.3% in 2012 and 70% in 2011. High household debt had crippled low-income earners spending and medium income earners were reluctant to spend as they felt uncertain about the future.

Amid all the world economic uncertainties, our company is moving forward in investing in new technology in order to enhance our efficiency. Our domestic and worldwide customers are assured that our products are manufactured by the most advance machinery, at the competitive prices with the highest quality

Finally, a sincere appreciation for your kind support and understanding

Board of Directors

Report of the Audit Committee

Dear Shareholders,

The Audit Committee, which was appointed by the Board of Directors of Thai Textile Industry Public Company Limited, consists of the following 5 Independent Directors: 1) Dr. Chin Chinsetawong, Chairman of the Audit Committee; 2) Mrs. Ratana Suthipongchai; 3) Mr. Preecha Chaipromprasith; 4) Mr. Korn Sereeronjanasiri; and 5) Dr. Kajornwuth Namsirikul as the Audit Committee, with Mr. Narong Piriya-prinsakul as the Secretary of the Audit Committee.

In 2014, the Audit Committee held 4 meetings in which the Executive Directors, Accounting Department Representative, Certified Public Accountants, and Internal Audit Committee all attended the meeting each time.

Thailand's economy in 2014 had been affected by the weak world economy and political unrest in the country. The Audit Committee gave Management of the Company, formally and informally, adequate suggestions.

The Audit Committee has performed its duties and responsibilities according to the rules and regulations of the Stock Exchange of Thailand, as well as according to responsibilities given by the Board of Directors of the Company. The main responsibilities of the Audit Committee consist of the internal audits, checking good governance, and transparency of the management of the Company. The Audit Committee would like to summarize the following important points:

1) Financial Statement

The Audit Committee checked the quarterly financial statements and the annual financial statements together with the Management, Accounting Department Representative, Certified Public Accountants, and Internal Audit Committee in each meeting, from which the Audit Committee concluded that the Company's Financial Statements were transparent and prepared according to the General Accounting Regulations.

The 5 members of the Audit Committee, who are experienced individuals in accounting and finance, and have been in their positions for the past few years, have created an open discussion environment with useful recommendations for the Board of Directors to follow up during the Audit Committee meetings.

2) Internal Audits

The Audit Committee has set up a system to check the quality and effectiveness of each department such as, production, marketing, and human resources, to evaluate the overall Company performance.

The Audit Committee has emphasized the importance of the internal audit, which have continuously improved and currently is at an acceptable level.

3) Business Transactions between Related Individuals and Companies

The Audit Committee reviewed reports of business transactions between individuals and related companies to the Company, prepared by the Accounting Department and the Management, with the Certified Public Accountants at each Audit Committee Meeting.

The Certified Public Accountants found the prices and sales conditions to the related individuals and companies are in line with Company's policy to treat all business transactions equal to the normal practices given to other individuals and companies not related to the Company. The business transactions between related individuals and companies are disclosed according to the rules and regulations of the Stock Exchange of Thailand.

4) Adherence to Rules and Regulations

The Company has an individual responsible for following up the rules and regulations, including laws, of the Stock Exchange of Thailand concerning the operation of the business.

The Audit Committee has checked and found the Company had operated according to the rules and regulations of the Stock Exchange of Thailand accordingly.

5) Certified Public Accountants

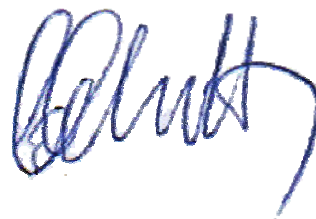
The Audit Committee has considered and recommended the appointment of AST Master Company Limited with proposed amount of remuneration for 2015 fiscal year for the Board of Directors and Shareholders to approve.

6) Others

The Audit Committee carried out the responsibilities with the collaboration of the Management and other departments of the Company and gave recommendations when necessary.

It is the Audit Committee's opinion, that the Company's Internal Audit is effective and sufficient without causing any adverse effect in the operation of the Company. In spite of labour shortage problem, the production efficiency had been maintained at the target standards.

The Audit Committee has performed its duties justly, independently and focused on the internal audits, to make sure the operations of the Company are transparent and fair to protect the interests of the Shareholders and all parties of interest.



(Dr.Chin Chinsettawong)
Chairman of the Audit Committee

Part 1

Company's Business

1. Policy and Business Overview

Thai Textile Industry Public Company Limited (TTI) started business in 1970 as only a weaving factory. Later TTI expanded into other textile related business to include spinning, sizing, yarn dyeing, and garment making, which at present the Company is vertically integrated to produce fabric.

The Subsidiary Company is only in the yarn spinning business, with sales majority to TTI and only a small portion is sold to general customers.

1.1 Visions, Objectives, Goals, and Strategies

Since the very beginning, the textile industry is a highly competitive industry both locally and internationally in terms of quality, price, and production technologies to reduce cost and raise the quality of the products. TTI's objective is to follow and adapt constantly to the changes in the market to meet the needs of the customers in time. It is necessary for TTI to constantly update the production machinery to increase our competitiveness in cost, products, and quality of our products.

1.2 Key Development and Changes

1969	Thai Textile Industry Company Limited was established on 18 November 1969, with registered capital of 20 Million Baht.
1970	TTI purchased Thai Rung Rueng Weaving Company Limited to start textile business as manufacturer, seller and buyer of yarns, greige fabrics, and finished fabrics.
1975	Increased capital by 80 Million Baht to total 100 Million Baht registered capital for business expansion.
1979	Increased capital by 50 Million Baht to total 150 Million Baht registered capital for business expansion.
1987	Increased capital by 50 Million Baht to total 200 Million Baht registered capital for business expansion. Received approval to be a listed company in the Stock Exchange of Thailand.
1989	Increased capital by 300 Million Baht to total 500 Million Baht registered capital. Issued and paid up of 15 Million Shares as capital to establish a yarn spinning factory which received custom tax exempt for imported machinery.
2002	Issued and paid up of 15 million shares to be a total of 50 million shares registered capital with par value of 10 Baht per share for a total of 500 Million Baht registered capital.

1.3 Shareholding Structure of TTI Group

TTI Group Shareholding Structure Table

TTI Shareholding	TRT Shareholding	TSI Shareholding	RTI Shareholding	TTP Shareholding
TRT 87.31 %	TTI -	TTI 0.50 %	TTI -	TTI -
TSI 6.60 %	TSI -	TRT 1.09 %	TRT 2.00 %	TRT -
RTI 8.75 %	RTI -	RTI 5.25 %	TSI -	TSI -
TTP 3.57 %	TTP -	TTP 1.43 %	TTP -	RTI -

TTI	Thai Textile Industry Public Company Limited	Paid up Capital	500	Million Baht	50	Million Shares
TRT	Thai Rung Textile Company Limited (Subsidiary)	Registered Capital	600	„	6	„
TSI	Thai Standard Industries Company Limited	„	150	„	1.5	„
RTI	Rama Textile (1988) Industry Company Limited	„	250	„	2.5	„
TTP	Thai Textile Printing Public Company Limited	„	350	„	3.5	„

1.4 Business Relationship with Major Shareholder

Only Thai Winner Textile Industry Company Limited and Casadi International Company Limited of the Boonnumsap family have business relationship as customers of TTI. Other major shareholders do not have any business relationship with TTI.

2. Business Nature

2.1 Product and Services

TTI is in the textile industry as a manufacturer, importer and seller of raw cotton fibers, cotton yarns, blended yarns, synthetic yarns, greige fabrics, dyed fabrics, yarn dyed fabrics, and finished garments as per customer's orders to local and international customers under the brand “TTI”.

Thai Rung Textile Company Limited (TRT) (Subsidiary) is a yarn spinning factory, spinning cotton yarns, blended yarns, and synthetic yarns, selling to TTI, yarn dyeing factories, and local fabric manufacturers.

2.2 Marketing and Competition

(Units: Million Baht)

Product/Services	Produced by	Shareholding %	2014		2013		2012	
			Revenue	%	Revenue	%	Revenue	%
Company			-					
Finished Garment								
Local			55.97	1.37	21.41	0.52	21.20	0.54
Export			125.95	3.08	190.45	4.62	173.77	4.39
Fabric								
Local			962.64	23.54	970.57	23.53	970.55	24.51
Export			1,000.92	24.47	1,014.71	24.60	767.07	19.37
Cotton Fiber / Yarn								
Local			607.26	14.85	627.03	15.20	611.48	15.44
Export			28.95	0.71	26.96	0.65	23.39	0.59
Local Service Income			26.66	0.65	70.15	1.70	88.22	2.23
Other Income			93.68	2.29	92.60	2.24	61.52	1.55
Total			2,902.03	70.96	3,013.38	73.06	2,717.20	68.62
Subsidiary			87.31					
Cotton Fiber / Yarn								
			1,062.43	25.98	1,035.86	25.11	1,176.85	29.73
Local Service Income			60.91	1.49	61.78	1.50	50.90	1.29
Other Income			64.53	1.58	13.26	0.32	14.15	0.36
Total			1,187.87	29.05	1,110.90	26.93	1,241.90	31.38
Grand Total			4,089.90	100.00	4,124.78	100.00	3,959.10	100.00

2.3 Product and Services Procurement

All finished products and some raw materials were procured from 3 factories in TTI Group and the Subsidiary, which the location and production capacity are as follow:

Factory	Location	Type of Factory	Production Capacity 2014	
			Quantity	Unit
Factory 1	385 Soi Bangmakekhao, Taiban, Muang, Samutprakarn	Weaving	32,000,000	Yards
Factory 2	275 Soi Bangmakekhao, Taiban, Muang, Samutprakarn	Spinning	6,400,000	Pounds
Factory 3	595 Sukhumvit Rd, Bangpoo Mai, Muang, Samutprakarn	Garment	1,500,000	Pieces
Subsidiary	62 Soi Valilai, Bangchalong, Bangplee, Samutprakarn	Spinning	24,000,000	Pounds

All finished fabrics at and yarns, which is the raw material for fabric production, is sourced from TTI, the subsidiary company, as well as other manufacturers in the country. For raw materials such as raw cotton fibers, TTI import from various countries such as China, America, Australia, Sudan, and Uzbekistan, depending on the quality of the product.

3. Risk Factors

The risk factors that will greatly impact the financial and operational status of TTI are not foreseeable in the near future.

The risk factors that will impact business operations are as follow:

3.1 Liquidity Risk

Liquidity risk, or funding risk, is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

3.2 Foreign Currency Risk

As part of the international trading, the Group has significant exposures to market risks from changes in foreign exchange rates. The Group uses forward exchange contracts to mitigate those risks. Forward exchange contracts are accounted for as foreign currency transactions. Gains or losses on derivative financial instruments used for hedging of foreign currency transactions are recognized as income or expense on the same basis as the corresponding hedged position.

As at 31 December 2014, assets and liabilities of the Group which are not hedged as follows:

	Currencies	Amount	Equivalent to approximately (In Million Baht)
Trade accounts receivable	U.S. Dollars	3,333,595	109.09
Trade accounts payable	U.S. Dollars	510,324	16.90
Short-term loans from financial institutions	U.S. Dollars	4,360,015	144.37
	EURO	451,100	18.20
Accrued expenses	U.S. Dollars	438,302	14.51

3.3 Interest Rate Risk

The Group was exposed to interest risks because it held deposits to and loans from financial institutions. However, the Group believes that the future fluctuation on market interest rate would not provided significant effect to its operation and cash flow; therefore, no financial derivative was adopted to manage such risks.

3.4 Credit Risk

The Group was exposed to credit risks mainly relating to its trade accounts receivable. However, the management has policies to provide adequate allowances for any possible losses that might be incurred in connection with its receivables.

4. Operating Assets

Operating Assets were valued on 31 December 2014 with the following details as appeared in the Separate Financial Statement and Subsidiary Financial Statement.

Separate Financial Statement

	(Baht)
Land	36,143,749.00
Buildings & Structure	121,329,123.00
Machinery & Equipment	636,778,795.00
Furniture & Office Equipment	2,467,454.00
Assets under installation	74,458,783.00
Vehicle	10,778,748.00
Total	<u>881,956,652.00</u>

Remarks On 31 December 2014 The Company's machineries with net book value of 161.40 million Baht

Subsidiary Financial Statement

	(Baht)
Land	185,749,040.00
Land Appraisal	239,694,066.00
Buildings & Structure	168,566,536.00
Machinery & Equipment	873,759,563.00
Factory Utility System	111,690,730.00
Furniture & Office Equipment	732,050.00
Assets under installation	180,000.00
Vehicle	6,784,756.00
Total	<u>1,587,156,741.00</u>

Remarks On 31 December 2014, the Group's machineries with net book values of 99.43 million baht are mortgaged as collateral of credit facilities to financial institution.

5. Legal Disputes

None

6. General Information and Other Key Information

Company Name Issuing Securities	Thai Textile Industry Public Company Limited
Registration No:	0107537000441 (Previously PCL 291)
Type of Business	Manufacturer Fabric Weaving, Yarn Spinning, Garment
Paid-up Capital	50 Million Shares (par at 10 Baht per share)
Address	385 Soi Bang Make Khao, Sukhumvit Road, Taiban, Muang Samutprakarn, Samutprakarn 10280
Tel	0-2703-8484
Fax	0-2387-1983, 0-2387-0894
Email	thaitex@tti.co.th
Website	http://www.tti.co.th

Reference Person

Securities Registrar	Thailand Securities Depository Company Limited 62 Stock Exchange of Thailand Building, 4, 6-7 th floor Ratchadaphisek Road, Klong Toey, Bangkok 10110 Tel: 0-2229-2800, 0-2654-5599. Fax: 0-2359-1259
----------------------	---

Auditor

Mr. Pradit Rodloytook, CPA No. 218, or
Ms. Nongram Laohareedeelok, CPA No. 4334
AST Master Company Limited
790/12 Thonglor Tower Soi Thonglor 18, Sukhumvit 55 Road, Klong Tan,
Klong Toey, Bangkok 10110
Tel: 0-2714-8842. Fax: 0-2381-5716

Legal Consultant

Charastam Law office and Accountant
281/7 Moo 4, Soi Suksawasdi, Suksawasdi Road, Bangpakok Rajburana, Bangkok 10140
Tel: 0-2389-2298. Fax: 0-2389-2298

Investment in companies with 10% or more of registered capital

Company Name	Thai Rung Textile Company Limited
Address	62 Soi Vilalai, Bangna-Trad Road, Bangchalong, Bangplee, Samutprakarn Tel: 0-2337-2325-6. Fax: 0-2337-2329-30
Type of Business	Yarn Spinning Factory
Paid Capital	6,000,000 shares (par at 100 Baht per share)
Share holding	87.31%

This page intentionally left blank

Part 2

Management and Corporate Governance

7. Securities and Shareholders

7.1 Registered and Paid-up Capital

TTI have Registered Capital of 500 Million Baht, Paid-up Capital of 500 Million Baht, divided into 50 million shares with 10 Baht per share.

