

Lanna Resources Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2014

Independent Auditor's Report

To the Shareholders of Lanna Resources Public Company Limited

I have audited the accompanying consolidated financial statements of Lanna Resources Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2014, and the related consolidated statements of income, 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 Lanna Resources 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 judgement, 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 Lanna Resources Public Company Limited and its subsidiaries and of Lanna Resources 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.

Emphasis of matter

I draw attention to Note 4 to the financial statements regarding the change in accounting policy due to the early adoption of Thai Financial Reporting Standard Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine. The Company has restated the consolidated financial statements for the year ended 31 December 2013, presented herein as comparative information, to reflect the adjustments resulting from such change. The Company has also presented the consolidated statement of financial position as at 1 January 2013 as comparative information, using the newly adopted accounting policy for stripping costs in the production phase of a surface mine. My opinion is not qualified in respect of this matter.

Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434

EY Office Limited

Bangkok: 25 February 2015

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements	
		31 December	31 December	1 January	31 December	31 December
		2014	2013	2013	2014	2013
			(restated)			
Assets						
Current assets						
Cash and cash equivalents	8	446,919,126	822,019,116	1,152,588,131	19,974,894	162,781,836
Current investments	9	767,215,793	380,000,000	439,000,000	766,780,898	380,000,000
Trade and other receivables	7, 10	723,944,446	864,118,312	865,838,067	255,488,245	329,590,051
Inventories	11	564,295,398	447,197,108	460,788,961	162,576,700	177,067,105
Input tax refundable		983,831,012	888,652,412	558,442,414	6,016,485	4,971,900
Prepaid income tax		403,674,450	584,946,998	321,703,093	-	95,676
Advance payments for goods	7, 12	669,758,140	419,494,851	78,423,478	3,436,620	87,089,520
Other current assets		8,910,512	28,315,796	35,354,536	2,037,258	1,742,266
Total current assets		4,568,548,877	4,434,744,593	3,912,138,680	1,216,311,100	1,143,338,354
Non-current assets						
Restricted bank deposits	8	87,488,458	60,162,181	66,377,364	-	-
Investments in subsidiaries	13	-	-	-	754,565,961	852,763,211
Investment in associated company	14	50,249,536	38,930,294	34,560,855	890,679	890,679
Investment properties	15	34,726,037	34,726,037	34,726,037	34,726,037	34,726,037
Property, plant and equipment	16	3,388,360,564	3,240,456,966	2,847,833,083	270,550,665	251,638,553
Goodwill		185,999,788	185,999,788	185,999,788	-	-
Intangible assets	17	4,904,603	3,374,913	3,945,583	1,055,365	1,415,072
Deferred tax assets	30	45,688,391	42,634,660	52,712,010	19,251,615	18,237,639
Other non-current assets	18	595,564,424	623,384,964	768,396,264	42,914,361	61,756,838
Total non-current assets		4,392,981,801	4,229,669,803	3,994,550,984	1,123,954,683	1,221,428,029
Total assets		8,961,530,678	8,664,414,396	7,906,689,664	2,340,265,783	2,364,766,383

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position (continued)

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements	
		31 December	31 December	1 January	31 December	31 December
		2014	2013	2013	2014	2013
			(restated)			
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from financial institutions						
	19	1,197,731,299	996,307,831	513,000,000	-	-
	7, 20	462,802,641	677,372,135	751,146,728	61,390,913	109,014,918
Current portion of liabilities under finance lease agreements						
	21	915,810	-	-	-	-
Current portion of long-term loan from financial institution						
	22	180,000,000	180,000,000	180,000,000	-	-
		365,725,782	552,002,924	614,090,205	19,342,737	17,942,679
		8,783,144	30,056,691	26,528,222	8,783,144	12,613,671
		134,876,203	121,727,821	187,839,518	20,405,099	5,521,660
		2,350,834,879	2,557,467,402	2,272,604,673	109,921,893	145,092,928
Non-current liabilities						
Liabilities under finance lease agreements						
	21	4,326,054	-	-	-	-
Long-term loan from financial institution						
	22	477,757,191	657,757,191	540,000,000	-	-
Provision for long-term employee benefits						
	23	167,434,808	156,141,009	176,265,497	27,483,644	24,573,278
Provision for mine reclamation and decommissioning costs						
	24	84,942,643	114,092,782	85,426,274	-	-
	30	33,896,247	30,579,240	50,956,830	-	-
		768,356,943	958,570,222	852,648,601	27,483,644	24,573,278
		3,119,191,822	3,516,037,624	3,125,253,274	137,405,537	169,666,206

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position (continued)

(Unit: Baht)

