

Thai Poly Acrylic Public Company Limited

Notes to financial statements

For the year ended 31 December 2013

1. Corporate information

Thai Poly Acrylic Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholders are Lucite International UK Overseas Holdco1 Limited, incorporated in England and Asiatic Acrylic Company Limited, incorporated in Thailand, with shareholdings of 42.3 percent and 34.1 percent, respectively. Lucite International UK Overseas Holdco1 Limited is a subsidiary of Lucite International Group Limited, incorporated in England and the ultimate parent company of the Group is Mitsubishi Rayon Company Limited, incorporated in Japan. The Company is principally engaged in the manufacture and distribution of Acrylic, Acrylonitrile Butadiene Styrene and High Impact Polystyrene sheets. The registered office of the Company is at 60-61 Moo 9, 4th Putthamonthon Road, Krathumlom, Sampran, Nakornpathom.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2012, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3. New accounting standards

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

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

Accounting standards:

TAS 12 Income Taxes

TAS 20 (revised 2009) Accounting for Government Grants and Disclosure of
Government Assistance

TAS 21 (revised 2009) The Effects of Changes in Foreign Exchange Rates

Financial Reporting Standard:

TFRS 8 Operating Segments

Accounting Standard Interpretations:

TSIC 10 Government Assistance - No Specific Relation to Operating
Activities

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

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

Accounting Treatment Guidance for Transfers of Financial Assets

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements, except for the accounting standard for income taxes, as detailed below.

TAS 12 *Income Taxes*

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company changed this accounting policy in 2013 and restated the prior year's financial statements, presented as comparative information, as though the Company had initially recognised the tax effects as deferred tax assets or liabilities. The change has the effect of decreasing the profit of the Company for the year ended 31 December 2013 by Baht 0.5 million or 0.004 Baht per share (2012: decreasing the profit by Baht 1.9 million, or 0.016 Baht per share, and increasing other comprehensive income by Baht 0.1 million). The cumulative effect in the brought-forward retained earnings has been separately presented in the statements of changes in shareholders' equity.

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

		<u>Effective date</u>
Accounting Standards:		
TAS 1 (revised 2012)	Presentation of Financial Statements	1 January 2014
TAS 7 (revised 2012)	Statement of Cash Flows	1 January 2014
TAS 12 (revised 2012)	Income Taxes	1 January 2014
TAS 17 (revised 2012)	Leases	1 January 2014
TAS 18 (revised 2012)	Revenue	1 January 2014
TAS 19 (revised 2012)	Employee Benefits	1 January 2014
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates	1 January 2014
TAS 24 (revised 2012)	Related Party Disclosures	1 January 2014
TAS 28 (revised 2012)	Investments in Associates	1 January 2014
TAS 31 (revised 2012)	Interests in Joint Ventures	1 January 2014
TAS 34 (revised 2012)	Interim Financial Reporting	1 January 2014
TAS 36 (revised 2012)	Impairment of Assets	1 January 2014
TAS 38 (revised 2012)	Intangible Assets	1 January 2014
Financial Reporting Standards:		
TFRS 2 (revised 2012)	Share-based Payment	1 January 2014
TFRS 3 (revised 2012)	Business Combinations	1 January 2014
TFRS 4	Insurance Contracts	1 January 2016
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations	1 January 2014
TFRS 8 (revised 2012)	Operating Segments	1 January 2014
Accounting Standard Interpretations:		
TSIC 15	Operating Leases - Incentives	1 January 2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32	Intangible Assets - Web Site Costs	1 January 2014
Financial Reporting Standard Interpretations:		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014

		<u>Effective date</u>
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non-cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

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

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

4.2 Cash and cash equivalents

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

4.3 Accounts receivables

Accounts receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Finished goods are valued at the lower of average cost and net realisable value. Average cost includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of cost (first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

4.5 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their cost, on the straight-line basis over the following estimated useful lives:

Buildings	-	20 years
Building improvements	-	5 years
Machinery and equipment	-	5 - 20 years
Furniture, fixtures and office equipment	-	3 and 5 years
Motor vehicles	-	5 years

Depreciation expense is charged to profit or loss.

No depreciation is provided on land and assets under installation.