7.2 Shareholders

Top 10 Shareholders over 5 Years Period

Rank	Name	31 December 2014	%	31 December 2013	%	31 December 2012	%	31 December 2011	%	31 December 2010	%
1	Mr. Kamjorn Chuenchoochit	11,988,167	24.0	11,994,667	24.0	11,872,967	23.7	11,473,567	23.0	10,456,367	20.9
2	Thailand Securities Depository Co., Ltd. For depositors	8,445,002	16.9	7,876,793	15.8	7,800,251	15.6	7,723,948	15.5	7,612,404	15.2
3	Miss Supatta Boonnamsap	6,004,985	12.0	5,362,870	10.7	5,354,985	10.7	5,254,985	10.5	5,204,985	10.4
4	Mr. Tawatchai Chaiyapinunt	5,427,120	10.9	5,804,985	11.6	5,379,570	10.8	5,379,570	10.8	5,379,570	10.8
5	Thai Textile International Co., Ltd.	4,128,315	8.3	4,128,315	8.3	4,128,315	8.3	4,128,315	8.3	4,128,315	8.3
6	Mr. Udom Worarittichai (Deceased 19 July 2014)	2,964,945	5.9	2,964,945	5.9	2,964,945	5.9	2,964,945	5.9	2,964,945	5.9
7	Mr. Phaiboon Jaroonchaikanakij	2,478,100	5.0	2,478,100	5.0	2,478,100	5.0	2,310,400	4.6	2,310,400	4.6
8	Great San Holding Co., Ltd.	2,000,000	4.0	2,000,000	4.0	2,000,000	4.0	2,000,000	4.0	2,000,000	4.0
9	R.P.T. Resources Co., Ltd.	1,718,100	3.4	1,718,100	3.4	1,718,100	3.4	1,718,100	3.4	1,718,100	3.4
10	T.T. Resources Co., Ltd.	1,582,305	3.2	1,582,305	3.2	1,582,305	3.2	1,582,305	3.2	1,582,305	3.2

7.3 Other Securities

None

7.4 Dividend Payment Policy

Dividend payment policy is paying dividend not less than 50-60% of net profit.

8. Management Structure

8.1 Company Directors

Company Board of Directors consists of 17 Directors, divided into 7 Executive Directors, 4 Non- Executive Directors and 6 Independent Directors.

The Board of Directors is divided into 3 sub-Committees, namely the Audit Committee, Nomination Committee, and Remuneration Committee as follow:

1.	Mr. Boonnam	Boonnamsap	Chairman
2.	Mr. Mongkol	Mungkornkanok	Executive Director
3.	Mr. Phaiboon	Jaroonchaikanakij	Executive Director
4.	Mr. Lin	Mow Siung	Executive Director
5.	Mr. Tawatchai	Chaiyapinunt	Executive Director, Nomination Committee and Remuneration Committee
6.	Mr. Kumjorn	Chuenchoochit	Executive Director
7.	Mr. Chuang	Kullawanwichit	Executive Director and Secretary to the Board
8.	Mr. Udom	Worarittichai	Director
9.	Mrs. Siriwan	Boonnamsap	Director
10.	Prof. Dr. Somsak	Chaiyapinunt	Director
11.	Mr. Piroj	Chuenchoochit	Director
12.	Mr. Suchart	Chantanakaracha	Director and Independent Director
13.	Dr. Chin	Chinsettawong	Chairman of the Audit Committee, Independent, Nomination Committee and Remuneration Committee
14.	Mrs. Ratana	Suthipongchai	Audit Committee, Independent, Nomination Committee and Remuneration Committee
15.	Mr. Preecha	Chaipromprasith	Audit Committee and Independent Director
16.	Mr. Korn	Sereerojanasiri	Audit Committee and Independent Director
17.	Asst.Prof.Dr. Kachornvut	Namsirikul	Audit Committee and Independent Director
	Mr. Narong	Piriyapinsakul	Secretary of Audit Committee Nomination Committee and Remuneration Committee

Remark

- For number of times of Directors' Meeting, and the attendance of each Director at each meeting, please refer to the Attendance and Remuneration Chart.
- Mr. Udom Worarittichai, Director, deceased on 19 July 2014

Audit Committee

On 22 February 2012, the Board of Directors appointed 5 Directors to be on the Audit Committee for the duration of 2 years per term. The 5 Directors consisted of the following:

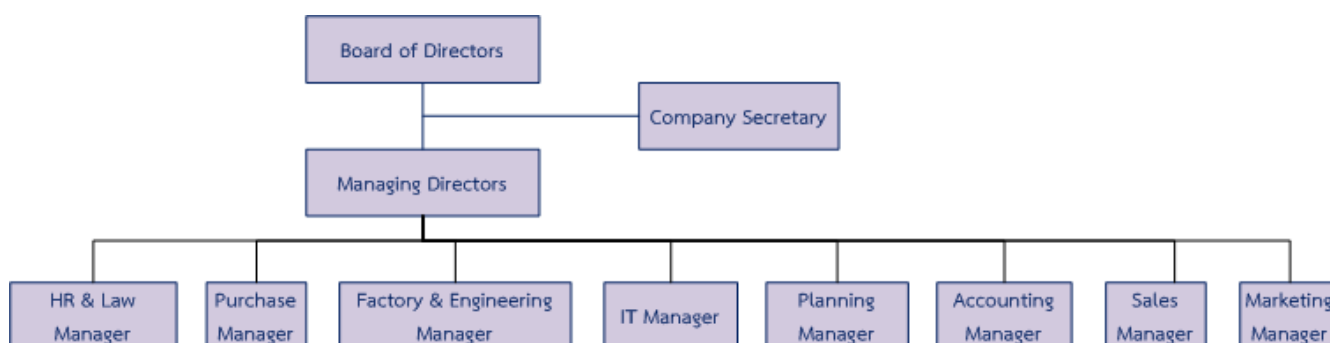
1. Dr. Chin Chinsetawong (Chairman of the Audit Committee)
2. Mrs. Ratana Suthipongchai (Audit Committee)
3. Mr. Preecha Chaipromprasith (Audit Committee)
4. Mr. Korn Sereerojanasiri (Audit Committee)
5. Asst.Prof.Dr. Kachornvut Namsirikul (Audit Committee)

Nomination Committee and Remuneration Committee

On 22 February 2012, the Board of Directors appointed 2 sub-Committees, which were the Nomination Committee and the Remuneration Committee. The term for each Director is 2 years and consisted of 2 Independent Directors, and 1 Executive Director. The Directors for both Committees are as follow:

1. Dr. Chin Chinsetawong (Independent Director and Chairman of the Audit Committee)
2. Ms. Ratana Suthipongchai (Independent Director and Audit Committee)
3. Mr. Tawatchai Chaipayinunt (Executive Director)
4. Mr. Narong Piriya-prinsakul (Secretary of the Committees)

8.2 Management Structure



Managing Director	Mr. Mongkol Mungkornkanok
HR and Law	Mr. Narong Piriya-prinsakul
Purchase	Mr. Arun Charoensangpetch
Factory & Engineering	Mr. Chalerm Techawal
Information Technology	Ms. Malee Opastaweechai
Planning	Mr. Surasak Nampila
Accounting	Ms. Naruemon Worarittichai
Sales	Mr. Nataphol Jarukittikhun
Marketing	Mr. Therawat Srivilaiwit

8.3 Company Secretary

Mr. Narong Piriya-prinsakul

8.4 Directors and Executive officer Remuneration

The attendance of each Director at each meeting and the Directors Remuneration

Directors Attendance and Remuneration Chart

	Director	Position	Directors Meeting Attendance / Meetings		Director Remuneration (Baht) (Remuneration and Pension)		
			2014	2013	2014	2013	
1.	Mr. Prakob Chuenchoochit	★	-	3/5	-	155,000	
2.	Mr. Boonnarn Boonnamsap	★	4/4	5/5	160,000	135,000	
3.	Dr. Chin Chinsettagong	◆■▲*	4/4	5/5	170,000	174,545	
4.	Mrs. Ratana Suthipongchai	●■▲*	2/4	5/5	170,000	174,545	
5.	Mr. Preecha Chaipromprasith	●*	3/4	5/5	170,000	174,545	
6.	Mr. Korn Sereerojanasiri	●*	4/4	5/5	170,000	174,545	
7.	Dr. Kachornvut Namsirikul	●*	4/4	5/5	170,000	174,545	
8.	Mr. Mongkol Mungkornkanok	/	4/4	5/5	135,000	135,000	
9.	Mr. Phai boon Jaroonchaikanakij	/	3/4	5/5	122,500	114,546	
10.	Mr. Lin Mow Siung	/	1/4	4/5	122,500	114,545	
11.	Mr. Tawatchai Chaiyapinunt	/■▲	4/4	5/5	122,500	114,546	
12.	Mr. Kumjorn Chuenchoochit	/	4/4	5/5	122,500	114,546	
13.	Mr. Chuang Kullawanwicht	/	4/4	5/5	122,500	114,546	
14.	Mr. Udom Worarittichai	◆	1/4	5/5	102,500	114,546	
15.	Mrs. Siriwan Boonnamsap	◆	4/4	5/5	110,000	110,000	
16.	Prof. Dr. Somsak Chaiyapinunt	◆	4/4	5/5	110,000	110,000	
17.	Mr. Suchart Chantanakaracha	◆*	4/4	4/5	110,000	110,000	
18.	Mr. Piroj Chuenchoochit	◆	4/4	1/5	110,000	5,000	
Total						2,300,000	2,320,000

★	= Chairman	◆	= Chairman of the Audit Committee
●	= Audit Committee	/	= Executive Director
◆	= Director	■	= Nomination Committee
▲	= Remuneration Committee	*	= Independent Director

Salary and Bonus for 13 Executive Officers **18,390,380 Baht**

Non-financial Remuneration **None**

- Remark**
1. Mr. Prakob Chuenchoochit deceased on 10 September 2013.
 2. Mr. Udom Worarittichai deceased on 19 July 2014

8.5 Personnel

The Company's personnel for each major department in 2014 is as follow:

Month	Spinning	Weaving	Garment	Total
January	125	1,012	591	1,728
February	125	1,019	593	1,737
March	125	1,011	575	1,711
April	125	1,007	565	1,697
May	125	999	587	1,711
June	125	996	603	1,724
July	124	992	580	1,696
August	123	982	568	1,673
September	122	973	570	1,665
October	120	968	565	1,653
November	119	955	569	1,643
December	119	951	566	1,636

Compensation for 2014 is as follow:

1. Spinning Employee , Wages	29,611,132.34	Baht	Bonus	2,371,349.00	Baht
2. Weaving Employee, Wages	237,257,740.00	Baht	Bonus	20,523,583.89	Baht
3. Garment Employee, Wages	84,587,905.16	Baht	Bonus	5,892,580.11	Baht

For Personnel Development Program, the Company have regular seminars within the Company such as 5S, ISO 9000, and ISO 14000 programs. The Company also send employees to workshops and seminars outside the Company on a regular basis.

9. Corporate Governance

9.1 Corporate Governance Policy

The Company realize the importance of Good Corporate Governance and have clearly written principles that were communicated to the employees so they can uphold and follow the following principles:

1. Be honest and be fair.
2. Be transparent and independent.
3. Be responsible to duties.
4. Be socially responsible.

9.2 Sub Committee

(1) Within the Board of Directors, the 17 members on the Board were divided into Sub-Committee as follow:

- a. 7 Executive Directors
 1. Mr. Boonnam Boonnamsap
 2. Mr. Mongkol Mungkorkanok
 3. Mr. Lin Mow Siung
 4. Mr. Chuang Kullawanwichit
 5. Mr. Phaiboon Jaroonchaikanakij
 6. Mr. Tawatchai Chaiyapinunt
 7. Mr. Kumjorn Chuenchoochit.
- b. 5 Audit Committee (See Directors on Page 14)
- c. 3 Nomination Committee (See Directors on Page 14)
- d. 3 Remuneration Committee (See Directors on Page 14)

The responsibility of each Committee are as follow:

Board of Directors The Board have the responsibility to manage according to the rules and regulations, and resolution of the Shareholder's Meeting, as well as:

1. Giving opinions in the important executions of visions, strategies, goals, and risks.
2. Monitoring and supervision of executive officers to follow the policies.
3. Internal control and risk management.
4. To clearly determine the policies to control the Company's principles and operations and give opinions on the policies.
5. To thoroughly review possible conflicts that of interests
6. Set policies for risk management for the entire organization.

Executive Directors have the duties to execute the polices as set forth by the Board of Directors.

Audit committee of the company has the scope of duties and responsibilities to the Board of Director on the following matters:

- (1) To review the Company's financial reporting process to ensure that it is accurate and adequate;
- (2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
- (3) To review the Company's compliance with the rules and regulations of The Thai Securities and Exchange commission, and The Regulation relating to the Company's business;
- (4) To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
- (5) To review the Related Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the rules and regulation of The Thai Securities and Exchange Commission, and are reasonable and for the highest benefit of the Company;
- (6) To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (a) An opinion on the accuracy, completeness and creditability of the Company's financial report,
 - (b) An opinion on the adequacy of the Company's internal control system,
 - (c) An opinion on the compliance with the rules and regulation of The Thai Securities and Exchange Commission, or the regulation relating to the Company's business,
 - (d) An opinion on the suitability of an auditor,
 - (e) An opinion on the transactions that may lead to conflicts of interests,
 - (f) The number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - (g) An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter,
 - (h) Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors,
- (7) To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

Nomination Committee

The Committee is responsible for setting qualification standards for individuals to be considered for top management positions and to be on the Board of Directors. They are also responsible for recommending qualified individuals for top management positions to the Board of Directors for consideration, as well as to the General Shareholders Meeting for consideration to be on the Board of Directors.

Remuneration Committee

The Committee is responsible for setting conditions of remuneration for Directors and the remuneration of the top management to the Board of Directors for consideration. The Committee will consider to approve the remuneration of the top management, while the remuneration for Directors will be proposed at the General Shareholders Meeting

- (2) The Audit Committee that is knowledgeable in reviewing financial statement is Ms. Ratana Suthipongchai.

9.3 Nomination Directors and Appointing Directors and Executive Officers.

In appointing Directors and Executive Officers, the Company give the opportunity to the Shareholders to propose names during the Shareholder's meeting for evaluation. In addition, when voting for a Director, each Shareholder will have suffrage equal to the number of shares the Shareholder owns, multiply with the number of Directors to vote for. Each Shareholder can use all their suffrage to vote for one individual to be a Director or for many individuals to be Directors. In the case of voting for many individuals to become Directors, the Shareholders can allocate their suffrage to be as many or as few to each individual.

9.4 Directing and the Operation of the Subsidiary

In directing and The Subsidiary, the Company have Directors and Executive Officers working closely with the Subsidiary.

9.5 Inside Information

The Company have set up policies controlling the Directors from taking advantage of inside information for trading Company stocks by having the Company Secretary be the person to submit the Securities Sales Report (Form 59-2) of each Directors each time there is a sales of securities and report to the Chairman of the Board every time.

9.6 Remuneration of the Auditor

(1) Audit Fee	700,000	Baht
(2) Non Audit Fee	50,000	Baht

9.7 Other Policies Good Governance

None

10. Corporate Social Responsibilities: CSR

10.1 General Policy

To enable The Company to bring forth the concepts and practices to coincide with social responsibilities, the following policies were set:

1. The Company will operate fairly, with transparency, and accountability by considering the benefits of those stakeholders.
2. Treat employees of all nationalities equally.
3. Take care of the environment according to international standards.
4. Be a part of preventing corruption.
5. Respect the rights of the stakeholders.

10.2 Operations Report

The Company have CSR in process as follow:

1. Operate business fairly. The Company have instilled in the employees to be trustworthy and hard working, by holding frequent seminars on ethics, which resulted in stable quality products trusted by our customers.
2. Treating employees of all nationalities equally. Currently The Company have employed many Burmese and Cambodian nationalities, and treated all nationalities as important labor force of The Company. The Company also encourages foreign national employees and Thai employees to work and live together, by having activities to do together and dormitories to live together, which resulted in good labor force and benefited The Company.