	Consolidated financial statements			Separate financial statements	
	31 December	31 December	1 January	31 December	31 December
	Note	2014	2013	2014	2013
			(restated)		
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered, issued and fully paid up					
524,999,679 ordinary shares of Baht 1 each					
(1 January 2013: 350,000,000 ordinary shares					
of Baht 1 each)					
		524,999,679	524,999,679	350,000,000	524,999,679
Share premium		680,400,000	680,400,000	680,400,000	680,400,000
Retained earnings					
Appropriated - Statutory reserve	26	52,500,000	52,500,000	35,000,000	52,500,000
Appropriated - General reserve		727,200,000	650,600,000	495,900,000	727,200,000
Unappropriated		2,154,008,032	2,193,890,063	2,392,446,321	286,600,498
Other components of shareholders' equity		44,980,321	(37,625,949)	(146,001,533)	-
Equity attributable to owners of the Company		4,184,088,032	4,064,763,793	3,807,744,788	2,202,860,246
Non-controlling interests of the subsidiaries		1,658,250,824	1,083,612,979	973,691,602	-
Total shareholders' equity		5,842,338,856	5,148,376,772	4,781,436,390	2,202,860,246
Total liabilities and shareholders' equity		8,961,530,678	8,664,414,396	7,906,689,664	2,364,766,383

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

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 Directors

Lanna Resources Public Company Limited and its subsidiaries

Income statements

For the year ended 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013 (restated)	2014	2013
Revenues					
Sales	7	12,208,178,843	12,132,133,949	1,974,489,793	1,584,006,527
Commission and marketing service income	7	-	-	193,935,353	203,517,746
Other income					
Dividend income	7, 13, 14	-	-	140,683,375	267,433,623
Gain on disposal of investment in subsidiary	13	-	-	90,657,693	-
Service income	7	-	-	55,028,650	63,219,874
Gain on exchange		-	-	2,334,593	17,528,552
Interest income	7	25,255,203	21,378,009	17,764,744	17,320,528
Others		12,270,046	10,447,738	5,292,524	5,634,644
Total other income		37,525,249	31,825,747	311,761,579	371,137,221
Total revenues		12,245,704,092	12,163,959,696	2,480,186,725	2,158,661,494
Expenses					
Cost of sales	7	8,679,656,954	8,211,361,773	1,707,550,139	1,345,278,970
Selling and distribution expenses		2,083,944,803	2,263,524,266	167,791,561	150,734,219
Administrative expenses		565,827,117	506,424,336	127,457,728	138,313,409
Loss on exchange		24,331,524	180,096,732	-	-
Total expenses	29	11,353,760,398	11,161,407,107	2,002,799,428	1,634,326,598
Profit before share of profit from investment, finance cost and income tax expenses					
Share of profit from investment in associated company	14	23,243,551	15,730,958	-	-
Profit before finance cost and income tax expenses		915,187,245	1,018,283,547	477,387,297	524,334,896
Finance cost		(66,206,752)	(61,613,908)	-	-
Profit before income tax expenses		848,980,493	956,669,639	477,387,297	524,334,896
Income tax expenses	30	(234,568,944)	(229,959,896)	(75,877,469)	(66,577,009)
Profit for the year		614,411,549	726,709,743	401,509,828	457,757,887
Profit attributable to:					
Equity holders of the Company		430,467,728	507,393,630	401,509,828	457,757,887
Non-controlling interests of the subsidiaries		183,943,821	219,316,113	-	-
		614,411,549	726,709,743	401,509,828	457,757,887
Basic earnings per share					
Profit attributable to equity holders of the Company	32	0.82	0.97	0.76	0.87

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of comprehensive income

For the year ended 31 December 2014

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2014</u>	<u>2013</u> (restated)	<u>2014</u>	<u>2013</u>
Profit for the year	<u>614,411,549</u>	<u>726,709,743</u>	<u>401,509,828</u>	<u>457,757,887</u>
Other comprehensive income:				
Exchange differences on translation of financial statements in foreign currency	<u>9,873,486</u>	<u>169,249,105</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the year	<u>9,873,486</u>	<u>169,249,105</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u><u>624,285,035</u></u>	<u><u>895,958,848</u></u>	<u><u>401,509,828</u></u>	<u><u>457,757,887</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>436,568,871</u>	<u>615,769,214</u>	<u><u>401,509,828</u></u>	<u><u>457,757,887</u></u>
Non-controlling interests of the subsidiaries	<u>187,716,164</u>	<u>280,189,634</u>		
	<u><u>624,285,035</u></u>	<u><u>895,958,848</u></u>		