4.6 Intangible assets and amortisation - computer software

Computer software is measured at cost. Following initial recognition, computer software is carried at cost less any accumulated amortisation and allowance for impairment losses (if any).

Computer software with finite life is amortised on a straight-line basis over the useful life of 5 years and tested for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method of such computer software are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

4.7 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.8 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are charged to profit or loss.

4.9 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.10 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 and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plan. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligations under the defined benefit plan and other long-term employee benefit plan are determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

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

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

4.11 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.12 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.13 Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are charged to profit or loss. Premiums or discounts on forward exchange contracts are amortised on a straight-line basis over the contract periods.

5. 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.

Reduction of inventory to net realisable value

In determining a reduction of inventory to net realisable value, the management needs to make judgement and estimates based upon, among other things, slow-moving inventories and net realisable value.

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 plant and equipment and to review estimate useful lives and residual values when there are any changes.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligations under the defined benefit plan and other long-term employee benefit plan are 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.

6. Related party transactions

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

	<u>2013</u>	<u>2012</u>	(Unit: Million Baht) <u>Pricing policies</u>
<u>Transactions with related parties</u>			
Sales of goods	20	17	With reference to market price
Purchases of raw materials	549	586	As agreed with reference to market price
Service expenses	5	3	Contract price and as agreed

The balances of the accounts between the Company and those related parties as at 31 December 2013 and 2012 are as follows:

	(Unit: Thousand Baht)	
	<u>2013</u>	<u>2012</u>
<u>Trade receivables - related parties (Note 7)</u>		
Fellow subsidiaries	<u>4,840</u>	<u>6,229</u>
<u>Trade and other payables - related parties (Note 10)</u>		
Fellow subsidiaries	6,370	5,607
Subsidiaries of ultimate parent		
Thai MMA Company Limited	168,434	170,218
Others	<u>7,104</u>	<u>10,427</u>
Total trade and other payables - related parties	<u>181,908</u>	<u>186,252</u>

Directors and management's benefits

During the year ended 31 December 2013 and 2012, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	<u>2013</u>	<u>2012</u>
Short-term employee benefits	19,135	23,321
Post-employment benefits	821	316
Other long-term benefits	<u>6</u>	<u>8</u>
Total	<u>19,962</u>	<u>23,645</u>

7. Trade and other receivables

	(Unit: Thousand Baht)	
	<u>2013</u>	<u>2012</u>
Trade receivables - related parties		
Aged on the basis of due dates		
Not yet due	4,840	4,213
Past due		
Up to 3 months	-	2,016
Total trade receivables - related parties	<u>4,840</u>	<u>6,229</u>
Trade receivables - unrelated parties		
Aged on the basis of due dates		
Not yet due	277,411	293,204
Past due		
Up to 3 months	26,991	75,555
3 - 6 months	1,105	948
Over 12 months	245	-
Total	<u>305,752</u>	<u>369,707</u>
Less: Allowance for doubtful debts	(1,958)	-
Total trade receivables - unrelated parties, net	<u>303,794</u>	<u>369,707</u>
Total trade receivables - net	<u>308,634</u>	<u>375,936</u>
Other receivables	<u>749</u>	<u>1,014</u>
Total trade and other receivables - net	<u><u>309,383</u></u>	<u><u>376,950</u></u>

8. Inventories

	(Unit: Thousand Baht)					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Finished goods	45,705	63,161	(5,850)	(6,866)	39,855	56,295
Raw materials	34,991	40,753	-	-	34,991	40,753
Spare parts and factory supplies	44,701	46,246	-	-	44,701	46,246
Good in transit	6,059	6,719	-	-	6,059	6,719
Total	<u>131,456</u>	<u>156,879</u>	<u>(5,850)</u>	<u>(6,866)</u>	<u>125,606</u>	<u>150,013</u>

9. Property, plant and equipment

(Unit: Thousand Baht)