10.3 Operations Affecting Corporate Social Responsibility, If Any.

None

10.4 Activities for Social and Environmental Benefits

The Company have worked with local organizations to have long lasting Social and Environmental activities.

10.5 Preventing Corruption

The Company operated with ethical values as an important part of business, which is accepted by all involved; therefore, the policies to prevent all forms of corruption were instilled in the employees to work with trustworthiness and can be audited by the internal audit. The policies for the employees are as follow:

1. Employees must not be directly or indirectly involved with corruption.
2. If Employees noticed any corruption, it is the employees duty to report to their superior immediately.
3. The Company will protect the employees who reported any corruptions.
4. The Company will strongly punish the employees who were involved with corruption.

11. Internal Control and Risk Management

The Company have Internal Control by appointing 2 internal auditors and many sub-committees to check the operations of each department to coincide with the Company policies, and recommend to the Audit Committee to review as well as, protect the rights and benefits of non-controlling interests.

As for Risk Management for financial risks, which consisted of liquidity risks, foreign currency risks, interest rate risks, and credit risks, please see note to the financial statement 25

12. Related Transactions (If Any)

Please see note to the financial statement item 5, 7, 10, 11, 17 (page 57, 60, 62, 63, and 70)

This page intentionally left blank

Part 3

Financial Status and Operational Results

13. Financial Statement Highlights

		Consolidated Financial Statements			Company's Financial Statements		
		2014	2013	2012	2014	2013	2012
Financial Status							
Current Assets	(Million Baht)	1,849.2	1,969.7	1,820.8	1,198.2	1,411.0	1,322.0
Total Assets	(Million Baht)	4,306.9	4,242.3	3,762.4	2,796.4	3,097.8	3,077.8
Current Liabilities	(Million Baht)	2,235.7	2,176.1	1,664.8	1,102.4	1,392.4	1,323.3
Total Liabilities	(Million Baht)	2,602.0	2,446.1	1,975.9	1,211.7	1,570.3	1,536.8
Shareholder's Equity	(Million Baht)	1,704.9	1,796.3	1,786.6	1,584.6	1,527.5	1,541.0
Operation Report							
Sales and Services	(Million Baht)	3,931.7	4,018.9	3,883.4	2,817.0	2,923.1	2,696.4
Total Revenues	(Million Baht)	4,090.0	4,124.8	3,959.1	3,026.5	3,042.6	2,759.8
Gross Profit (Loss)	(Million Baht)	158.4	273.3	130.5	164.8	163.7	101.0
Net Profit (Loss)	(Million Baht)	(62.5)	32.2	(96.1)	82.1	6.8	(75.4)
Financial Ratio							
Net profit (Loss) Per Share	(Baht)	(1.19)	0.52	(1.88)	1.64	0.14	(1.51)
Current Ratio		0.83	0.91	1.09	1.09	1.01	1.00
Net Profit (Loss) / Equity	(%)	(3.67)	1.79	(5.38)	5.18	0.45	(4.89)
Return on Total Assets	(%)	(1.45)	0.76	(2.55)	2.94	0.22	(2.45)
Debt to Equity Ratio		1.53	1.36	1.11	0.76	1.03	1.00
Dividend per Share	(Baht)	0.50	0.50	0.50	0.50	0.50	0.50
Book Value per Share	(Baht)	32.15	33.85	33.71	31.69	30.55	30.82

14. Analysis and Memorandum from Director

14.1 Overview

Operations Overview Summary and Important Changes

From the military coup d'etat at the end of May 2014, the country's economy did not go up as many expected, and actually went down, directly affecting the household debt to increase to trillion Baht, causing the local purchasing power to reduce. In addition, the world textile economy have more supply than demand, pressuring every company to compete for orders and prices, causing The Company's performance for 2014 to miss the target, as per the following details.

Revenue decreased from previous year by 87 Million Baht due to the reasons above, which caused The Company to reduce selling prices to compete with other world suppliers. In addition, there was a fire incident at the Subsidiary company, which burned off part of the roof and caused temporary work stoppage. The Subsidiary have received the Compensation from insurer.

Expenses increased due to the following:

Financial Cost increased from previous year by approximately 17 Million Baht due to the change of machinery.

Cost of Sales increased from previous year by approximately 27 Million Baht due to the raise in FT cost, and reduced production from the fire at the Subsidiary, which caused temporary work stoppage for building repair.

Cost of Sales and Services increased from previous years by approximately 14 Million Baht due to the competition to find new local and export customers such as commission and traveling costs.

Since The Company have profit from selling assets such as land and old machinery, the business financial statement have a profit for 2014 of 82.14 Million Baht, which the Board of Directors have resolved to request approval from the Shareholders Meeting to approve the dividend payment form this profit.

Business and Industry Situations Affecting Operations and Business Policies of The Company's

Even though the general economic situation is at a downturn, The Company have position the products (yarns and woven fabrics) to be of quality and variations, while reducing utility cost, as well as, employee costs. Therefore, the change of machinery, which is higher in technology, was necessary in 2014, so The Company replaced spinning machines at both The Company and The Subsidiary.

For Foreign Exchange Rate Risk, since The Company imports both raw cotton fiber and export finished products; therefore, the impact from foreign exchange risk is minimal. The Company also tried to export products in various foreign currencies, since products were exported to approximately 60 countries worldwide. In addition, The Company also use forward exchange contracts to mitigate the risks

Segment Information

Major revenue for The Company are from fabrics, yarn, and garments, which were sold locally and exported, while the revenue for The Subsidiary are from raw cotton fibers and yarns. The details are as below chart

Product / service	2014		2013		2012	
	Income	%	Income	%	Income	%
Company						
Garment						
Local Sale	55.97	1.37	21.41	0.52	21.20	0.54
Export Sale	125.95	3.08	190.45	4.62	173.77	4.39
Fabric						
Local Sale	962.64	23.54	970.57	23.53	970.55	24.51
Export sale	1,000.92	24.47	1,014.71	24.60	767.07	19.37
Raw Cotton And Yarns						
Local Sale	607.26	14.85	627.03	15.20	611.48	15.44
Export Sale	28.95	0.71	26.96	0.65	23.39	0.59
Services	26.66	0.65	70.15	1.70	88.22	2.23
Other Income	93.68	2.29	92.60	2.24	61.52	1.55
Total	2,902.03	70.96	3,013.38	73.06	2,717.20	68.62
Subsidiary						
Raw Cotton And Yarns	1,062.43	25.98	1,035.86	25.11	1,176.85	29.73
Spinning Services	60.91	1.49	61.78	1.50	50.90	1.29
Other Income	64.53	1.58	13.26	0.32	14.15	0.36
Total	1,187.87	29.05	1,110.90	26.93	1,241.90	31.38
Grand Total	4,089.90	100.00	4,124.78	100.00	3,959.10	100.00

Compared to Estimate or Previously Disclosed

The Company policy is to run every machine at its full capacity, causing the quantity produced each month to be similar monthly; for example, for weaving The Company can weave approximately 2.6 million yards per month, for yarn spinning The Company can spin approximately 530,000 pounds per month, and for garments The Company can cut and sew approximately 100,000 pieces per month. The Subsidiary can spin approximately 2 million pounds per month.

Cause and Action in case the Auditor expressed opinion with conditions, no opinion, and or important notice.

No conditions.

Changes in Important Accounting Policies

None

Non-Recurring Items

Items include profit from sales of asset (old machinery) of 96.5 Million Baht, and compensation from insurer from fire incident at The Subsidiary of 11.5 Million Baht.

14.2 Performance and Profitability

In the past 5 years, The Company's Performance and Profitability is as per chart below.

		Consolidated Financial Statements					Company's Financial Statements				
		2014	2013	2012	2011	2010	2014	2013	2012	2011	2010
Financial Status											
Current Assets	(Million Baht)	1,849.2	1,885.9	1,820.8	2,010.5	2,098.3	1,198.2	1,411.0	1,322.0	1,471.6	1,454.7
Total Assets	(Million Baht)	4,306.9	4,235.5	3,762.4	3,854.5	3,754.1	2,796.4	3,097.8	3,077.8	3,091.9	2,977.1
Current Liabilities	(Million Baht)	2,235.7	2,176.1	1,664.8	1,636.6	1,730.7	1,102.4	1,392.4	1,323.3	1,306.7	1,343.1
Total Liabilities	(Million Baht)	2,602.0	2,446.1	1,975.9	1,946.8	1,734.6	1,211.7	1,570.3	1,536.8	1,450.6	1,364.9
Shareholder's Equity	(Million Baht)	1,704.9	1,796.3	1,786.6	1,907.6	2,019.6	1,584.6	1,527.5	1,541.0	1,614.4	1,630.2
Operation Report											
Sales and Services	(Million Baht)	3,931.7	4,018.9	3,883.4	4,329.6	4,381.6	2817.0	2,923.10	2,696.40	3,156.30	3,221.80
Total Revenues	(Million Baht)	4,090.0	4,124.8	3,959.1	4,440.6	4,481.5	3,026.5	3,042.60	2,759.80	3,316.60	3,345.10
Gross Profit (Loss)	(Million Baht)	158.4	273.3	130.5	273.0	298.7	164.8	163.70	101.00	234.80	116.10
Net Profit (Loss)	(Million Baht)	(62.5)	32.2	(96.1)	27.5	40.7	82.1	6.80	(75.40)	95.40	(13.10)
Financial Ratio											
NET profit (Loss) Per Share	(Baht)	(1.19)	0.52	(1.88)	0.55	0.81	1.64	0.14	(1.51)	1.91	(0.26)
Current Ratio		0.83	0.91	1.09	1.23	1.21	1.09	1.01	1.00	1.13	1.08
Net Profit (Loss) / Equity	(%)	(3.67)	1.79	(5.38)	1.26	2.60	5.18	0.45	(4.89)	5.81	(0.80)
Return on Total Assets	(%)	(1.45)	0.76	(2.55)	0.63	1.39	2.94	0.22	(2.45)	3.09	(0.44)
Debt to Equity Ratio		1.53	1.36	1.11	0.99	0.86	0.76	1.03	1.00	0.88	0.83
Dividend per Share	(Baht)	0.50	0.50	0.50	1.00	0.50	0.50	0.50	0.50	1.00	0.50
Book Value per Share	(Baht)	32.15	33.85	33.71	36.09	38.00	31.69	30.55	30.82	32.83	32.60

In 2014, The Group have imported new machinery to replace old machinery, over 10 years, which increased the assets to approximately 118 Million Baht. Part of the capital investment was from Long Term Loans with financial institutions, which resulted in total debt to increase in the same amount.

The Consolidated Profit reduced approximately 115 Million Baht, partly from the reduced export sales due to the USA and European markets haven't fully recovered. Other reasons included the reduced production capacity from the fire at The Subsidiary and the increased utility cost, which increased the Cost of Sales. The previously mentioned caused The Company's profitability of 2014 to reduce and be a loss of 62.5 Million Baht, while in 2013 was a profit of 32.2 Million Baht.

14.3 Asset Management

(1) Account Receivable and allowance for doubtful accounts as of 31 December 2014 are as follows:

	In Baht			
	Consolidated financial statements		Consolidated financial statements	
	2014	2014	2014	2014
Trade accounts receivable - related companies				
Within credit terms	50,183,498	65,792,851	20,645,784	34,268,881
Overdue: Less than 3 months	4,357,708	6,809,963	4,357,708	6,809,963
Total trade accounts receivable - related companies	54,541,206	72,602,814	25,003,492	41,078,844
Trade accounts receivable - other companies				
Within credit terms	287,812,256	259,966,222	183,268,555	169,356,948
Overdue:				
Less than 3 months	75,323,144	159,144,618	56,991,849	116,405,834
3 - 6 months	14,356,637	14,754,245	2,769,240	14,754,245
6 - 12 months	30,981,328	1,246,415	30,957,238	1,246,415
Over 12 months	1,246,143	631,459	1,068,231	453,548
Total trade accounts receivable	409,719,508	435,742,959	275,055,113	302,216,990
Less allowance for doubtful accounts	(1,246,143)	(1,074,893)	(1,068,231)	(896,981)
Trade accounts receivable - others - net	408,473,365	434,668,066	273,986,882	301,320,009

For account receivable over 12 months, the full amount was reserves as allowance for doubtful accounts. For account receivable over 6 months, but not yet 12 months, parts of the amount was reserved. For account receivable that have not been reserved, The Company believes it is possible to reach settlement for all those receivable.

(2) Inventories and Allowance for obsolescence of inventories.

	In Baht					
	Cost		Consolidated financial statements Allowance for obsolescence of inventories		Inventories - net	
	2014	2013	2014	2013	2014	2013
Finished goods	372,891,959	417,003,419	(48,487,272)	(44,134,544)	324,404,687	372,868,875
Work in process	242,142,686	260,395,531	(647,881)	-	241,494,805	260,395,531
Raw materials	654,216,628	562,471,366	(12,701,087)	(5,039,276)	641,515,541	557,432,090
Material and supplies	37,249,725	38,400,788	-	-	37,249,725	38,400,788
Total	1,306,500,998	1,278,271,104	(61,836,240)	(49,173,820)	1,244,664,758	1,229,097,284

	In Baht					
	Separate financial statements					
	Cost		Allowance for obsolescence of inventories		Inventories - net	
	2014	2013	2014	2013	2014	2013
Finished goods	304,113,401	375,673,530	(47,325,242)	(43,948,791)	256,788,159	331,724,739
Work in process	219,209,387	229,592,099	-	-	219,209,387	229,592,099
Raw materials	347,169,362	330,737,199	(5,448,132)	(4,295,107)	341,721,230	326,442,092
Material and supplies	25,076,060	26,343,631	-	-	25,076,060	26,343,631
Total	895,568,210	962,346,459	(52,773,374)	(48,243,898)	842,794,836	914,102,561

Allowance for obsolescence has been set for all show-movement inventories based on their NRV.

14.4 Contingent Liabilities and Off Statement of Financial Position items management

(a) There are 3 contingent liabilities

- (1) The Company has capital commitment on the lease agreement of land and structure with a related company for the period of 12 years commencing from 19 July 2005 to 19 July 2017. The monthly rental fee is Baht 100,000.
- (2) The Group has unused letter of credit amounting to approximately U.S. Dollars 2.4 million, Euro 0.3 million and Yen 10.0 million, equivalent to approximately Baht 93.1 million.
- (3) The Company has commitments for software license and system consulting agreement amounting of Baht 8.7 million.

(b) Contingent liabilities

The Group has contingent liability in relation to letter of guarantees issued by the financial institutions in favor of the government and private company are as follows:

	Company	Subsidiary	Total
Total Liability in the Letter of Guarantee (Million Baht)	19.47	28.00	47.47

Overall, the Commitments and Contingent Liabilities, which consisted of rent agreements, construction agreements, sales agreement, and letter of guarantee, all are within the normal scope of business operation, which does not need any special financial instruments to manage. Only the liabilities to the letter of credit (L/C) that requires risk management from foreign currency risk. The Company manages off statement of financial statement items the same way as the normal items.

14.5 Future Business Impacts

As The Company business is complete upstream to downstream, from yarn spinning, yarn dyeing, fabric weaving, and garment making, which the major raw material is raw cotton fiber, and have to be imported from abroad, to exporting finished fabrics and garments; therefore, business impact could be direct and indirect, local and foreign as follow:

- a. Volatility of cotton and synthetic fibers from abroad.
- b. Price of fabric, yarn, and garment which are dependent on foreign markets.
- c. Obsolescence of inventories.
- d. Impairment in investment in the Subsidiary and related company.
- e. Employee benefits after retirement.