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of cash flows

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u> (restated)	<u>2014</u>	<u>2013</u>
Cash flows from operating activities				
Profit before tax	848,980,493	956,669,639	477,387,297	524,334,896
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	709,212,350	1,120,676,486	27,201,582	31,504,713
Reduction of inventory to net realisable value (reversal)	20,844,351	(9,702,516)	-	-
Gain on disposals and change in value of investments in trading securities	(3,523,373)	-	(3,088,478)	-
Share of profit from investment in associated company	(23,243,551)	(15,730,958)	-	-
Write-off of input tax refundable and prepaid income tax	152,987,498	-	-	-
Allowance for impairment loss on investment in subsidiary	-	-	2,159,517	-
Gain from disposal of investment in subsidiary	-	-	(90,657,693)	-
Gain on disposal of equipment	(698,061)	(3,692,647)	(20,819)	(3,692,647)
Loss on write-off of equipment and intangible assets	446,012	1,865,557	-	-
Loss on write-off of deferred stripping costs	66,430,663	198,037,492	-	-
Dividend income	-	-	(140,683,375)	(267,433,623)
Provision for long-term employee benefits	18,203,284	4,204,896	2,910,366	1,831,695
Provision for mine reclamation and decommissioning costs (reversal)	(924,460)	46,782,156	-	-
Share-based payment transactions	556,451	-	-	-
Unrealised loss (gain) on exchange	90,882,127	39,444,035	(1,136,746)	(5,676,263)
Interest income	(25,255,203)	(21,378,009)	(17,764,745)	(17,320,528)
Interest expenses	63,665,366	59,511,344	-	-
Profit from operating activities before changes in operating assets and liabilities	1,918,563,947	2,376,687,475	256,306,906	263,548,243
Operating assets (increase) decrease				
Trade and other receivables	145,330,308	4,365,406	14,910,109	(121,511,389)
Inventories	(137,942,641)	23,294,369	14,490,405	26,545,631
Input tax refundable	(197,731,674)	(330,209,998)	(1,044,585)	(3,121,540)
Advance payments for goods	(250,272,051)	(341,071,373)	83,644,138	(77,972,868)
Other current assets	19,405,284	7,038,740	(294,992)	(313,329)
Operating liabilities increase (decrease)				
Trade and other payables	(181,654,485)	(122,193,342)	(50,217,142)	38,205,564
Accrued expenses	(183,482,731)	(65,163,010)	1,400,058	1,286,857
Other current liabilities	19,006,142	(85,507,924)	1,344,972	(296,646)
Provision for long-term employee benefits	(4,249,128)	(2,244,584)	-	-
Provision for mine reclamation	(26,533,867)	(27,674,137)	-	-
Cash from operating activities	1,120,439,104	1,437,321,622	320,539,869	126,370,523

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013 (restated)	2014	2013
Cash flows from operating activities (continued)				
Interest income	24,970,559	18,732,358	17,478,981	14,677,892
Cash paid for interest expenses	(66,370,056)	(51,209,054)	-	-
Refund of income tax	132,950,856	39,223	95,676	36,502
Cash paid for income tax	(330,193,278)	(537,446,419)	(67,183,505)	(42,135,397)
Net cash from operating activities	881,797,185	867,437,730	270,931,021	98,949,520
Cash flows from investing activities				
Decrease (increase) in current investments	(383,692,420)	59,000,000	(383,692,420)	59,000,000
Decrease (increase) in restricted bank deposits	(27,052,358)	10,943,483	-	-
Dividend received from subsidiaries and associated company	11,924,309	11,361,519	201,287,148	206,829,850
Cash received from disposal of investment in subsidiary	-	-	186,695,426	-
Proceeds from disposals of equipment	2,271,669	3,756,331	34,373	3,756,331
Cash received from government grants	8,615,394	12,338,181	-	-
Acquisitions of property, plant and equipment	(378,339,431)	(455,336,066)	(25,185,408)	(39,831,917)
Acquisitions of computer software	(1,021,330)	(989,261)	(111,741)	(731,462)
Decrease (increase) in other non-current assets	(554,941,116)	(991,345,300)	958,974	(3,584,288)
Net cash from (used in) investing activities	(1,322,235,283)	(1,350,271,113)	(20,013,648)	225,438,514
Cash flows from financing activities				
Increase in short-term loans from financial institutions	201,423,468	775,838,461	-	-
Repayment of long-term loan from financial institution	(180,000,000)	(180,000,000)	-	-
Cash paid for liabilities under finance lease agreements	(42,857)	-	-	-
Dividend paid	(525,767,040)	(509,622,239)	(393,749,759)	(358,750,209)
Cash received from non-controlling interest from change in the percentage of shareholding in subsidiary	575,491,411	-	-	-
Increase in non-controlling interests of the subsidiaries	3,772,343	60,873,521	-	-
Net cash from (used in) financing activities	74,877,325	147,089,743	(393,749,759)	(358,750,209)
Increase (decrease) in translation adjustments	(9,564,661)	5,174,654	-	-
Net decrease in cash and cash equivalents	(375,125,434)	(330,568,986)	(142,832,386)	(34,362,175)
Cash and cash equivalents at beginning of year	822,019,116	1,152,588,131	162,781,836	197,144,040
Effect of change in foreign exchange rate on cash at bank balance	25,444	(29)	25,444	(29)
Cash and cash equivalents at end of year (Note 8)	446,919,126	822,019,116	19,974,894	162,781,836

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the year ended 31 December 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u> (restated)	<u>2014</u>	<u>2013</u>
Supplemental cash flows information:				
Non-cash transactions from investing activities				
Increase (decrease) in accounts payable from purchases of plant, equipment and intangible assets	(39,921,257)	48,364,615	2,586,889	3,638,857
Acquisitions of equipment under finance lease agreements	5,195,000	-	-	-
Accrued receipt from government grants	4,871,798	-	-	-
Transferred other non-current assets to intangible assets	2,874,505	-	-	-
Transferred property, plant, and equipment to intangible assets	-	30,000	-	30,000
Increase in property, plant and equipment from recording of decommissioning costs	-	24,704,091	-	-
Increase (decrease) in dividend receivable from subsidiary	-	-	(60,603,773)	60,603,773
Non-cash transactions from financing activities				
Increase (decrease) in dividend payable	(19,396,227)	19,396,227	-	-
Issue of stock dividend	-	174,999,679	-	174,999,679