	Land	Buildings and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:							
1 January 2012	241,114	139,886	414,026	23,759	11,363	15,527	845,675
Additions	-	46	763	520	-	33,342	34,671
Disposals/Write-off	-	(1,031)	(1,316)	(6,007)	(908)	(482)	(9,744)
Transfer in (out)	-	98	1,810	31	-	(1,939)	-
31 December 2012	241,114	138,999	415,283	18,303	10,455	46,448	870,602
Additions	-	203	4,154	1,170	5,670	33,516	44,713
Disposals/Write-off	-	(966)	(8,968)	(73)	(5,290)	-	(15,297)
Transfer in (out)	-	874	11,628	18	-	(12,520)	-
31 December 2013	241,114	139,110	422,097	19,418	10,835	67,444	900,018
Accumulated depreciation:							
1 January 2012	-	123,684	329,702	20,465	10,927	-	484,778
Depreciation for the year	-	5,049	11,764	1,415	261	-	18,489
Depreciation on disposals	-	(1,012)	(1,288)	(6,007)	(908)	-	(9,215)
31 December 2012	-	127,721	340,178	15,873	10,280	-	494,052
Depreciation for the year	-	2,833	12,589	1,283	926	-	17,632
Depreciation on disposals	-	(966)	(8,961)	(73)	(5,290)	-	(15,290)
31 December 2013	241,114	129,588	343,806	17,083	5,916	-	496,394
Net book value:							
31 December 2012	241,114	11,278	75,105	2,430	175	46,448	376,550
31 December 2013	241,114	9,522	78,291	2,335	4,919	67,444	403,625
Depreciation for the year							
2012 (Baht 16 million included in manufacturing cost, and the balance in selling and administrative expenses)							18,489
2013 (Baht 15 million included in manufacturing cost, and the balance in selling and administrative expenses)							17,634

The Company had a piece of land with a carrying value of approximately Baht 104 million which is currently not being used in its operation.

As at 31 December 2013, the Company has motor vehicles under finance lease agreements with net book value amounting to approximately Baht 5 million (2012: Nil).

As at 31 December 2013, certain plant and equipment items had been fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 364 million (2012: Baht 362 million).

10. Trade and other payables

	(Unit: Thousand Baht)	
	<u>2013</u>	<u>2012</u>
Trade payables - related parties	179,475	183,667
Trade payables - unrelated parties	125,835	163,779
Amount due to related parties	2,433	2,585
Other payables	24,433	38,004
Accrued expenses	21,534	30,148
Total trade and other payables	<u>353,710</u>	<u>418,183</u>

11. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2013 and 2012, which is compensations on employees' retirement and other long-term employee benefits, were as follows:

	(Unit: Thousand Baht)		
	<u>2013</u>		
	Legal severance payment plan	Long service awards	Total
Defined benefit obligation at beginning of year	12,285	1,256	13,541
Current service cost	1,976	323	2,299
Interest cost	464	47	511
Benefits paid during the year	-	(260)	(260)
Defined benefit obligation at end of year	<u>14,725</u>	<u>1,366</u>	<u>16,091</u>

(Unit: Thousand Baht)

	2012		
	Legal severance payment plan	Long service awards	Total
Defined benefit obligation at beginning of year	10,734	1,170	11,904
Current service cost	666	115	781
Interest cost	448	45	493
Benefits paid during the year	-	(292)	(292)
Actuarial losses	437	218	655
Defined benefit obligation at end of year	12,285	1,256	13,541

Long-term employee benefit expenses included in the profit or loss were as follows:

(Unit: Thousand Baht)

	<u>2013</u>	<u>2012</u>
Current service cost	2,299	781
Interest cost	511	493
Actuarial losses recognised during the year	-	218
Total expenses recognised in profit or loss	2,810	1,492
Line items under which such expenses are included in profit or loss		
Cost of sales	1,024	346
Selling and administrative expenses	1,786	1,146

Total actuarial losses recognised in the other comprehensive income and taken as part of retained earnings of the Company as at 31 December 2012 amounted to approximately Baht 0.4 million.

Principal actuarial assumptions at the valuation date were as follows:

	% Per annum
Discount rate	3.8
Future salary increase rate	4.0
Staff turnover rate (depending on age of employee)	0 - 45.3

Amounts of defined benefit obligation for the current and previous three years are as follows:

	(Unit: Thousand Baht)
	Experience adjustments
	on the obligation
	<u>Defined benefit obligation</u>
Year 2013	16,091
Year 2012	13,541
Year 2011	11,904
Year 2010	11,128

12. Undrawn credit facilities

As at 31 December 2013, undrawn credit facilities of the Company granted by financial institutions amounted to approximately Baht 238 million (2012: Baht 238 million) and in October 2013, the Company redeemed the following collaterals, with no impact to the Company's credit facilities.