Information Certification

The Company have carefully reviewed the information presented in this Annual Report and guarantee the information is complete, not falsified, not misunderstanding, or missing any information that should be included. In addition, The Company guarantee the following:

(1) The Financial Statement and Financial Information summarized in the Annual Report are correct and complete with highlights concerning Financial Status, Financial Performance, and Cash Flow of The Company and The Subsidiary.

(2) The Company have good information disclosure outlet to ensure information of The Company and The Subsidiary are correct and complete according to the rules set forth.

(3) The Company have setup a good internal control and ensure the operation is as per the system. The Company have sent internal control evaluation information on 31 December 2014 to the Auditor and Audit Committee, which included deficiency and important changes of the internal control, as well as, actions which may affect the financial performance of The Company and The Subsidiary.

To verify that the information presented is the same as those The Company guarantee as correct and complete, The Company have appointed Mr. Chuang Kullawanwichit to sign every page of the report. If any page is not signed by Mr. Chuang Kullawanwichit, The Company will consider it as not the information that The Company have verified as correct.

Name	Position	Signature
1. Mr. Tawatchai Chaiyapinunt	Executive Director, Nomination Committee, Remuneration Committee
2. Mr. Kumjorn Chuenchoochit	Executive Director

Name	Position	Signature
Authorized Signature Mr. Chuang Kullawanwichit	Executive Director, Chief of Accounting Department



ที่ สป.000003

กรมพัฒนาธุรกิจการค้า กระทรวงพาณิชย์

หนังสือรับรอง

ขอรับรองว่าบริษัทนี้ ได้จดทะเบียน เป็นนิติบุคคลตามกฎหมายว่าด้วยบริษัทมหาชนจำกัด เมื่อวันที่ 3 กุมภาพันธ์ 2537 ทะเบียนเลขที่ 0107537000441 (เดิมเลขที่ บมจ.291) ปรากฏข้อความในรายการตามเอกสารทะเบียน ณ วันออกหนังสือนี้ ดังนี้

1. ชื่อบริษัท บริษัท โรงงานผ้าไทย จำกัด (มหาชน)
2. กรรมการของบริษัทมี 16 คน ตามรายชื่อดังต่อไปนี้

- | | |
|-----------------------------|------------------------------|
| 1. นายบุญนำ บุญนำทรัพย์ | 2. นายมงคล มังกรกนก |
| 3. นายสมศักดิ์ ไชยะภินันท์ | 4. นายปรีชา ชัยพรหมประสิทธิ์ |
| 5. นายไพบูรณ์ จรูญชัยคนากิจ | 6. นายช่วง กุลวรรณวิจิตร |
| 7. นายสุชาติ จันทรานาคราช | 8. นายธวัชชัย ไชยะภินันท์ |
| 9. นายกำจร ชื่นชูจิตต์ | 10. นางศิริวรรณ บุญนำทรัพย์ |
| 11. นางรัตนา สุธิพงษ์ชัย | 12. นายลิน โมเวเชียง |
| 13. นายชิน ชินเศรษฐวงศ์ | 14. นายกร เสรีโรจนสิริ |
| 15. นายขจรวุฒิ นาคศิริกุล | 16. นายไพโรจน์ ชื่นชูจิตต์/ |



3. ชื่อและจำนวนกรรมการซึ่งมีอำนาจลงลายมือชื่อแทนบริษัทคือ นายบุญนำ บุญนำทรัพย์ นายมงคล มังกรกนก นายลิน โมเวเชียง นายช่วง กุลวรรณวิจิตร นายไพบูรณ์ จรูญชัยคนากิจ นายธวัชชัย ไชยะภินันท์ และ นายกำจร ชื่นชูจิตต์ กรรมการสองคนในเจ็ดคนนี้ลงลายมือชื่อร่วมกัน และประทับตราสำคัญของบริษัท/
ข้อจำกัดอำนาจของกรรมการ ไม่มี/

4. ทุน จดทะเบียน 500,000,000.00 บาท /
(ห้าร้อยล้านบาทถ้วน)
ทุนชำระแล้วเป็นเงิน 500,000,000.00 บาท /
(ห้าร้อยล้านบาทถ้วน)

5. สำนักงานใหญ่ ตั้งอยู่เลขที่ 385 หมู่ที่ 1 ซอยบางเมฆขาว ถนนสุขุมวิท ตำบลท้ายบ้าน อำเภอเมืองสมุทรปราการ จังหวัดสมุทรปราการ/
สำนักงานสาขา ตั้งอยู่ (1) เลขที่ 791-793 ถนนมหาจักร แขวงจักรวรรดิ เขตสัมพันธวงศ์



กรมพัฒนาธุรกิจการค้า กระทรวงพาณิชย์
Department of Business Development
Ministry of Commerce

"จับพื้ นั้งใจ ใสใจบริการ"
Creative Services
สายด่วน 1570 www.dbd.go.th

บริการออกคำสอนผ่าน www.dbd.go.th --> ชำระเงินทางธนาคาร --> บริการจัดส่ง โทร. 02 528 7600 ต่อ 3630, 3636 หรือ 02 547 5994
จัดพิมพ์ เมื่อเวลา 13:45 น.



ที่ สป.000003

กรมพัฒนาธุรกิจการค้า กระทรวงพาณิชย์

หนังสือรับรอง

กรุงเทพมหานคร

สำนักงานสาขา ตั้งอยู่ (2) เลขที่ 741 หมู่ที่ 3 ซอยบางเมฆขาว
ถนนสุขุมวิท ตำบลท้ายบ้าน อำเภอเมืองสมุทรปราการ จังหวัดสมุทรปราการ

สำนักงานสาขา ตั้งอยู่ (3) เลขที่ 275 หมู่ที่ 14 ซอยบางเมฆขาว
ถนนสุขุมวิท ตำบลท้ายบ้าน อำเภอเมืองสมุทรปราการ จังหวัดสมุทรปราการ

สำนักงานสาขา ตั้งอยู่ (4) เลขที่ 286 ซอยโรงเรียนญี่ปุ่น ถนนพระราม 9 แขวงบางกะปิ
เขตห้วยขวาง กรุงเทพมหานคร

สำนักงานสาขา ตั้งอยู่ (5) เลขที่ 595 หมู่ที่ 6 ถนนสุขุมวิท ตำบลบางปูใหม่ อำเภอเมืองสมุทรปราการ
จังหวัดสมุทรปราการ/

6. วัตถุประสงค์ของบริษัทมหาชน จำกัดมี 17 ข้อ ดังปรากฏในสำเนาเอกสารแนบท้ายหนังสือรับรองนี้
จำนวน 2 แผ่น โดยมีลายมือชื่อนายทะเบียนซึ่งรับรองเอกสารและประทับตรากรมพัฒนาธุรกิจการค้าเป็นสำคัญ

ออกให้ ณ วันที่ 5 เดือน มกราคม พ.ศ. 2558



รายการข้อควรทราบของนิติบุคคลมีดังนี้



กรมพัฒนาธุรกิจการค้า กระทรวงพาณิชย์
Department of Business Development
Ministry of Commerce

"จับจ่าย ไม่ทิ้งโอกาสบริการ"
Creative Services

สายด่วน 1570 www.dbd.go.th

บริการข้อมูลข่าวสารผ่าน www.dbd.go.th -->ชำระเงินทางธนาคาร --> บริการจัดสง โทร. 02 528 7600 ต่อ 3630, 3636 หรือ 02 547 5994
จัดพิมพ์ เมื่อเวลา 13:45 น.

This page intentionally left blank

Attachment 1

Details of Directors, Managers, Administrators, and Secretary of the Company

Name Position / Date Appointed (1)	Age (Years)	Education (2)	Percentage Share of The Company % (3)	Relationship between Directors and Managers (4)	Experience (5)		
					Duration	Position	Company Type of Business
1. Mr. Boonnam Boonnamsap Chairman of the Board (27 September 2013) Executive Director (16 Feb1970)	84	Bachelor in Business Management, SAINT JOHN COLLEGE , (HONG KONG) Director Accreditation Program (DAP) 2005	0.00% (335 Shares)	-	2010 - 2014	Chairman of the Board	Thai Textile Printing Public Co. Ltd.
					2010 - 2014	Managing Director	Thai Rung Textile Co. Ltd. Textile Industry
2. Mr. Mongkol Mungkornkanok* Managing Director Executive Director (1970)	77	Masters in Mechanical Engineering , MSME PURDUE UNIVERSITY, USA Director Accreditation Program (DAP) 2005	0.70% (352,300 Shares)	-	2010 - 2014	Chairman of the Board	Thai Onono Public Co. Ltd.
					2010 - 2014	Managing Director	Thai Far East Co. Ltd. Textile Industry
3. Mr. Lin Mow Siung* Executive Director (7 August 1985)	73	High Vocational Certificate in Machinery TAINAN UNIVERSITY, TAIWAN	0.14% (70,000 Share)	-	2010 - 2014	Director	TG Industry Co. Ltd. Textile Industry
4. Mr. Tawatchai Chaiyapinunt* Executive Director (7 August 1985) Nomination Committee Remuneration Committee (19 August 2009)	62	Masters in Engineering Management, SOUTHERN METHODIST UNIVERSITY, DALLAS,USA. Director Accreditation Program (DAP) 2004	3.92% (1,963,750 Shares)	Brother of Dr. Somsak Chaiyapinunt	2010 - 2014	Managing Director	Thai Standard Industries Co. Ltd.
					2010 - 2014	Managing Director	Thai Rung Industry Co. Ltd. Textile Industry
5. Mr. Kumjorn Chuenchoochit* Executive Director (7 August 1985)	59	POST GRADUATED DIPLOMA IN MANAGEMENT STUDIES (U.K.) Director Accreditation Program (DAP) 2004	21.32% (10,664,167 Shares)	Brother of Mr. Pairod Chuenchoochit	2010 - 2014	Managing Director	Thai Standard Industries Co. Ltd.
					2010 - 2014	Managing Director	Thai Rung Textile Co. Ltd. Textile Industry
6. Mr. Chuang Kullawawichit* Executive Director Board Secretary (8 February 1978)	75	Bachelor in Accountancy Thammasart University	0.00% (2,000 Shares)	-	2010 - 2014	Managing Director	Thai Textile Industry Public Co. Ltd. Textile Industry
7. Mr. Phaiboon Jaroonchaikanakij* Executive Director (1970)	71	Vocational Certificate in Commercial Studies	2.12% (1,060,000 Shares)	-	2010 - 2014	Managing Director	Thai Rung Textile Co. Ltd.
					2010 - 2014	Managing Director	Thai Standard Industries Co. Ltd.
					2010 - 2014	Director	Rama Textile Industry (1988) Co. Ltd. Textile Industry
8. Mr. Udom Woraritichai Director (1970)	86	FIRST HIGH SCHOOL OF SUA TAO, CHINA.	0.60% (300,000 Shares)	Father in law of Mr. Tawatchai Chaiyapinunt	2010 - 2014	Director	Thai Standard Industries Co. Ltd.
					2010 - 2014	Director	Thai Rung Textile Co. Ltd. Textile Industry
9. Mrs. Ratana Suthpongchai Audit Committee Independent Committee Nomination Committee Remuneration Committee (19 January 1994)	82	FELLOW OF THE INSTITUTE OF BANKERS, LONDON	0.02% (10,000 Shares)	-	1995 - 2000	Managing Director	Krungsri Asset Management Financial Institution
10. Mrs. Siriwan Boonnamsap Director (24 October 1989)	75	High School Certificate	0.11% (59,195 Shares)	Spouse of Mr. Boonnamsap	2010 - 2014	Director	Boonsiri International Co. Ltd.
					2010 - 2014	Director	Pica Inter Co. Ltd. Garment Industry

Remarks: * Authorized Directors to sign on behalf of The Company.

Name Position / Date Appointed (1)	Age (Years)	Education (2)	Percentage Share of The Company % (3)	Relationship between Directors and Managers (4)	Experience (5)		
					Duration	Position	Company Type of Business
11. Prof.Dr. Somsak Chaiyapinunt Director (6 January 1988)	60	Doctorate in Mechanical Engineering, OREGON STATE UNIVERSITY, USA. Director Accreditation Program (DAP)	1.60% (800,000 Shares)	Brother of Mr. Tawatchai Chaiyapinunt	2010 - 2014 1991 - 1995 1999 - 2003	Assistant Professor Assistant to Dean Engineering Department Head of Mechanical Engineering Department	Chulalongkorn University Chulalongkorn University Chulalongkorn University
12. Mr. Preecha Chaiyaprasith Audit Committee Independent Director (1970)	69	KITI COMMERCIAL COLLEGE	1.00% (500,000 Shares)		2010 - 2014 2010 - 2014	Managing Director Managing Director	Thai TT Co. Ltd. Thai CR Co. Ltd. Textile Trading
13. Mr. Suchart Chantanakaracha Director Independent Director (1987)	64	Assumption Commerce Commercial Studies	0.00% (- Shares)		2010 - 2014	Managing Director	Goldmine Garment Co. Ltd. Garment Industry
14. Asst.Prof.Dr. Kachornvut Namsirikul Audit Committee Independent Director (10 May 2002)	53	Doctorate in Business Administration (DBA) CHULALONGKORN UNIVERSITY Director Certification Program (DCP) 2003 Director Accreditation Program (DAP) 2004 Audit Committee Program (ACP) 2004 Finance For Non-Finance Director (FND) 2004	0.22% (112,300 Shares)		2010 - 2014 2010 - 2014	Professor of Commerce Commerce and Accounting Department Managing Director	Chulalongkorn University Union Power Engineering Co. Ltd.
15. Dr. Chin Chinsetawong Chairman of Audit Committee Independent Director Nomination Committee Remuneration Committee (16 May 1989)	77	Doctorate in Business Management, CALIFORNIA COAST UNIVERSITY Master in Business Management MBA HIGHER DIPLOMA, INSTITUTE OF COMMERCE F.C.I. LONDON, UK.	0.55% (278,572 Shares)		2010 - 2014 2010 - 2014	Chairman of the Board Associate Judge	Union Paper Carton Co. Ltd. Medial Labor Court Paper Carton Industry
16. Mr. Korn Sereeronjanasiri Audit Committee Independent Director (16 May 1989)	69	High School Certificate	0.12% (61,700 Shares)		2010 - 2014	Managing Director	Thai Group Textile Co. Ltd. Textile Trading
17. Mr. Pairod Chuenchoochit Director (22 November 2013)	56	EASTBOURNE TECHNICAL COLLEGE (UK) BUSINESS FINANCIAL MANAGEMENT, CRAWLEY TECHNICAL COLLEGE (UK)	0.90% (450,000 Shares)		2010 - 2014 2010 - 2014	Managing Director Managing Director	Rama Textile Industry (1998) Co. Ltd. Thai Rung Textile Co. Ltd. Textile Industry
18. Mr. Narong Piriyaaprinsakul Company Secretary Board Secretary of Audit, Nomination, and Remuneration Committee (29 February 1978) HR and Law Manager (1 August 1987))	63	Bachelor in Law (With Honors), Ramkhamhaeng University	0.00% (- Shares)		2010 - 2014	Attorney	Charastam Law office and Accountant Attorney and Accountancy
19. Mr. Chalerm Techawal Factory Manager (1 October 1992)	61	Bachelor in Industrial Engineering Khon Kaen University	0.00% (- Shares)		2010 - 2014	Factory Manager	Thai Textile Industry Public Co. Ltd. Textile Industry
20. Ms. Malee Opastaweechai IT Manager (28 April 1985)	55	Bachelor in Statistics Kasetsart University	0.00% (- Shares)		2010 - 2014	IT Manager	Thai Textile Industry Public Co. Ltd. Textile Industry

Remarks: * Authorized Directors to sign on behalf of The Company.