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

Lanna Resources Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity
For the year ended 31 December 2014

(Unit: Baht)

Consolidated financial statements											
Equity attributable to owners of the Company											
	Note	Issued and paid up share capital	Share premium	Retained earnings			Other component of equity		Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Statutory reserve	General reserve	Unappropriated	Other comprehensive income	Exchange differences on translation of financial statements in foreign currency			
Balance as at 31 December 2012											
- as previously reported		350,000,000	680,400,000	35,000,000	495,900,000	2,266,118,226	(146,001,533)	(146,001,533)	3,681,416,693	894,455,675	4,575,872,368
Cumulative effect of change in accounting policy	4	-	-	-	-	126,328,095	-	-	126,328,095	79,235,927	205,564,022
Balance as at 31 December 2012											
- as restated		350,000,000	680,400,000	35,000,000	495,900,000	2,392,446,321	(146,001,533)	(146,001,533)	3,807,744,788	973,691,602	4,781,436,390
Dividend paid	33	174,999,679	-	-	-	(533,749,888)	-	-	(358,750,209)	-	(358,750,209)
Unappropriated retained earnings transferred to statutory reserve	26	-	-	17,500,000	-	(17,500,000)	-	-	-	-	-
Unappropriated retained earnings transferred to general reserve	33	-	-	-	154,700,000	(154,700,000)	-	-	-	-	-
Profit for the year - restated		-	-	-	-	507,393,630	-	-	507,393,630	219,316,113	726,709,743
Other comprehensive income for the year		-	-	-	-	-	108,375,584	108,375,584	108,375,584	60,873,521	169,249,105
Total comprehensive income for the year - restated		-	-	-	-	507,393,630	108,375,584	108,375,584	615,769,214	280,189,634	895,958,848
Decrease in non-controlling interests of the subsidiaries from dividend payments of subsidiaries		-	-	-	-	-	-	-	-	(170,268,257)	(170,268,257)
Balance as at 31 December 2013											
- as restated		524,999,679	680,400,000	52,500,000	650,600,000	2,193,890,063	(37,625,949)	(37,625,949)	4,064,763,793	1,083,612,979	5,148,376,772

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the year ended 31 December 2014

(Unit: Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
Retained earnings						Other component of equity							
Note	Issued and paid up share capital	Share premium	Appropriated			translation of financial statements in foreign currency	Surplus on change in the percentage of shareholding in subsidiary	Capital reserve for share-based payment transactions	Total other component of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
			Statutory reserve	General reserve	Unappropriated								
Balance as at 31 December 2013													
- as previously reported	524,999,679	680,400,000	52,500,000	650,600,000	2,132,462,544	(37,625,949)	-	-	(37,625,949)	4,003,336,274	1,039,362,580	5,042,698,854	
Cumulative effect of change in accounting policy	4	-	-	-	61,427,519	-	-	-	-	61,427,519	44,250,399	105,677,918	
Balance as at 31 December 2013													
- as restated	524,999,679	680,400,000	52,500,000	650,600,000	2,193,890,063	(37,625,949)	-	-	(37,625,949)	4,064,763,793	1,083,612,979	5,148,376,772	
Dividend paid	33	-	-	-	(393,749,759)	-	-	-	-	(393,749,759)	-	(393,749,759)	
Unappropriated retained earnings transferred to general reserve	33	-	-	76,600,000	(76,600,000)	-	-	-	-	-	-	-	
Profit for the year		-	-	-	430,467,728	-	-	-	-	430,467,728	183,943,821	614,411,549	
Other comprehensive income for the year		-	-	-	-	6,101,143	-	-	6,101,143	6,101,143	3,772,343	9,873,486	
Total comprehensive income for the year		-	-	-	430,467,728	6,101,143	-	-	6,101,143	436,568,871	187,716,164	624,285,035	
Adjustment of capital reserve for share-based payment transactions	27	-	-	-	-	-	-	556,451	556,451	556,451	-	556,451	
Disposal of investment in subsidiary and issuance of additional ordinary shares of subsidiary	13	-	-	-	-	-	75,948,676	-	75,948,676	75,948,676	499,542,735	575,491,411	
Decrease in non-controlling interests of the subsidiaries from dividend payments of subsidiaries		-	-	-	-	-	-	-	-	-	(112,621,054)	(112,621,054)	
Balance as at 31 December 2014		<u>524,999,679</u>	<u>680,400,000</u>	<u>52,500,000</u>	<u>727,200,000</u>	<u>2,154,008,032</u>	<u>(31,524,806)</u>	<u>75,948,676</u>	<u>556,451</u>	<u>44,980,321</u>	<u>4,184,088,032</u>	<u>1,658,250,824</u>	<u>5,842,338,856</u>

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the year ended 31 December 2014

(Unit: Baht)