- a) The pledges/mortgages by land, buildings, machinery and equipment of the Company, with cost totaling Baht 77 million
- b) The pledge/mortgage by twelve-month fixed deposit (for bank overdraft facilities)

13. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

14. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)	
	<u>2013</u>	<u>2012</u>
Raw materials and consumables used	1,055,257	1,145,702
Changes in inventories of finished goods	17,456	(11,710)
Salaries, wages and other employee benefits	115,725	115,100
Fuel and utility expenses	81,887	86,977
Transportation expenses	33,373	34,349
Depreciation and amortisation	18,114	18,945
Repair and maintenance expenditure	11,558	9,749

21. Income tax

Income tax expenses for the years ended 31 December 2013 and 2012 are made up as follows:

	(Unit: Thousand Baht)	
	<u>2013</u>	<u>2012</u> (Restated)
Current income tax:		
Current income tax charge	7,954	28,850
Deferred tax:		
Relating to origination and reversal of temporary differences	487	1,939
Income tax expense reported in the statement of comprehensive income	<u>8,441</u>	<u>30,789</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2013 and 2012 are as follows:

	(Unit: Thousand Baht)	
	<u>2013</u>	<u>2012</u> (Restated)
Deferred tax relating to actuarial losses	-	87

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2013 and 2012.

	(Unit: Thousand Baht)	
	<u>2013</u>	<u>2012</u> (Restated)
Accounting profit before tax	<u>41,858</u>	<u>134,221</u>
Applicable tax rate	20%	23%
Accounting profit before tax multiplied by applicable tax rate	8,372	30,871
Effects of:		
Tax-exempt income	-	(274)
Additional deductible expenses	(83)	(50)
Non-deductible expenses	152	100
Others	-	142
Income tax expenses reported in the statement of comprehensive income	<u>8,441</u>	<u>30,789</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	As at 31 December 2013	As at 31 December 2012 (Restated)	As at 1 January 2012
Deferred tax assets			
Reduce cost of inventories to net realisable value	1,170	1,373	1,247
Provision for long-term employee benefits	3,218	2,708	2,381
Others	836	15	343
Total	5,224	4,096	3,971
Deferred tax liabilities			
Difference depreciation for accounting and tax purpose	(4,644)	(3,091)	(1,537)
Others	(909)	(848)	(425)
Total	(5,553)	(3,939)	(1,962)
Deferred tax assets (liabilities) - net	(329)	157	2,009

The Company calculated deferred tax assets and deferred tax liabilities based on a reduction in the corporate income tax rate from 30 percent to 23 percent in 2012, and then to 20 percent as from 2013 in compliance with Royal Decree B.E. 2554 date December 2011 governing corporate income tax reduction.

16. Earnings per share

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

On 22 April 2013, the Annual General Meeting of the Company's shareholders passed a resolution to approve a change in the par value of the Company's shares from Baht 10 per share to Baht 1 per share. The Company registered the change in par value with the Ministry of Commerce on 10 May 2013. Therefore, the weighted average number of ordinary shares in issue during the year is the number of shares after having reflected the change in par value as if the share split had occurred at the beginning of the earliest period reported.

The following table sets forth the computation of basic earnings per share:

	<u>2013</u>	<u>2012</u> (Restated)
Profit for the year (Thousand Baht)	33,417	103,433
Weighted average number of ordinary shares (Thousand shares)	121,500	121,500
Earnings per share (Baht per share)	0.28	0.85

17. Segment information

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 Company is engaged principally in the manufacture and sale of Acrylic sheets, Acrylonitrile Butadiene Styrene sheets, High Impact Polystyrene sheets and other extruded plastic sheets. Each of these products is considered part of the same line of business, which is regarded as a single operating segment. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment.