Attachment Document 2

Profile of Subsidiary Directors

Chart of Directors and Executive officers of the company, The Subsidiary and Related Companies

Name	Company	Subsidiary	Associated	Related Company							
		TRT	Company	TSI	TTP	RTI	PIC	TTDF	CIC	PCL	UPC
Mr. Boonnam Boonnamsap	*	//		/	*	/	/		/		/
Mr. Mongkol Mungkornkanok	//	//		/	//	/		/		/	/
Mr. Tawatchai Chaiyapinunt	//	//		//	//	/		/			
Mr. Kumjorn Chuenchoochit	//	//		//	//	/		/			
Mr. Lim Mow Siung	//										
Mr. Chuang Kullawanwichit	//										
Mr. Phaiboon Jaroonchaikanakij Mr. Udom Worarittichai	//	//		/	/	/					
Mr. Korn Sereerojanasiri	/						/				
Dr. Chin Chinsetawong	/									/	/
Asst.Prof. Dr. Kachornvut Namsirikul	/										
Mrs. Siriwan Boonnamsap	/						/		/		
Prof.Dr. Somsak Chaiyapinunt	/										
Mrs. Ratana Suthipongchai	/									/	/
Mr. Preecha Chaipromprasith	/			/	/						
Mr. Suchart Chantanakaracha	/	/		/	/					/	
Mr. Piroj Chuenchoochit	/	//				//					
Mr. Narong Piriya-prinsakul	+										
Mr. Chalerm Techawal	+										
Miss Malee Opastaweechai	+										

Remark * = Chairman
// = Executive Director
/ = Director
+ = Other officers

TRT = Thai Rung Textile Co. Ltd.
TSI = Thai Standard Industries Co. Ltd.
TTP = Thai Texile Printing Public Co. Ltd.
RTI = Rama Textile Industry (1988) Co. Ltd.
PIC = Pica Inter Co. Ltd.
TTDF = Thai Textile Development and Finishing Co., Ltd.
CIC = Cassardi International Co., Ltd.
PCL = Prachin Land Co., Ltd.
UPC = United Paper Co. Ltd.

Details of Directors at the Subsidiary Company

Profile of Subsidiary Directors.

No.	Name		Position
1	Mr. Mongkol	Mungkornkanok	Executive Director
2	Mr. Boonnam	Boonnamsap	Executive Director
3	Mr. Phaiboon	Jaroonchaikanakij	Executive Director
4	Mr. Tawatchai	Chaiyapinunt	Executive Director
5	Mr. Kumjorn	Chuenchoochit	Executive Director
6	Mr. Piroj	Chuenchoochit	Executive Director
7	Mr. Suchart	Chantanakaracha	Executive Director
8	Mr. Charoen	Lao hathai	Director
9	Mr. Udom	Worittichai	Director

Attachment 3

Profile of Internal Auditor and Head of Company Compliance Unit

Head Internal Auditor is Mr. Narong Piriyapinsakul, Bachelor in Law (With Honors), 32 years experience in law, passed seminar in Corporate Law.

Head of Company Compliance Unit is Mr. Chalerm Techawal, Bachelor in Industrial Engineering, 38 years of experience in textile industry.

Attachment 4

Detail of Asset Appraisal

No asset appraisal during the fiscal year.

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

EXPRESSED IN THAI BAHT

Independent Auditor's Report

Independent Auditor's Report

To the Board of Directors and Shareholders of
Thai Textile Industry Public Company Limited

I have audited the accompanying consolidated financial statements of **Thai Textile Industry Public Company Limited and its subsidiary**, which comprise the consolidated statement of financial position as at 31 December 2014, and the related consolidated 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 explanatory information, and have also audited the separate financial statements of **Thai Textile Industry Public Company Limited** for the same period.

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 financial statements referred to above present fairly, in all material respects, the financial position of **Thai Textile Industry Public Company Limited and its subsidiary** and of **Thai Textile Industry Public Company Limited** as at 31 December 2014, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



NONGRAM LAOHAAREEDILOK

Certified Public Accountant

Registration No. 4334

Ast Master Co., Ltd.

24 February 2015

STATEMENT OF FINANCIAL POSITION

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014

In Baht	Notes	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	124,054,077	98,467,743	43,062,286	29,860,804
Trade and other receivables	7	471,627,594	547,793,212	305,380,388	376,235,304
Inventories	8	1,244,664,758	1,229,097,284	842,794,836	914,102,561
Assets classified as held for sale	9	-	-	-	83,825,994
Other current assets		8,880,134	10,493,851	6,994,655	6,936,836
Total current assets		1,849,226,563	1,885,852,090	1,198,232,165	1,410,961,499
NON - CURRENT ASSETS					
Investment in subsidiary	10	-	-	550,325,004	550,325,004
Other long-term investments	11	60,790,000	61,142,500	60,790,000	61,142,500
Property, plant and equipment	12	2,287,203,192	2,169,210,334	881,956,652	956,845,363
Investment properties - land	13	48,221,776	48,221,776	48,221,776	48,221,776
Computer software	14	2,685,435	496,295	2,685,435	496,295
Deferred income tax assets	15	48,274,466	61,718,394	48,274,466	61,718,394
Corporate income tax refundable		10,442,734	8,768,567	5,817,630	7,058,706
Other non - current assets		66,973	66,973	66,973	66,973
Total non - current assets		2,457,684,576	2,349,624,839	1,598,137,936	1,685,875,011
TOTAL ASSETS		4,306,911,139	4,235,476,929	2,796,370,101	3,096,836,510

The notes to financial statements are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION (CONTUNUED)

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2014

In Baht	Notes	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Short - term loans from financial institutions	16	927,024,129	899,889,803	792,438,426	726,979,366
Trade and other payables	17	279,007,405	364,475,721	233,548,770	293,761,685
Current portion of long - term loans	16	216,721,000	197,992,000	73,321,000	135,002,000
Short - term loans from related persons and related companies	5.2	807,000,000	703,200,000	-	233,000,000
Accrued income tax		-	1,362,057	-	-
Other current liabilities		5,953,822	9,221,185	3,083,519	3,623,641
Total current liabilities		2,235,706,356	2,176,140,766	1,102,391,715	1,392,366,692
NON - CURRENT LIABILITIES					
Long - term loans	16	249,556,000	146,277,000	40,006,000	113,327,000
Deferred income tax liabilities	15	19,456,429	24,950,473	-	-
Employee benefit obligations	18	97,277,645	91,852,871	69,341,061	63,658,590
Total non - current liabilities		366,290,074	263,080,344	109,347,061	176,985,590
Total liabilities		2,601,996,430	2,439,221,110	1,211,738,776	1,569,352,282
SHAREHOLDERS' EQUITY					
Share capital - common shares, Baht 10 par value					
Authorized share 50,000,000 shares		500,000,000	500,000,000	500,000,000	500,000,000
Issued and paid - up share 50,000,000 shares		500,000,000	500,000,000	500,000,000	500,000,000
Premium on common shares		623,840,000	623,840,000	623,840,000	623,840,000
Retained earnings					
Appropriated for legal reserve	20	50,000,000	50,000,000	50,000,000	50,000,000
Appropriated for general reserve		50,000,000	50,000,000	50,000,000	50,000,000
Unappropriated		383,780,258	468,417,132	360,791,325	303,644,228
Total equity attributable to the parent company		1,607,620,258	1,692,257,132	1,584,631,325	1,527,484,228
Non-controlling interests		97,294,451	103,998,687	-	-
Total shareholders' equity		1,704,914,709	1,796,255,819	1,584,631,325	1,527,484,228
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,306,911,139	4,235,476,929	2,796,370,101	3,096,836,510

The notes to financial statements are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME

AS AT 31 DECEMBER 2014

In Baht	Notes	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
REVENUES					
Sales		3,844,122,549	3,886,988,502	2,790,306,139	2,852,988,052
Services income		87,572,582	131,935,874	26,660,849	70,149,879
Dividends income	5.3	2,187,500	1,093,750	28,381,380	27,287,630
Gain on disposal of fixed assets		96,505,513	73,478,530	160,378,028	52,289,724
Other income	21	59,514,640	31,288,105	20,798,241	39,843,602
Total revenues		4,089,902,784	4,124,784,761	3,026,524,637	3,042,558,887
EXPENSES					
Cost of sales		3,702,065,538	3,645,170,265	2,627,932,942	2,696,585,296
Cost of services		71,235,204	100,460,678	24,232,533	62,816,306
Selling expenses		112,236,798	106,032,147	106,211,890	99,740,737
Administrative expenses		174,166,725	165,763,413	132,312,288	129,619,441
Total expenses		4,059,704,265	4,017,426,503	2,890,689,653	2,988,761,780
Profit before finance costs and income tax		30,198,519	107,358,258	135,834,984	53,797,107
Finance costs		(84,783,625)	(68,423,533)	(40,243,959)	(53,385,366)
Profit (loss) before income tax		(54,585,106)	38,934,725	95,591,025	411,741
Tax income (expenses)	23	(7,949,884)	(6,759,759)	(13,443,928)	6,433,001
Profit (loss) for the year		(62,534,990)	32,174,966	82,147,097	6,844,742
Other comprehensive income					
Defined benefit plan actuarial gains		-	6,331,214	-	4,633,590
Total comprehensive income for the year		(62,534,990)	38,506,180	82,147,097	11,478,332
Profit (loss) attributable to:					
Equity holders of the parent		(59,636,874)	25,761,352	82,147,097	6,844,742
Non-controlling interests		(2,898,116)	6,413,614	-	-
Profit (loss) for the year		(62,534,990)	32,174,966	82,147,097	6,844,742
Total comprehensive income attributable to:					
Equity holders of the parent		(59,636,874)	31,877,187	82,147,097	11,478,332
Non-controlling interests		(2,898,116)	6,628,993	-	-
Total comprehensive income for the year		(62,534,990)	38,506,180	82,147,097	11,478,332
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the parent		(1.19)	0.52	1.64	0.14

The notes to financial statements are an integral part of these financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

AS AT 31 DECEMBER 2014

In Baht	Equity attributable to the parent's shareholders									
	Notes	Issued and paid-up share capital	Premium on common shares	Retained earnings			Other components of equity	Total shareholders' equity of the parent	Non - controlling interests	Total
				Appropriated for legal reserve	Appropriated for general reserve	Unappropriated				
Balance as at 1 January 2013		500,000,000	623,840,000	50,000,000	50,000,000	461,539,945	-	1,685,379,945	101,175,814	1,786,555,759
Dividends paid	19	-	-	-	-	(25,000,000)	-	(25,000,000)	-	(25,000,000)
Dividends of subsidiary paid to non-controlling interests		-	-	-	-	-	-	-	(3,806,120)	(3,806,120)
Total comprehensive income for the year		-	-	-	-	31,877,187	-	31,877,187	6,628,993	38,506,180
Balance as at 31 December 2013		500,000,000	623,840,000	50,000,000	50,000,000	468,417,132	-	1,692,257,132	103,998,687	1,796,255,819
Balance as at 1 January 2014		500,000,000	623,840,000	50,000,000	50,000,000	468,417,132	-	1,692,257,132	103,998,687	1,796,255,819
Dividends paid	19	-	-	-	-	(25,000,000)	-	(25,000,000)	-	(25,000,000)
Dividends of subsidiary paid to non-controlling interests		-	-	-	-	-	-	-	(3,806,120)	(3,806,120)
Total comprehensive income for the year		-	-	-	-	(59,636,874)	-	(59,636,874)	(2,898,116)	(62,534,990)
Balance as at 31 December 2014		500,000,000	623,840,000	50,000,000	50,000,000	383,780,258	-	1,607,620,258	97,294,451	1,704,914,709

The notes to financial statements are an integral part of these financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

AS AT 31 DECEMBER 2014

In Baht	Notes	Issued and paid-up share capital	Premium on common shares	Retained earnings			Other components of equity	Total
				Appropriated for legal reserve	Appropriated for general reserve	Unappropriated		
Balance as at 1 January 2013		500,000,000	623,840,000	50,000,000	50,000,000	317,165,896	-	1,541,005,896
Dividends paid	19	-	-	-	-	(25,000,000)	-	(25,000,000)
Total comprehensive income for the year		-	-	-	-	11,478,332	-	11,478,332
Balance as at 31 December 2013		500,000,000	623,840,000	50,000,000	50,000,000	303,644,228	-	1,527,484,228
								1,527,484,228
Balance as at 1 January 2014		500,000,000	623,840,000	50,000,000	50,000,000	303,644,228	-	
Dividends paid	19	-	-	-	-	(25,000,000)	-	(25,000,000)
Total comprehensive income for the year		-	-	-	-	82,147,097	-	82,147,097
Balance as at 31 December 2014		500,000,000	623,840,000	50,000,000	50,000,000	360,791,325	-	1,584,631,325

The notes to financial statements are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS

AS AT 31 DECEMBER 2014

In Baht	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax	(54,585,106)	38,934,725	95,591,025	411,741
Adjustments to reconcile profit (loss) to net cash provided by operating activities :				
Doubtful accounts	171,250	-	171,250	-
Loss on obsolescence of inventories (reversal)	12,662,420	(2,416,285)	4,529,476	(2,368,948)
Loss on declining in value of investment	352,500	-	352,500	-
Depreciation	262,013,687	255,580,216	144,956,686	158,881,997
Amortization of computer software	330,860	330,860	330,860	330,860
Gain on disposal of property, plant and equipment	(96,505,513)	(73,478,530)	(160,378,028)	(52,289,724)
Employee benefit obligations	16,467,144	14,054,065	12,692,141	10,410,288
Unrealized loss (gain) on foreign exchange rate	373,123	2,695,386	(936,180)	(3,563,711)
Dividends income	(2,187,500)	(1,093,750)	(28,381,380)	(27,287,630)
Interest expense	84,783,625	68,423,533	40,243,959	53,385,366
Profit before changes in operating assets and liabilities	223,876,490	303,030,220	109,172,309	137,910,239
Decrease (Increase) in operating assets				
Trade and other receivables	70,069,986	(48,813,222)	64,759,284	(29,407,396)
Inventories	(28,229,894)	3,627,931	66,778,249	38,430,622
Other current assets	1,613,717	794,410	(57,819)	947,203
Increase (Decrease) in operating liabilities				
Trade and other payables	(67,725,890)	109,545,652	(41,578,775)	62,978,102
Other current liabilities	(3,358,674)	(2,053,017)	(536,200)	238,616
Employee benefit obligations	(11,042,370)	(4,983,400)	(7,009,670)	(4,528,300)
Cash received from operating activities	185,203,365	361,148,574	191,527,378	206,569,086
Interest paid	(91,464,095)	(70,524,203)	(40,304,450)	(54,131,392)
Income tax paid	(6,966,141)	(7,804,519)	(2,688,841)	(3,180,217)
Cash received from withholding income tax refund	3,929,917	5,939,469	3,929,917	2,430,509
Net cash provided by operating activities	90,703,046	288,759,321	152,464,004	151,687,986

The notes to financial statements are an integral part of these financial statements.