		Separate financial statements					
				Retained earnings			
				Appropriated		Unappropriated	Total
		Issued and	Share	Statutory	General		shareholders'
		paid up	premium	reserve	reserve		equity
Note	share capital						
	Balance as at 1 January 2013	350,000,000	680,400,000	35,000,000	495,900,000	534,792,499	2,096,092,499
33	Dividend paid	174,999,679	-	-	-	(533,749,888)	(358,750,209)
26	Unappropriated retained earnings transferred to statutory reserve	-	-	17,500,000	-	(17,500,000)	-
33	Unappropriated retained earnings transferred to general reserve	-	-	-	154,700,000	(154,700,000)	-
	Total comprehensive income for the year	-	-	-	-	457,757,887	457,757,887
	Balance as at 31 December 2013	<u>524,999,679</u>	<u>680,400,000</u>	<u>52,500,000</u>	<u>650,600,000</u>	<u>286,600,498</u>	<u>2,195,100,177</u>
	Balance as at 1 January 2014	524,999,679	680,400,000	52,500,000	650,600,000	286,600,498	2,195,100,177
33	Dividend paid	-	-	-	-	(393,749,759)	(393,749,759)
33	Unappropriated retained earnings transferred to general reserve	-	-	-	76,600,000	(76,600,000)	-
	Total comprehensive income for the year	-	-	-	-	401,509,828	401,509,828
	Balance as at 31 December 2014	<u>524,999,679</u>	<u>680,400,000</u>	<u>52,500,000</u>	<u>727,200,000</u>	<u>217,760,567</u>	<u>2,202,860,246</u>

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

Lanna Resources Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2014

1. General information

Lanna Resources Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Siam City Cement Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of lignite. The registered office of the Company is at 888/99 Ploenchit Road, Lumpini, Pathumwan, Bangkok.

2. Basis of preparation

2.1 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 2011, 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.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Lanna Resources Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Relationship	Country of incorporation	Shareholding percentage	
				2014 Percent	2013 Percent
<u>Held by the Company</u>					
Local subsidiary					
Thai Agro Energy Public Co., Ltd.	Ethanol production and distribution	Direct holding and common directors	Thailand	51.00	75.75
Overseas subsidiaries					
PT. Lanna Mining Services	Coal distribution	Direct holding and common directors	Indonesia	99.95	99.95
PT. Singlurus Pratama	Coal production and distribution	Direct holding and common directors	Indonesia	65.00	65.00
PT. Lanna Harita Indonesia	Coal production and distribution	Direct holding and common directors	Indonesia	55.00	55.00
PT. Citra Harita Mineral	Service in coal production and port and jetty service	Direct holding and common directors	Indonesia	55.00	55.00

Company's name	Nature of business	Relationship	Country of incorporation	Shareholding percentage	
				<u>2014</u> Percent	<u>2013</u> Percent
<u>Held by associated company</u>					
PT. Lanna Mining Services	Coal distribution	Direct holding	Indonesia	0.05	0.05

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the shareholders' equity.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- g) The excess of the cost of investment in a subsidiary company over the Company's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary acquired as at the investment date has been shown as "Goodwill" and separately presented as non-current asset in the consolidated statement of financial position and is measured at cost less any accumulated impairment losses (if any).

2.3 The separate financial statements, which present investments in subsidiaries and associated company under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

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

(a) Financial reporting 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 financial reporting 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 financial reporting standards do not have any significant impact on the financial statements.

(b) Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company and its subsidiaries believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

At present, the Company and its subsidiaries immediately recognise actuarial gains and losses in profit or loss in the period in which they occur. The assessment of the management of the Company and its subsidiaries is that when the revised standard is applied in 2015 and the method of recognising those gains and losses is changed to immediately recognise them in other comprehensive income, there will be no impact to provision for long-term employee benefit liabilities and retained earnings in the financial statements.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 Consolidated and Separate Financial Statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

TFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

This financial reporting standard interpretation establishes the accounting for stripping costs in the production phase of a surface mine. This TFRIC requires the stripping costs during the production phase are capitalised as part of the deferred stripping costs if, and only if, all of the following are met:

- a) It is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the subsidiaries.
- b) The subsidiaries can identify the component of the ore body for which access has been improved.
- c) The costs relating to the stripping activity associated with that component can be measured reliably.

The deferred stripping costs shall be initially recognised at cost and subsequently stated at cost less accumulated amortisation, which is calculated using the proportion of unit produced to total reserves, and allowance for impairment (if any). In case when the future benefit of these assets is in doubt, they are written off to period expenses immediately.

The Group has early adopted this TFRIC which resulted in the initial recognition of deferred stripping costs and subsequent amortisation is determined by reference to components of the ore body rather than by reference to the entire operation. In addition, the amortisation of deferred stripping costs shall be calculated using the proportion of unit produced rather than using the stripping ratios. The cumulative effect of this TFRIC is shown in Note 4 to financial statements.

4. Cumulative effect of changes in accounting policy due to the adoption of new financial reporting standard

During the current year, the Group made the changes described in Note 3 to the financial statements to its significant accounting policy, as a result of the early adoption of TFRIC 20. The cumulative effect of the change in the accounting policy has been separately presented in the consolidated statements of changes in shareholders' equity.