Geographic information

Sales and service income by geographical segments of the Company for the years ended 31 December 2013 and 2012 are as follows:

	(Unit: Million Baht)	
	<u>2013</u>	<u>2012</u>
Segment in Thailand	911	1,072
Segment in overseas	465	461
Total	<u>1,376</u>	<u>1,533</u>

Major customer

For the year 2013 and 2012, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

18. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The registered provident fund plan was approved by the Ministry of Finance on 1 June 1999. Both employees and the Company contribute to the fund monthly at the rate of 3 or 5 or 7 percent of basic salary. The fund, which is managed by a fund manager, will be paid to employees upon termination in accordance with the fund rules. During the year 2013, the Company contributed Baht 4 million (2012: Baht 3 million) to the fund.

19. Dividends

<u>Dividend</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht per share)
<u>For the year ended 31 December 2013</u>			
Final dividend for year 2012	Annual General Meeting of the shareholders on 22 April 2013	61	5.0
<u>For the year ended 31 December 2012</u>			
Final dividend for year 2011	Annual General Meeting of the shareholders on 27 April 2012	55	4.5
Interim dividend for year 2012	Board of Directors Meeting on 10 August 2012	24	2.0
Total dividends		79	6.5

20. Commitments and contingent liabilities

20.1 Capital commitments

As at 31 December 2013, the Company had capital commitments of approximately Baht 0.7 million (2012: Baht 0.3 million), relating to the acquisitions of machinery and equipment.

20.2 Operating lease commitments

The Company has entered into several lease agreements in respect of the lease of buildings. The terms of the agreements are generally within three years.

As at 31 December 2013, future minimum lease payments required under these non-cancellable operating lease contracts which are payable within one year amounted to Baht 1 million (2012: Baht 1 million).

20.3 Service agreement commitments

As at 31 December 2013, future minimum lease payments required under these non-cancellable service lease contracts which are payable within one year amounted to Baht 2 million (2012: Baht 3 million).

20.4 Bank guarantees

As at 31 December 2013, there were outstanding bank guarantees of approximately Baht 7 million (2012: Baht 7 million) issued by a bank on behalf of the Company in respect of electricity usage and others.

21. Financial instruments

21.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investment - fixed deposit, trade and other receivables, trade and other payables, and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables, as stated in the statement of financial position.

Interest rate risk

The Company is exposed to the normal interest rate risk related to its deposits at financial institutions. However, since most deposits at financial institutions bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 December 2013						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
	Within 1 year	Within 2 - 5 years				
<u>Financial assets</u>						
Cash and cash equivalents	-	-	135	-	135	0.63 - 0.65
Current investment - fixed deposit	1	-	-	-	1	2.00
Trade and other receivables	-	-	-	309	309	-
	<u>1</u>	<u>-</u>	<u>135</u>	<u>309</u>	<u>445</u>	
<u>Financial liabilities</u>						
Trade and other payables	-	-	-	354	354	-
Liabilities under finance lease agreements	1	3	-	-	4	0.40 - 0.66
	<u>1</u>	<u>3</u>	<u>-</u>	<u>354</u>	<u>358</u>	

(Unit: Million Baht)

As at 31 December 2012

	Fixed interest rates				Effective interest rate (% p.a.)
	Within 1 year	Floating interest rate	Non-interest bearing	Total	
	Financial assets				
Cash and cash equivalents	-	143	25	168	0.65 - 0.75
Current investment - fixed deposit	1	-	-	1	2.50
Trade and other receivables	-	-	377	377	-
	<u>1</u>	<u>143</u>	<u>402</u>	<u>546</u>	
Financial liabilities					
Trade and other payables	-	-	418	418	-
	<u>-</u>	<u>-</u>	<u>418</u>	<u>418</u>	

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from the purchases/sales of goods and machinery that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	2.6	2.7	0.5	0.5	32.8136	30.6316
Australian dollar	0.4	0.6	-	-	29.1776	31.7757
Euro	-	-	0.1	0.1	45.0217	40.5563
Japanese yen	-	-	8.6	6.6	0.3130	0.3545

Forward exchange contracts outstanding are summarised below.

As at 31 December 2013

Foreign currency	Sold amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	1.6	31.1242 - 31.6042	14 February 2014 to 11 April 2014

As at 31 December 2012

Foreign currency	Sold amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	1.5	30.7125 - 30.7325	11 April 2013 to 10 May 2013

21.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature, their fair value is not expected to be materially different from the amounts presented in statements of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

22. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

23. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2014.