STATEMENT OF CASH FLOWS (CONTINUED)

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS (CONTINUED)

AS AT 31 DECEMBER 2014

In Baht	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash paid for acquisition of property, plant and equipment				
(Supplement disclosures of cash flows information 1)	(400,482,699)	(691,471,008)	(96,125,998)	(182,614,226)
Proceeds from disposal of machinery and equipment	112,081,491	84,171,600	257,850,176	60,406,352
Cash paid for acquisition of computer software	(2,520,000)	-	(2,520,000)	-
Dividends income	2,187,500	1,093,750	28,381,380	27,287,630
Net cash provided by (used in) investing activities	(288,733,708)	(606,205,658)	187,585,558	(94,920,244)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in short - term loans from financial institutions	26,523,805	236,282,281	66,157,842	128,696,277
Proceeds of long - term loans	330,000,000	170,000,000	-	100,000,000
Repayments of long - term loans	(207,992,000)	(217,122,000)	(135,002,000)	(135,432,000)
Increase (decrease) in short - term loans from related persons and related companies	103,800,000	165,500,000	(233,000,000)	(122,000,000)
Cash paid for dividends				
(Supplement disclosures of cash flows information 2)	(25,003,922)	(24,998,593)	(25,003,922)	(24,998,593)
Dividends paid to non-controlling interests	(3,710,887)	(3,715,625)	-	-
Net cash provided by (used in) financing activities	223,616,996	325,946,063	(326,848,080)	(53,734,316)
Net increase in cash and cash equivalents	25,586,334	8,499,726	13,201,482	3,033,426
Cash and cash equivalents, beginning of the year	98,467,743	89,968,017	29,860,804	26,827,378
Cash and cash equivalents, end of the year	124,054,077	98,467,743	43,062,286	29,860,804
SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION				
1. The detail of cash paid for acquisition of property, plant and equipment is as follow;				
Acquisition of property, plant and equipment during the year	(410,791,001)	(693,181,102)	(98,922,607)	(182,806,615)
Interest capitalized as part of the cost of assets	7,266,802	2,495,649	228,309	977,944
Increase (decrease) in payable from acquisition of assets	3,041,500	(785,555)	2,568,300	(785,555)
Cash paid for acquisition of property, plant and equipment	(400,482,699)	(691,471,008)	(96,125,998)	(182,614,226)
2. Dividends paid				
Dividends paid	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)
Increase (decrease) in accrued dividends	(3,922)	1,407	(3,922)	1,407
Cash paid for dividends	(25,003,922)	(24,998,593)	(25,003,922)	(24,998,593)

The notes to financial statements are an integral part of these financial statements.

1. GENERAL INFORMATION

Thai Textile Industry Public Company Limited was listed on the Stock Exchange of Thailand in 1987.

The Company is engaged in the business of manufacturing, spinning service render and distributing yarns apparels and fabrics. The addresses of its registered office are as follows:

Head Office is located at 385 Moo 1, Soi Bang Make Khao, Sukhumvit Road, Taiban, Samutprakarn, Samutprakarn.

Branch Office 1 is located at 791-793, Mahajak Road, Jakkawad, Samphanthawong, Bangkok.

Branch Office 2 is located at 741 Moo 3, Soi Bang Make Khao, Sukhumvit Road, Taiban, Samutprakarn, Samutprakarn.

Branch Office 3 is located at 275 Moo 14, Soi Bang Make Khao, Sukhumvit Road, Taiban, Samutprakarn, Samutprakarn.

Branch Office 4 is located at 286 Soi Japanese School, Rama 9 Road, Bangkapi, Huay Kwang, Bangkok.

Branch Office 5 is located at 595 Moo 6, Sukhumvit Road, Bangpoo Mai, Samutprakarn, Samutprakarn.

2. BASIS FOR FINANCIAL STATEMENTS PREPARATION

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

For the preparation of financial statements in conformity with Thai generally accepted accounting principles, the consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy.

The consolidated financial statements include the financial statements of Thai Textile Industry Public Company Limited and subsidiary, Thai Rung Textile Company Limited, which are engaged in the business of manufacturing and distributing yarns. The Company holds 87.31% of the subsidiary’s registered share capital.

“The Company” represents “Thai Textile Industry Public Company Limited,” while “The Group” represents “Thai Textile Industry Public Company Limited” and subsidiary which is “Thai Rung Textile Company Limited”.

The significant transactions between the Company and a subsidiary have been eliminated in the consolidated financial statements.

Non-controlling interests represent the portion of net income or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated statement of comprehensive income and within shareholders’ equity in the consolidated statement of financial position.

For the convenience of the user, an English translation of the consolidated and separate financial statements has been prepared from the financial statements that are issued in the Thai language.

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

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

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)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

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

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

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 <i>Financial Reporting in Hyperinflationary Economies</i>
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
Accounting Treatment Guidance for Stock Dividend	

These accounting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These accounting standards do not have any significant impact on the financial statements.

b. Financial reporting standards not yet effective

Revised accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations that are not yet effective and have not been early adopted by the Company. The new and revised TFRS are expected to become effective for annual financial period beginning on or after 1 January in the year indicated in the following table:

- **These accounting standards involve changes to key principles, as below:**

Accounting Standard		<u>Effective Date</u>
TAS 1 (Revised 2014)	Presentation of Financial Statements	1 January 2015
TAS 19 (Revised 2014)	Employee Benefits	1 January 2015
TAS 27 (Revised 2014)	Separate Financial Statements	1 January 2015
TAS 28 (Revised 2014)	Investments in Associates and Joint Venture	1 January 2015
TAS 34 (Revised 2014)	Interim Financial Reporting	1 January 2015
Financial Reporting Standard		
TFRS 10	Consolidated Financial Statements	1 January 2015
TFRS 11	Joint Arrangements	1 January 2015
TFRS 12	Disclosure of Interests in Other Entities	1 January 2015
TFRS 13	Fair Value Measurement	1 January 2015
Financial Reporting Standard Interpretations		
TFRIC 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2015

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

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

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

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

TFRS 10 has a single definition of control and supersedes the principles of control and consolidation included within the original TAS 27, 'Consolidated and separate financial statements'. The standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. This standard has no impact to the Group.

TFRS 11 defined that a joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties' exposure in relation to the arrangement. When the parties' exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities. Joint ventures account for their interest by using the equity method of accounting. This standard has no impact to the Group.

TFRS 12 require entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. This standard has no impact to the Group.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. This standard has no impact to the Group.

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

- These accounting standards do not have any significant change and impact on the financial statements, as below:

Accounting Standard		<u>Effective Date</u>
	The Conceptual Financial Reporting Standard	1 January 2015
TAS 2 (Revised 2014)	Inventories	1 January 2015
TAS 7 (Revised 2014)	Statement of Cash Flows	1 January 2015
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2015
TAS 10 (Revised 2014)	Events After the Reporting Period	1 January 2015
TAS 11 (Revised 2014)	Construction Contracts	1 January 2015

		<u>Effective Date</u>
TAS 12 (Revised 2014)	Income Taxes	1 January 2015
TAS 16 (Revised 2014)	Property, Plant and Equipment	1 January 2015
TAS 17 (Revised 2014)	Leases	1 January 2015
TAS 18 (Revised 2014)	Revenue	1 January 2015
TAS 20 (Revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2015
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rates	1 January 2015
TAS 23 (Revised 2014)	Borrowing Costs	1 January 2015
TAS 24 (Revised 2014)	Related Party Disclosures	1 January 2015
TAS 26 (Revised 2014)	Accounting and Reporting by Retirement Benefit Plans	1 January 2015
TAS 29 (Revised 2014)	Financial Reporting in Hyperinflationary Economics	1 January 2015
TAS 33 (Revised 2014)	Earnings per Share	1 January 2015
TAS 36 (Revised 2014)	Impairment of Assets	1 January 2015
TAS 38 (Revised 2014)	Intangible Assets	1 January 2015
TAS 40 (Revised 2014)	Investment Property	1 January 2015
Financial Reporting Standard		
TFRS 2 (Revised 2014)	Share-based Payment	1 January 2015
TFRS 3 (Revised 2014)	Business Combinations	1 January 2015
TFRS 4 (Revised 2014)	Insurance Contracts	1 January 2016
TFRS 5 (Revised 2014)	Non-current Assets Held for Sale and Discontinued Operations	1 January 2015
TFRS 6 (Revised 2014)	Exploration for and Evaluation of Mineral Resources	1 January 2015
TFRS 8 (Revised 2014)	Operating Segments	1 January 2015
Accounting Standard Interpretations		
TSIC 10 (Revised 2014)	Government Assistance - No Specific Relation to Operating Activities	1 January 2015
TSIC 15 (Revised 2014)	Operating Leases - Incentives	1 January 2015
TSIC 25 (Revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders	1 January 2015
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2015
TSIC 29 (Revised 2014)	Service Concession Arrangements: Disclosures	1 January 2015
TSIC 31 (Revised 2014)	Revenue - Barter Transactions Involving Advertising Services	1 January 2015
TSIC 32 (Revised 2014)	Intangible Assets - Web Site Costs	1 January 2015
Financial Reporting Standard Interpretations		
TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2015

		<u>Effective Date</u>
TFRIC 4 (Revised 2014)	Determining whether an Arrangement contains a Lease	1 January 2015
TFRIC 5 (Revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2015
TFRIC 7 (Revised 2014)	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	1 January 2015
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment	1 January 2015
TFRIC 12 (Revised 2014)	Service Concession Arrangements	1 January 2015
TFRIC 13 (Revised 2014)	Customer Loyalty Programmes	1 January 2015
TFRIC 15 (Revised 2014)	Agreements for the Construction of Real Estate	1 January 2015
TFRIC 17 (Revised 2014)	Distributions of Non-cash Assets to Owners	1 January 2015
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers	1 January 2015
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2015

4. SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.2 Trade accounts receivable

Trade accounts receivable are carried at original invoice amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified.

4.3 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined by:

Raw Cotton	Specific cost method
Raw materials and Supplies	Weighted average method
Work in Process	Weighted average method
Finished Goods	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, allowances or rebates. The cost of finished goods comprises raw materials, direct labour, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities. Net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

4.4 Investment in subsidiary

Subsidiaries, which are those entities in which the Group has an interest of more than one half of the voting rights or otherwise has power to exercise control over the operations, are consolidated. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. All intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group. Separate disclosure is made for non-controlling interests in the consolidated statement of financial position and consolidated statement of comprehensive income.

Investment in subsidiary is reported by using the cost method of accounting in the separate financial statements.

4.5 Investments in related companies

Investments in related companies are carried at cost less impairment (if any).

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 in profit or loss.

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

4.6 General investment

Investments in non-marketable equity securities are classified as general investments and carried at cost less impairment (if any).

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 in profit or loss.

4.7 Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Plant and equipment are stated at historical cost less accumulated depreciation.

Depreciation is calculated on the straight line method to write off the cost of each asset, except for land which is considered to have an indefinite life, to its residual value over the estimated useful life as follows:

Buildings and structures	5-20 years
Machineries and equipment	3-10 years
Furniture and office equipment	3-5 years
Vehicles	5 years

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Estimated recoverable amount is the higher of the anticipated discounted cash flows from the continuing use of the asset and the amount obtainable from the sale of the asset less any costs of disposal.

Repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalized as part of cost of the asset, during the period of time required to complete and prepare the property for its intended use. The borrowing costs include interest on long-term borrowing net of amortization of related deferred financial cost.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in operating profit.

Building-in-progress and machinery under installation are stated at cost. These assets are not depreciated until such time as the relevant assets are completed and ready for their intended operational use.

4.8 Impairment of assets

Property, plant and equipment and other non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

4.9 Computer software

Costs associated with developing or maintaining computer software program are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Group and will probably generate economic benefits exceeding costs beyond one year are recognised as computer software.

Expenditure which enhances or extends the performance of computer software program beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Computer software development costs recognised as assets are amortised using the straight-line method over their useful life for 5 years.

4.10 Leases

Leases of assets which substantially transfer 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 cost is charged in profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the useful life of the asset.

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 in profit or loss on a straight-line basis over the period of the lease.

4.11 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 Group recognise deferred tax liabilities for all taxable temporary differences while they recognise 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 Group 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.

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

4.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group contributions are recognised as expenses when incurred.

Defined benefit plans

The Group have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in other comprehensive income.

The defined benefits liability comprises the present value of the defined benefit obligation less unrecognised past service cost and unrecognised actuarial gains or losses.

4.13 Revenue recognition

Revenue comprises the invoiced value for the sale of goods and services net of output tax, rebates and discounts. 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 is recognised when the service is rendered.

Interest income is recognized on an accrual basis.

4.14 Foreign currency translation

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the statement of financial position date. Gains and losses, resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in profit or loss.

4.15 Basic earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the income (loss) attributable to shareholders by the weighted average number of common shares during the year.

4.16 Financial instruments

Financial assets carried on the statement of financial position include cash and cash equivalents, trade accounts receivable and investments. Financial liabilities carried on the statement of financial position include trade accounts payable, bank overdrafts and loans. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

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

4.17 Related parties

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.

4.18 Provision

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, and 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 recognized as a separate asset but only when the reimbursement is virtually certain.

4.19 Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance for net realizable value of inventories

The Group considers the allowance for net realizable value based on the estimate of selling price in the ordinary course of business and normal condition of inventory. The net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company's plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

5. TRANSACTIONS WITH RELATED PERSONS AND COMPANIES

5.1 Relationships and pricing policies

The relationship and pricing policies among the Company, subsidiary, related persons and companies are as follows :

<u>Subsidiary</u>	<u>Relationships</u>
Thai Rung Textile Co., Ltd.	Shareholding by the Company and directorship
<u>Related companies</u>	
Thai Standard Industries Co., Ltd.	Shareholding by the Company and directorship
Thai Textile Printing Public Co., Ltd.	Shareholding by the Company and directorship
Rama Textile Industry (1988) Co., Ltd.	Shareholding by the Company and directorship
Picca Inter Co., Ltd.	Directorship
Thai Textile Development and Finishing Co., Ltd.	Directorship
Cassardi International Co., Ltd.	Directorship
Prachin Land Co., Ltd.	Directorship
United Paper Public Co., Ltd.	Directorship and Shareholding
Winner Textile Co., Ltd.	Directorship and Shareholding
Nida Trading (1997) Co., Ltd.	Shareholder of subsidiary
<u>Related Persons</u>	The Company's and subsidiary's directors and shareholder and closed cousin of shareholder of the subsidiary
<u>Pricing Policy</u>	
<u>Pricing policies for the subsidiary, related persons and companies</u>	
Sales of products and raw materials	Compare to market price
Service income	Compare to market price
Disposal of fixed assets	Compare to market price
Other income	Compare to market price
Rental income	At contract price
Purchase of products	Compare to market price
Service expenses	Compare to market price
Acquisition of fixed assets	Compare to market price
Miscellaneous expenses	Compare to market price
Rental expenses	At contract price
Loans to / loan from	Interest charge at rate of 4.25% - 4.50% per annum (2013 : 4.25% - 4.75% per annum)

5.2 Balances of transactions with subsidiary, related persons and companies

Significant balances with subsidiary, related persons and companies as at 31 December 2014 and 2013 are as follows:

	In Baht			
	Consolidated financial statements		Separate Financial statements	
	2014	2013	2014	2013
Trade accounts receivable				
Related companies	54,541,206	72,602,814	25,003,492	41,078,844
Other accounts receivable				
Related companies	-	6,420,000	-	6,420,000
Trade accounts payable				
Subsidiary	-	-	54,445,589	45,075,163
Related companies	23,615,780	25,600,182	23,615,780	25,600,182
Total	23,615,780	25,600,182	78,061,369	70,675,345