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

(Unit: Thousand Baht)

	Consolidated financial statements		
	As at	As at	As at
	31 December 2014	31 December 2013	1 January 2013
Statements of financial position			
Increase (decrease) in inventories	(49,451)	16,695	(41,529)
(Decrease) in deferred tax assets	(15,027)	(26,215)	(37,142)
Increase in other non-current assets	123,672	134,274	335,192
Increase in deferred tax liabilities	7,239	19,076	50,957
Increase in non-controlling interests of the subsidiaries	21,691	44,250	79,236
Increase in unappropriated retained earnings	30,264	61,428	126,328

(Unit: Thousand Baht)

	Consolidated financial statements	
	For the year ended 31 December 2014	For the year ended 31 December 2013
Statements of income		
Increase in cost of sales	76,747	142,694
Decrease in income tax expenses	23,024	42,808
Decrease in profit attributable to non-controlling interest of the subsidiaries	22,560	34,986
Decrease in profit attributable to equity holders of the Company	31,163	64,900
Decrease in basic earnings per share (Baht)	0.06	0.12

5. Significant accounting policies

5.1 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.

Income from coal sales are recorded according to the weight as recorded at the Company's site or the customer's site. Adjustments of the sales price due to quality and weight considerations are recognised in the month in which notification is received from customers.

Commission and marketing service income

Commission and marketing service income are recognised on an accrual basis when overseas subsidiaries sell coal to the buyer who the Company provides to subsidiaries.

Service income

Service income is recognised on an accrual basis when overseas subsidiary sells coal which is produced from its concession area to the buyer.

Interest income

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

5.2 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.

5.3 Trade accounts receivable

Trade accounts receivable 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 experiences and analysis of debt aging.

5.4 Inventories

Inventories are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of finished goods and work in process includes cost of material, labour and overheads.

Supplies and spare parts are value at the lower of cost (under the weighted average method) and net realisable value and are charged to production costs whenever consumed.

Allowance for diminution in inventory value is provided for the excess of cost over the net realisable value of inventories and for slow moving or deteriorated inventories.

Net realisable value is selling price in normal course of business less other costs incurred to sell the goods.

5.5 Investments

- a) Investments in securities held for trading are stated at fair value. Change in the fair value of these securities, which is determined from their net asset value, are recorded in profit or loss.
- b) Investment in associated company is accounted for in the consolidated financial statements using the equity method.
- c) Investments in subsidiaries and associated company are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.6 Investment properties

Investment properties, which are plots of land, are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less allowance for loss on impairment (if any).

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

5.7 Property, plant and equipment and depreciation

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

The cost of property, plant and equipment also includes the initial estimate of the cost of dismantling and removing an item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

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

Land improvement	5 - 10 years
Building and amenities	5 - 30 years
Machinery and equipment	4 - 30 years
Furniture and office equipment	3 - 15 years
Vehicles	5 - 10 years

Depreciation is included in determining income.

No depreciation is provided on assets under construction and installation, land improvement of a local subsidiary and land, except for mining land which is depleted in accordance with the difference between its purchase cost and fair value and on the basis of units produced in proportion to the total coal reserves.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.8 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible asset with finite useful lives, which is computer software, has useful lives of 3 - 10 years.

5.9 Other non-current assets

Assets under exploration for and evaluation of mineral resources

Exploration and evaluation expenditures of the subsidiaries involve expenditures relating to the search for mineral resources after the subsidiaries have obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource such as license costs, expenditures from topographical, geological, geochemical and geophysical studies, exploratory drilling expenditure and sampling expenditure.

Exploration and evaluation expenditures are recorded as assets except for administration expenditures that are not directly attributable to the specific area are charged to profit or loss. Following the initial recognition, exploration and evaluation assets are stated at cost less allowance for impairment (if any). In case when the future benefit of these assets is in doubt, they are written off to period expenses immediately.

Exploration and evaluation assets are classified as part of deferred exploration and development costs when proven reserves of the specific area are completely determined.

Deferred exploration and development costs

Development expenditures and incorporated costs before the production stage, which are net of proceeds from the sale of coal extracted during the development phase, are capitalised as deferred exploration and development costs. When the mine construction project moves into the production stage, deferred exploration and development costs are amortised as expenses in accordance with the proportion of units produced to total coal reserves.

Deferred stripping costs

Stripping costs/overburden removal expenses during the development phase of the mine are capitalised as part of the deferred stripping costs.

Stripping costs during the production phase are capitalised as part of the deferred stripping costs if, and only if, all of the following are met:

- a) It is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the subsidiaries.
- b) The subsidiaries can identify the component of the ore body for which access has been improved.
- c) The costs relating to the stripping activity associated with that component can be measured reliably.

The deferred stripping costs shall be initially recognised at cost and subsequently stated at cost less accumulated amortisation, which is calculated using the proportion of unit produced to total reserves, and allowance for impairment (if any). In case when the future benefit of these assets is in doubt, they are written off to period expenses immediately.

5.10 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in the profit or loss.

Goodwill is carried at cost less any accumulated impairment losses (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

5.11 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.

5.12 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

5.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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 included in determining income.

5.14 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform 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. The Company also carries out annual impairment reviews in respect of goodwill. 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. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

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

Defined benefit plans

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

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in profit or loss.