The outstanding balance as at 31 December 2014 and the movement of short - term loan from subsidiary, related persons and companies for the year ended 31 December 2014 are as follows:

	In Baht			
	Balance as at 1 January 2014	Movement		Balance as at 31 December 2014
		Increase	Decrease	
Consolidated financial statements				
Subsidiary	249,000,000	273,800,000	(255,800,000)	267,000,000
Related companies	454,200,000	100,300,000	(14,500,000)	540,000,000
Total	703,200,000	374,100,000	(270,300,000)	807,000,000
Separate financial statements				
Subsidiary	-	50,000,000	(50,000,000)	-
Related companies	233,000,000	11,800,000	(244,800,000)	-
Total	233,000,000	61,800,000	(294,800,000)	-

5.3 Revenues and expenses transactions with subsidiary, related persons and companies

Revenues and expenses transactions with subsidiary, related persons and companies for the year ended 31 December 2014 and 2013 are as follows:

	In Baht			
	Consolidated financial statements		Consolidated financial statements	
	2014	2013	2014	2013
Sales of products and raw materials				
Subsidiary	-	-	8,614,932	1,863,077
Related companies	988,056,627	949,725,141	627,727,708	611,931,889
Total	988,056,627	949,725,141	636,342,640	613,794,966
Services income				
Related companies	7,351,542	11,614,901	4,930,698	10,077,554
Disposal of fixed assets				
Subsidiary	-	-	180,849,346	485,000
Related companies	-	30,000,000	-	30,000,000
Total	-	30,000,000	180,849,346	30,485,000
Other income				
Subsidiary	-	-	529,413	626,604
Related companies	1,566,821	1,635,694	1,566,821	1,635,694
Total	1,566,821	1,635,694	2,096,234	2,262,298
Rental income				
Related companies	1,200,000	1,200,000	1,200,000	1,200,000
Dividends income				
Subsidiary (Note 10)	-	-	26,193,880	26,193,880
Related companies (Note 11)	2,187,500	1,093,750	2,187,500	1,093,750
Total	2,187,500	1,093,750	28,381,380	27,287,630
Purchase of products				
Subsidiary	-	-	549,912,853	495,891,139
Related companies	537,324,609	569,031,571	537,313,375	568,936,706
Total	537,324,609	569,031,571	1,087,226,228	1,064,827,845
Service expenses				
Subsidiary	-	-	710,995	2,368,264
Related companies	225,437,451	221,562,723	225,437,451	221,562,723
Total	225,437,451	221,562,723	226,148,446	223,930,987
Miscellaneous expenses				
Subsidiary	-	-	7,440	62,561
Related companies	434,936	1,166,787	395,470	296,666
Total	434,936	1,166,787	402,910	359,227

	In Baht			
	Consolidated financial statements		Consolidated financial statements	
	2014	2013	2014	2013
Rental expenses				
Related companies	1,200,000	1,200,000	1,200,000	1,200,000
Interest				
Subsidiary	-	-	54,247	10,678,678
Related companies	12,140,075	5,804,425	1,362,329	5,116,096
Related persons	21,271,170	19,391,625	-	-
Total	33,411,245	25,196,050	1,416,576	15,794,774
Directors and management's benefits	21,962,220	23,157,929	18,390,380	19,666,089

6. CASH AND CASH EQUIVALENTS

	In Baht			
	Consolidated financial statements		Consolidated financial statements	
	2014	2013	2014	2013
Cash on hand	312,076	619,339	185,150	334,544
Regular checking accounts	40,688,170	52,073,388	2,468,706	1,548,862
Saving accounts	83,053,831	45,775,016	40,408,430	27,977,398
Total	124,054,077	98,467,743	43,062,286	29,860,804

Deposits at financial institutions are bearing interest rate of 0.50% per annum (2013: 0.75% per annum).

7. TRADE AND OTHER RECEIVABLES

	In Baht			
	Consolidated financial statements		Consolidated financial statements	
	2014	2013	2014	2013
Trade accounts receivable - related companies				
(Note 5.2)	54,541,206	72,602,814	25,003,492	41,078,844
Trade accounts receivable - others	408,473,365	434,668,066	273,986,882	301,320,009
Total trade accounts receivable	463,014,571	507,270,880	298,990,374	342,398,853
Other receivables - related companies (Note 5.2)	-	6,420,000	-	6,420,000
Other receivables - others	2,315,508	12,729	92,499	12,729
Advances for inventories	1,583,653	1,191,996	1,583,653	1,191,996
Value added tax receivable	4,713,862	32,897,607	4,713,862	26,211,726
Total	471,627,594	547,793,212	305,380,388	376,235,304

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

Aging of trade accounts receivable as at 31 December 2014 and 2013 are as follows:

	In Baht			
	Consolidated financial statements		Consolidated financial statements	
	2014	2014	2014	2014
Trade accounts receivable - related companies				
Within credit terms	50,183,498	65,792,851	20,645,784	34,268,881
Overdue: Less than 3 months	4,357,708	6,809,963	4,357,708	6,809,963
Total trade accounts receivable - related companies	54,541,206	72,602,814	25,003,492	41,078,844
Trade accounts receivable - other companies				
Within credit terms	287,812,256	259,966,222	183,268,555	169,356,948
Overdue:				
Less than 3 months	75,323,144	159,144,618	56,991,849	116,405,834
3 - 6 months	14,356,637	14,754,245	2,769,240	14,754,245
6 - 12 months	30,981,328	1,246,415	30,957,238	1,246,415
Over 12 months	1,246,143	631,459	1,068,231	453,548
Total trade accounts receivable	409,719,508	435,742,959	275,055,113	302,216,990
Less allowance for doubtful accounts	(1,246,143)	(1,074,893)	(1,068,231)	(896,981)
Trade accounts receivable - others - net	408,473,365	434,668,066	273,986,882	301,320,009

8. INVENTORIES

	In Baht					
	Consolidated financial statements					
	Cost		Allowance for obsolescence of inventories		Inventories - net	
	2014	2013	2014	2013	2014	2013
Finished goods	372,891,959	417,003,419	(48,487,272)	(44,134,544)	324,404,687	372,868,875
Work in process	242,142,686	260,395,531	(647,881)	-	241,494,805	260,395,531
Raw materials	654,216,628	562,471,366	(12,701,087)	(5,039,276)	641,515,541	557,432,090
Material and supplies	37,249,725	38,400,788	-	-	37,249,725	38,400,788
Total	1,306,500,998	1,278,271,104	(61,836,240)	(49,173,820)	1,244,664,758	1,229,097,284

	In Baht					
	Cost		Separate financial statements Allowance for obsolescence of inventories		Inventories - net	
	2014	2013	2014	2013	2014	2556
Finished goods	304,113,401	375,673,530	(47,325,242)	(43,948,791)	256,788,159	331,724,739
Work in process	219,209,387	229,592,099	-	-	219,209,387	229,592,099
Raw materials	347,169,362	330,737,199	(5,448,132)	(4,295,107)	341,721,230	326,442,092
Material and supplies	25,076,060	26,343,631	-	-	25,076,060	26,343,631
Total	895,568,210	962,346,459	(52,773,374)	(48,243,898)	842,794,836	914,102,561

9. ASSETS CLASSIFIED AS HELD FOR SALE

At the Board of Directors' Meeting on 27 September 2013, the directors had a resolution to sell land and building to Thai Rung Textile Co., Ltd., a subsidiary. The net book value of the land and building as at 31 December 2013 is amounting to Baht 83.8 million and the selling price is amounting to Baht 180 million. The Company transferred the right of ownerships to the subsidiary on 3 January 2014.

10. INVESTMENT IN SUBSIDIARY

Separate financial statements as at 31 December 2014 and 2013

Invested company (Type of business)	Paid-up capital (Thousand Baht)	Proportion of shareholding (%)	At cost	In Baht Dividends income	
				2014	2013
Thai Rung Textile Co., Ltd. (Type of business : Yarn spinning)	600,000	87.31	550,325,004	26,193,880	26,193,880

11. OTHER LONG TERM INVESTMENTS

Consolidated and Separate financial statements as at 31 December 2014 and 2013

Invested company (Type of business)	Paid-up capital (Thousand Baht)	Proportion of share holding (%)	In Baht			
			At cost		Dividends income	
			2014	2013	2014	2013
Investment in related companies						
Thai Standard Industries Co., Ltd. (Type of business : Weaving)	150,000	6.67	12,500,000	12,500,000	-	-
Thai Textile Printing Public Co., Ltd. (Type of business :Printing and dyeing)	350,000	3.57	12,500,000	12,500,000	-	-
Rama Textile Industry (1988) Co., Ltd. (Type of business :Yarn dyeing and selling)	250,000	8.75	23,750,000	23,750,000	2,187,500	1,093,750
Total			48,750,000	48,750,000	2,187,500	1,093,750
Investment in other companies						
Tajin Polyester Co., Ltd. (Type of business : Polyester producer)	548,224	1.63	11,915,000	11,915,000	-	-
Chantaburi Country Club Co., Ltd. (Type of business : Real estate)	75,000	0.17	2,000,000	2,000,000	-	-
Total			13,915,000	13,915,000	-	-
<u>Less</u> Allowance for declining in value of investment			(1,875,000)	(1,522,500)	-	-
Net			12,040,000	12,392,500	-	-
Total other long-term investments			60,790,000	61,142,500	2,187,500	1,093,750

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2014

12. PROPERTY, PLANT AND EQUIPMENT
Consolidated financial statements

	Land	Building & structures	Machinery & equipment	In Baht Furniture & office equipment	Vehicle	Assets under installation	Total
As at 1 January 2013							
Cost	296,002,428	729,748,593	4,166,156,889	63,484,515	33,625,693	46,129,581	5,335,147,699
<u>Less</u> Accumulated depreciation	-	(537,983,321)	(2,969,116,169)	(59,589,557)	(20,156,134)	-	(3,586,845,181)
Net book value	296,002,428	191,765,272	1,197,040,720	3,894,958	13,469,559	46,129,581	1,748,302,518
For the year ended 31 December 2013							
Net book value, beginning of year	296,002,428	191,765,272	1,197,040,720	3,894,958	13,469,559	46,129,581	1,748,302,518
Acquisition	-	92,777,572	15,989,244	759,275	3,763,719	579,891,292	693,181,102
Transfer in (out)	-	947,607	147,032,406	-	3,887,104	(151,867,117)	-
Disposal	-	-	(16,644,098)	(48,967)	(5)	-	(16,693,070)
Depreciation	-	(27,056,230)	(222,450,384)	(1,746,022)	(4,327,580)	-	(255,580,216)
Net book value, end of year	296,002,428	258,434,221	1,120,967,888	2,859,244	16,792,797	474,153,756	2,169,210,334
As at 31 December 2013							
Cost	296,002,428	823,473,772	4,081,771,723	64,145,528	37,426,224	474,153,756	5,776,973,431
<u>Less</u> Accumulated depreciation	-	(565,039,551)	(2,960,803,835)	(61,286,284)	(20,633,427)	-	(3,607,763,097)
Net book value	296,002,428	258,434,221	1,120,967,888	2,859,244	16,792,797	474,153,756	2,169,210,334

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2014

Consolidated financial statements

	Land	Building & structures	Machinery & equipment	In Baht Furniture & office equipment	Vehicle	Assets under installation	Total
For the year ended 31 December 2014							
Net book value, beginning of year	296,002,428	258,434,221	1,120,967,888	2,859,244	16,792,797	474,153,756	2,169,210,334
Acquisition	-	44,440,044	21,770,446	1,561,445	4,568,364	338,450,702	410,791,001
Transfer in (out)	-	-	735,293,045	259,821	1,574,000	(737,126,866)	-
Disposal	-	(83)	(29,943,452)	(2,105)	(7)	(838,809)	(30,784,456)
Depreciation	-	(27,841,858)	(227,321,278)	(1,478,901)	(5,371,650)	-	(262,013,687)
Net book value, end of year	296,002,428	275,032,324	1,620,766,649	3,199,504	17,563,504	74,638,783	2,287,203,192
As at 31 December 2014							
Cost	296,002,428	850,122,559	4,423,425,784	61,959,596	37,893,588	74,638,783	5,744,042,738
Less Accumulated depreciation	-	(575,090,235)	(2,802,659,135)	(58,760,092)	(20,330,084)	-	(3,456,839,546)
Net book value	296,002,428	275,032,324	1,620,766,649	3,199,504	17,563,504	74,638,783	2,287,203,192

As at 31 December 2014 and 2013, the Group's machineries with net book value of Baht 260.8 million and Baht 178.5 million, respectively are mortgaged as collateral of credit facilities to financial institution as discussed in note 16 to the financial statements.

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2014

Separate financial statements

	In Baht						
	Land	Building & structures	Machinery & equipment	Furniture & office equipment	Vehicle	Assets under installation	Total
As at 1 January 2013							
Cost	116,198,910	508,237,949	1,971,589,456	44,377,742	20,830,053	14,757,632	2,675,991,742
<u>Less</u> Accumulated depreciation	-	(354,841,753)	(1,235,902,306)	(41,480,652)	(12,903,664)	-	(1,645,128,375)
Net book value	116,198,910	153,396,196	735,687,150	2,897,090	7,926,389	14,757,632	1,030,863,367
For the year ended 31 December 2013							
Net book value, beginning of year	116,198,910	153,396,196	735,687,150	2,897,090	7,926,389	14,757,632	1,030,863,367
Acquisition	-	8,000,500	15,208,260	759,270	1,974,000	156,864,585	182,806,615
Transfer in (out)	-	947,607	25,803,188	-	3,887,104	(30,637,899)	-
Disposal	-	-	(14,067,656)	(48,967)	(5)	-	(14,116,628)
Transfer to assets held for sale	(80,055,161)	(3,770,833)	-	-	-	-	(83,825,994)
Depreciation	-	(19,224,353)	(135,538,727)	(1,380,187)	(2,738,730)	-	(158,881,997)
Net book value, end of year	36,143,749	139,349,117	627,092,215	2,227,206	11,048,758	140,984,318	956,845,363
As at 31 December 2013							
Cost	36,143,749	495,936,056	1,844,910,830	45,024,013	22,840,865	140,984,318	2,585,839,831
<u>Less</u> Accumulated depreciation	-	(356,586,939)	(1,217,818,615)	(42,796,807)	(11,792,107)	-	(1,628,994,468)
Net book value	36,143,749	139,349,117	627,092,215	2,227,206	11,048,758	140,984,318	956,845,363

THAI TEXTILE INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2014

Separate financial statements

	Land	Building & structures	Machinery & equipment	In Baht Furniture & office equipment	Vehicle	Assets under installation	Total
For the year ended 31 December 2014							
Net book value, beginning of year	36,143,749	139,349,117	627,092,215	2,227,206	11,048,758	140,984,318	956,845,363
Acquisition	-	-	14,272,183	1,366,746	1,628,364	81,655,314	98,922,607
Transfer in (out)	-	-	146,603,399	3,450	1,574,000	(148,180,849)	-
Disposal	-	-	(28,852,524)	(2,105)	(3)	-	(28,854,632)
Depreciation	-	(18,019,994)	(122,336,478)	(1,127,843)	(3,472,371)	-	(144,956,686)
Net book value, end of year	36,143,749	121,329,123	636,778,795	2,467,454	10,778,748	74,458,783	881,956,652
As at 31 December 2014							
Cost	36,143,749	495,936,056	1,778,560,279	42,387,011	23,289,229	74,458,783	2,450,775,107
<u>Less</u> Accumulated depreciation	-	(374,606,933)	(1,141,781,484)	(39,919,557)	(12,510,481)	-	(1,568,818,455)
Net book value	36,143,749	121,329,123	636,778,795	2,467,454	10,778,748	74,458,783	881,956,652

As at 31 December 2014 and 2013, the Company's machineries with net book value of Baht 161.4 million and Baht 178.5 million, respectively are mortgaged as collateral of credit facilities to financial institution as discussed in note 16 to the financial statements.

13. INVESTMENT PROPERTIES – LAND

	In Baht Consolidated and Separate financial statements
For the year ended 31 December 2014	
Net book value, beginning of the year	48,221,776
Impairment loss	-
Investment properties - land - net	<u>48,221,776</u>

As at 31 December 2014, the fair value of investment properties was Baht 366.3 million.

14. COMPUTER SOFTWARE

The net book value of computer software as at 31 December 2014 and 2013 is presented below.

	In Baht Consolidated and Separate financial statements	
	2014	2013
As at 1 January		
Cost	14,530,847	14,530,847
<u>Less</u> Accumulated amortization	(14,034,552)	(13,703,692)
Net book value	<u>496,295</u>	<u>827,155</u>
Transactions during the year ended 31 December		
Net book value, beginning of year	496,295	827,155
<u>Add</u> Acquisition of computer software	2,520,000	-
<u>Less</u> Amortization	(330,860)	(330,860)
Net book value, end of year	<u>2,685,435</u>	<u>496,295</u>
As at 31 December		
Cost	17,050,847	14,530,847
<u>Less</u> Accumulated amortization	(14,365,412)	(14,034,552)
Net book value	<u>2,685,435</u>	<u>496,295</u>

15. DEFERRED INCOME TAX ASSETS/LIABILITIES

Temporary differences	In Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Balances of deferred income tax assets				
Allowance for doubtful accounts	249,228	214,978	213,646	179,396
Allowance for declining in value of investments in other company	375,000	304,500	375,000	304,500
Allowance for obsolescence of inventories	12,367,248	9,834,764	10,554,675	9,648,780
Accumulated tax losses	27,181,927	39,822,883	23,262,933	39,822,883
Employee benefit obligations	19,455,529	18,370,574	13,868,212	12,731,718
Total deferred income tax assets	<u>59,628,932</u>	<u>68,547,699</u>	<u>48,274,466</u>	<u>62,687,277</u>
Balance of deferred income tax liabilities				
Finance lease agreements	-	(968,883)	-	(968,883)
Land	(30,810,895)	(30,810,895)	-	-
Total deferred income tax liabilities	<u>(30,810,895)</u>	<u>(31,779,778)</u>	<u>-</u>	<u>(968,883)</u>
Deferred income tax - net	<u>28,818,037</u>	<u>36,767,921</u>	<u>48,274,466</u>	<u>61,718,394</u>

Presentation in the statements of financial position are as follows:

	In Baht			
	Consolidated financial statements		Consolidated financial statements	
	2014	2014	2014	2014
Deferred income tax assets	48,274,466	61,718,394	48,274,466	61,718,394
Deferred income tax liabilities	(19,456,429)	(24,950,473)	-	-
Deferred income tax - net	<u>28,818,037</u>	<u>36,767,921</u>	<u>48,274,466</u>	<u>61,718,394</u>

Deferred income tax assets and liabilities are offset when the income taxes related to the same fiscal authority. Deferred tax assets and deferred tax liabilities in the consolidated financial positions are presented at net amount of assets and liabilities incurred in each entity.

16. LOANS FROM FINANCIAL INSTITUTIONS

	Interest rate (%) p.a.		In Baht			
			Consolidated		Consolidated	
			financial statements		financial statements	
	2014	2013	2014	2013	2014	2013
Short-term loans						
Liabilities under trust receipts	1.50 - 5.38	1.76 - 2.70	177,024,129	199,889,803	42,438,426	26,979,366
Promissory notes	3.85 - 4.70	4.20 - 4.60	750,000,000	700,000,000	750,000,000	700,000,000
Total			927,024,129	899,889,803	792,438,426	726,979,366
Long-term loans						
Long-term loans	4.50 - 5.00	4.625 - 5.125	466,277,000	344,269,000	113,327,000	248,329,000
<u>Less</u> Current portion of long - term loans			(216,721,000)	(197,992,000)	(73,321,000)	(135,002,000)
Long-term loans - net of current portion			249,556,000	146,277,000	40,006,000	113,327,000

As at 31 December 2014 and 2013, the Group has overdrafts and short - term trade financing facilities from financial institutions according to the loan agreements with a total maximum credit limit of Baht 2,456 million and Baht 2,445 million, respectively. The Group's partial short - term loans from financial institutions are guaranteed by the Company and the subsidiary.

Under the terms of the agreements covering the Group's liabilities under trust receipts, certain imported raw materials, parts and supplies have been released to the Group in trust for the financial institutions. The Group is accountable to the financial institutions for the trusted items or their sales proceeds.

The Group's long - term loans from financial institutions are guaranteed by the Group's machines as discussed in Note 12 including providing negative pledge of property, plant and equipment.

17. TRADE AND OTHER PAYABLES

	In Baht			
	Consolidated		Consolidated	
	financial statements		financial statements	
	2014	2013	2014	2013
Trade accounts payable - related companies				
(Note 5.2)	23,615,780	25,600,182	78,061,369	70,675,345
Trade accounts payable - other companies	125,491,660	178,009,689	68,952,650	93,036,662
Total trade accounts payable	149,107,440	203,609,871	147,014,019	163,712,007
Accrued expenses	105,835,554	105,206,957	68,057,053	74,390,785
Payable from acquisition of assets	3,618,770	577,270	3,145,570	577,270
Advance received from sales of machines	-	21,628,478	-	21,628,478
Advance received from sales of goods	15,332,128	33,453,145	15,332,128	33,453,145
Value added tax payable	5,113,513	-	-	-
Total	279,007,405	364,475,721	233,548,770	293,761,685

18. EMPLOYEE BENEFIT OBLIGATIONS

The Group operates post employment based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

	In Baht			
	Consolidated		Consolidated	
	financial statements		financial statements	
	2014	2013	2014	2013
Movement in the present value of the defined benefit obligations:				
For the year ended 31 December				
Defined benefit obligations at 1 January	91,852,871	90,696,223	63,658,590	63,568,589
Benefits paid by the plan	(11,042,370)	(4,983,400)	(7,009,670)	(4,528,300)
Defined benefit plan actuarial gains for employee benefit	-	(7,914,017)	-	(5,791,987)
Current service costs and interest	16,467,144	14,054,065	12,692,141	10,410,288
Defined benefit obligations at 31 December	97,277,645	91,852,871	69,341,061	63,658,590
Expenses recognised in profit or loss:				
For the year ended 31 December				
Current service costs	12,395,703	10,692,202	9,684,906	8,067,543
Interest on obligation	4,071,441	3,361,863	3,007,235	2,342,745
Total	16,467,144	14,054,065	12,692,141	10,410,288
The above expenses recognised in profit or loss in the following line items.				
For the year ended 31 December				
Cost of sales and services	11,828,838	10,815,404	8,555,460	7,821,797
Administrative expenses	4,638,306	3,238,661	4,136,681	2,588,491
Total	16,467,144	14,054,065	12,692,141	10,410,288

Principal actuarial assumptions at the reporting date

	Consolidated and Separate financial statements
Discount rate	3.96 - 4.11% per annum
Salary increase rate	5%
Employee turnover rate	Scale related to Age ranging from 0 - 42.72%
Mortality rate	According to Thailand TMO 2008 male and female tables

19. DIVIDENDS PAID

At the ordinary shareholders' meeting dated 24 April 2014, the shareholders approved the payment of dividends at Baht 0.5 per share for 50 million shares totaling Baht 25 million. The Company has already paid for such dividends on 23 May 2014.

At the ordinary shareholders' meeting dated 26 April 2013, the shareholders approved the payment of dividends at Baht 0.5 per share for 50 million shares totaling Baht 25 million. The Company has already paid for such dividends on 23 May 2013.

20. LEGAL RESERVE

The legal reserve of the Company was established in accordance with the provisions of the Thai Public Company Limited Act B.E. 2535, which requires the appropriation as legal reserve of at least 5% of net income for the year after deduction of the deficit brought forward (if any) until the reserve reaches 10% of the authorized share capital. This reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside

21. OTHER INCOME

Other income for the year ended 31 December 2014 and 2013 are as follows:

	In Baht			
	Consolidated		Consolidated	
	financial statements		financial statements	
	2014	2013	2014	2013
Rental income	21,639,480	16,063,913	1,380,000	16,303,398
Gain on foreign exchange rate	15,923,070	5,906,543	9,613,027	15,519,957
Compensation received from factory fire incident	11,549,873	-	-	-
Compensation received from inventory claim	4,356,001	3,089,133	4,356,001	3,089,133
Tax coupon income	1,233,991	1,190,091	1,233,991	1,190,091
Miscellaneous sale income	3,277,762	3,091,081	3,277,762	3,091,081
Other income	1,534,463	1,947,344	937,460	649,942
Total	59,514,640	31,288,105	20,798,241	39,843,602

22. EXPENSES BY NATURE

Significant expenses by nature for the year ended 31 December 2014 and 2013 are as follows:

	In Baht			
	Consolidated		Consolidated	
	financial statements		financial statements	
	2014	2013	2014	2013
Changes in finished goods and work in process	62,364,305	30,156,234	81,942,841	47,692,271
Raw materials and consumable used	2,363,542,670	2,182,276,615	1,202,299,746	1,206,985,169
Staff costs	527,490,084	543,219,055	380,244,291	391,260,654
Depreciation and amortization	262,344,547	255,911,076	145,287,546	159,212,857

23. INCOME TAX

Income tax for the year ended 31 December 2014 and 2013 are as follows:

	In Baht			
	Consolidated		Consolidated	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
Current income tax				
Current year	-	5,987,558	-	-
Deferred tax				
Relating to origination and reversal of temporary differences	7,949,884	772,201	13,443,928	(6,433,001)
Income tax expense (income)	<u>7,949,884</u>	<u>6,759,759</u>	<u>13,443,928</u>	<u>(6,433,001)</u>
Income tax recognized in other comprehensive income				
Defined benefit plan actuarial gain	-	1,582,803	-	1,158,397

Reconciliation of effective tax rate

	In Baht			
	Consolidated		Consolidated	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
Accounting profit (loss) before corporate income tax	(54,585,106)	38,934,725	95,591,025	411,741
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before corporate income tax multiplied by applicable tax rate	(10,917,021)	7,786,945	19,118,205	82,348
Effects of:				
Addition expenses deductible for tax purposes	(1,520,918)	(1,041,576)	(1,520,918)	(1,041,576)
Expenses not deductible for tax purposes	6,387,369	3,648,902	4,638,939	2,577,143
Income not subject to tax	(437,500)	(218,750)	(5,676,276)	(5,457,526)
Taxable loss of current year recognized to deferred income tax assets	3,918,994	3,839,611	-	3,839,611
Utilization of taxable loss carried forward	(16,559,950)	(7,833,229)	(16,559,950)	-
Effect of elimination entries on the consolidated financial statements	19,129,026	(194,345)	-	-
Current tax	-	5,987,558	-	-
Relating to origination and reversal of temporary differences	7,949,884	772,201	13,443,928	(6,433,001)
Income tax expense (income)	<u>7,949,884</u>	<u>6,759,759</u>	<u>13,443,928</u>	<u>(6,433,001)</u>

24. FINANCIAL INFORMATION BY SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The operations of the Group involve the single industry segment of manufacturing and distributing yarns, apparel and fabrics. The Group operates in single geographical area, in Thailand; therefore, these financial statements do not present the financial information by segment. The Group's revenues included sale in both domestic and export markets. The revenues classified by domestic and export markets for the year ended 31 December 2014 and 2013 are as follows;

	In Thousand Baht					
	Domestic		Export		Total	
	2014	2013	2014	2013	2014	2013
Revenues	2,778,691	2,787,906	1,153,004	1,231,018	3,931,695	4,018,924
Cost	(2,779,087)	(2,680,673)	(994,214)	(1,064,957)	(3,773,301)	(3,745,630)
Gross profit (loss)	(396)	107,233	158,790	166,061	158,394	273,294

Major customers

For the year 2014, the Group has revenue from a major customer, represented at 13% of total revenues (2013: 13% of total revenues).

25. FINANCIAL INSTRUMENTS

The principal financial risks faced by the Group are liquidity risk, foreign currency risk, interest rate risk, and credit risk. The risk management policies of these particular risks are as follows:

25.1 Liquidity Risk

Liquidity risk, or funding risk, is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

25.2 Foreign Currency Risk

As part of the international trading, the Group has significant exposures to market risks from changes in foreign exchange rates. The Group uses forward exchange contracts to mitigate those risks. Forward exchange contracts are accounted for as foreign currency transactions. Gains or losses on derivative financial instruments used for hedging of foreign currency transactions are recognized as income or expense on the same basis as the corresponding hedged position.

As at 31 December 2014, assets and liabilities of the Group which are not hedged as follows :

	Currencies	Amount	Equivalent to approximately (In Million Baht)
Trade accounts receivable	U.S. Dollars	3,333,595	109.09
Trade accounts payable	U.S. Dollars	510,324	16.90
Short-term loans from financial institutions	U.S. Dollars	4,360,015	144.37
	EURO	451,100	18.20
Accrued expenses	U.S. Dollars	438,302	14.51

25.3 Interest Rate Risk

The Group was exposed to interest risks because it held deposits to and loans from financial institutions. However, the Group believes that the future fluctuation on market interest rate would not provided significant effect to its operation and cash flow; therefore, no financial derivative was adopted to manage such risks.

25.4 Credit Risk

The Group was exposed to credit risks mainly relating to its trade accounts receivable. However, the management has policies to provide adequate allowances for any possible losses that might be incurred in connection with its receivables.

25.5 Fair Value

The financial assets and liabilities include cash and cash equivalents, trade accounts receivable, accounts payable and loans. Their carried values approximate to their fair values.

26. COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2014,

A) Commitments

- The Company has capital commitment on the lease agreement of land and structure with a related company for the period of 12 years commencing from 19 July 2005 to 19 July 2017. The monthly rental fee is Baht 100,000.
- The Group has unused letter of credit amounting to approximately U.S. Dollars 2.4 million, Euro 0.3 million and Yen 10.0 million, equivalent to approximately Baht 93.1 million.
- The Company has commitments for software license and system consulting agreement amounting of Baht 8.7 million.

B) Contingent liabilities

- The Group has contingent liability in relation to letter of guarantees issued by the financial institutions in favor of the government and private company are as follows :

	Company	Subsidiary	Total
Letters of (In Million Baht)	19.47	28.00	47.47

27. CAPITAL MANAGEMENT

The primary objective of the Group capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

As at 31 December 2014, debt to equity ratio in the consolidated financial statements is 1.53 : 1 (the separate financial statements: 0.76 : 1).

28. EVENTS AFTER THE REPORTING PERIOD

On 24 February 2015, the Company's Board of Directors meeting No. 1/2558 approved for payment of a final dividend of Baht 1 per share for 50 million shares totaling Baht 50 million, from the operating results for the year 2014.

However, this resolution will be further proposed for the shareholders' approval in the Ordinary General Meeting of Shareholders for fiscal year 2015.

29. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 24 February 2015.