For the first-time adoption of TAS 19 Employee Benefits in 2011, the Company and its subsidiaries elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, immediately as an expense in profit or loss for the year 2011.

5.16 Government grants related to assets

Government grants are recognised when there is reasonable assurance that the grants will be received and all attached conditions will be complied with. Government grants related to assets are presented as a deducting to the value of the related assets and are recognised in profit or loss over the useful life of the assets as a reduced depreciation expense.

5.17 Provisions

Provisions are recognised when the Company and its subsidiaries have 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.

5.18 Provision for mine reclamation and decommissioning costs

The subsidiaries recognise a provision for mine reclamation and decommissioning costs where an obligation exists. The estimated amount of the eventual costs relating to the site restoration and reclamation is discounted to its present value. Such costs are included in profit or loss based on the unit-of-production method on the total estimated reclamation and decommissioning costs over the total proven reserves.

5.19 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 and its subsidiaries 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 Company and its subsidiaries review and reduce 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 Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.20 Derivatives

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 included in determining income. Premiums or discounts on forward exchange contracts are amortised on a straight-line basis over the contract periods.

6. 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:

Coal reserve estimates

The subsidiaries determine coal reserve based on best estimate of product that can be economically extracted from the relevant mining area. Such determination is made based on various assumptions including stripping ratios, production costs, transport costs, coal prices and exchange rates.

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.

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 diminution in inventory value

In determining an allowance for diminution in inventory value, the management needs to make judgement in estimating loss from slow moving and deteriorated inventories including the effect from declining in net realisable value of inventories.

Allowance for impairment of investments

The Company treats investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Property, plant and equipment and 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.

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.

Goodwill

The initial recognition and measurement of goodwill, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

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.

Provision for mine reclamation and decommissioning costs

The majority of the decommissioning and reclamation costs is incurred at the end of a mine's life. In determining a provision for such costs, the management needs to make judgement regarding the expected future costs to be incurred, the timing of these expected future costs, largely dependent on the life of the mine, and the estimated future level of inflation.

Litigation

The subsidiaries have contingent liabilities as a result of litigation. The management has used judgement to assess the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

7. Related party transactions

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Purchase of coal	-	-	-	82,342
Dividend income	-	-	128,759	256,072
Commission and marketing service income	-	-	193,935	203,518
Service income	-	-	55,029	63,220
Interest income	-	-	2,578	-
<u>Transactions with major shareholder</u>				
Sales of coal	1,687,974	1,371,420	1,687,974	1,371,420
<u>Transactions with associated company</u>				
Purchase of coal	1,156,065	747,928	1,156,065	747,928
Freight charge	229,904	159,634	229,904	159,634
Dividend income	-	-	11,924	11,362
<u>Transfer pricing policy</u>				
Sales of coal	Market price at which equivalent quality coal is sold to the same industry			
Purchase of coal	Market price for equivalent quality coal			
Commission and marketing service income	At the price agreed between the parties which is general price for the same business			
Service income	Rate comparable paid to third parties			
Dividend income	At the declared rate			
Freight charge	Price comparable to freight charges paid to third parties			
Interest income	SIBOR plus 4.5% per annum			

As at 31 December 2014 and 2013, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Trade and other receivables - related parties</u>				
(Note 10)				
Major shareholder	143,073	169,098	143,073	169,098
Subsidiaries	-	-	76,044	138,977
Total trade and other receivables - related parties	<u>143,073</u>	<u>169,098</u>	<u>219,117</u>	<u>308,075</u>
<u>Advance payments for goods - related parties</u>				
(Note 12)				
Subsidiary	-	-	-	87,090
Associated company	3,437	-	3,437	-
Total advance payment for goods - related parties	<u>3,437</u>	<u>-</u>	<u>3,437</u>	<u>87,090</u>
<u>Trade and other payables - related parties</u>				
(Note 20)				
Subsidiaries	-	-	-	5,544
Associated company	1,366	3,652	1,366	3,652
Total trade and other payables - related parties	<u>1,366</u>	<u>3,652</u>	<u>1,366</u>	<u>9,196</u>

Directors and management's benefits

During the years ended 31 December 2014 and 2013, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Short-term employee benefits	170,492	175,403	60,564	62,045
Post-employment benefits	15,537	685	2,314	1,288
Total	<u>186,029</u>	<u>176,088</u>	<u>62,878</u>	<u>63,333</u>

Employee Joint Investment Program

On 17 October 2011, the meeting of the Company's Board of Directors passed a resolution approving the Employee Joint Investment Program of the Company, for a period of 5 years commencing 1 January 2012. The details and conditions in relation to such program depend on the determination of the Company's Board of Directors. The Company obtained an approval from the Securities and Exchange Commission on 16 November 2011.

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash	180	180	40	40
Bank deposits	534,227	832,001	19,935	112,742
Investments in bill of exchange and bond of the Bank of Thailand	-	50,000	-	50,000
Total	534,407	882,181	19,975	162,782
Less: Restricted bank deposits	(87,488)	(60,162)	-	-
Total	446,919	822,019	19,975	162,782

As at 31 December 2014, bank deposits in saving accounts, fixed deposits and short-term investments carried interests between 0.10 and 9.75 percent per annum (2013: between 0.02 and 9.50 percent per annum).

As at 31 December 2014, the overseas subsidiaries have restricted bank deposits of USD 2.7 million or approximately Baht 87 million (2013: USD 1.8 million or approximately Baht 60 million) as collateral for the credit facilities of trust receipt and to secure bank guarantees issued by banks on behalf of the subsidiaries as discussed in Note 19 and Note 36.5, respectively.

9. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Investments in trading securities - fair value	267,216	-	266,781	-
Fixed deposit	150,000	-	150,000	-
Investments in bills of exchange	350,000	380,000	350,000	380,000
Total	767,216	380,000	766,781	380,000

During the year 2014, the Company and its subsidiary recognised gains on the sales of trading securities amounting to Baht 3.2 million (the Company only: Baht 2.8 million) and, as at 31 December 2014, the Company and its subsidiary recognised gain on valuation of trading securities amounting to Baht 0.3 million (the Company only: Baht 0.3 million) in profit or loss.

As at 31 December 2014, the Company had current investments in the form of bills of exchange and fixed deposit amounting to Baht 500 million (2013: Baht 380 million) carried interests between 2.7 and 3.0 percent per annum (2013: between 3.1 and 3.35 percent per annum) and due for redemption during February - September 2015.

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Trade receivables - related parties</u>				
Age on the basis of due dates				
Not yet due	143,073	169,098	160,109	192,631
Past due				
Up to 3 months	-	-	22,671	31,707
Over 3 months to 6 months	-	-	13,772	-
Over 6 months to 9 months	-	-	1	-
Total trade receivables - related parties	<u>143,073</u>	<u>169,098</u>	<u>196,553</u>	<u>224,338</u>
<u>Trade receivables - unrelated parties</u>				
Age on the basis of due dates				
Not yet due	558,203	684,138	31,074	16,588
Past due				
Over 9 months to 12 months	3,698	-	-	-
Total trade receivables - unrelated parties	<u>561,901</u>	<u>684,138</u>	<u>31,074</u>	<u>16,588</u>
Total trade receivables	<u>704,974</u>	<u>853,236</u>	<u>227,627</u>	<u>240,926</u>
<u>Other receivables</u>				
Other receivables - related parties	-	-	22,564	83,737
Other receivables - unrelated parties	13,897	6,163	226	211
Advances	464	394	464	394
Interest receivable	4,609	4,325	4,607	4,322
Total other receivables	<u>18,970</u>	<u>10,882</u>	<u>27,861</u>	<u>88,664</u>
Total trade and other receivables	<u>723,944</u>	<u>864,118</u>	<u>255,488</u>	<u>329,590</u>

The overseas subsidiary has pledged its accounts receivable to the bank as collateral for the credit facilities of trust receipt. As at 31 December 2014, the balance of accounts receivable totalling Rupiah 45,000 million or approximately Baht 118.7 million (2013: Rupiah 61,000 million or approximately to Baht 163.3 million) were placed as collateral for such credit facilities.

11. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2014</u>	<u>2013</u> (restated)	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u> (restated)
Coal and work in process	458,698	349,462	(20,844)	-	437,854	349,462
Finished goods - Ethanol	10,044	20,807	-	-	10,044	20,807
Work in process - Ethanol	12,761	10,183	-	-	12,761	10,183
Raw materials - Molasses	81,944	43,397	-	-	81,944	43,397
Supplies	15,491	16,177	-	-	15,491	16,177
Spare parts	6,201	7,171	-	-	6,201	7,171
Total	585,139	447,197	(20,844)	-	564,295	447,197

(Unit: Thousand Baht)

	Separated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Coal	162,577	177,067	-	-	162,577	177,067
Total	162,577	177,067	-	-	162,577	177,067

During the current year, a subsidiary reduced cost of inventories by Baht 20.8 million, which was included in cost of sales, to reflect the net realisable value (2013: a subsidiary reversed the write-down of cost of inventories by Baht 9.7 million and reduced the amount of inventories recognised as expenses during the year).

12. Advance payments for goods

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	Advance payments for goods - related parties	3,437	-	3,437
Advance payments for goods - unrelated parties	666,321	419,495	-	-
Total advance payments for goods	669,758	419,495	3,437	87,090

The local subsidiary had significant business transactions with local companies in respect of purchases of molasses and cassava chips under the purchase of molasses agreement and cassava chips agreement. To comply with the conditions in the agreements, as at 31 December 2014, the subsidiary had outstanding advance payments for purchase of molasses and cassava chips amounting to Baht 629.2 million (2013: Baht 366.9 million).

13. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid up capital		Shareholding		Cost		Allowance for		Cost - net		Dividend received	
			percentage				impairment of				for the years ended	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
				(%)	(%)							
Local subsidiary												
Thai Agro Energy Public Co., Ltd.	Baht 1,000 million	Baht 800 million	51.00	75.75	510,000	606,038	-	-	510,000	606,038	51,000	78,785
Overseas subsidiaries												
PT. Lanna Mining Services (Incorporated in Indonesia)	USD 2.1 million	USD 2.1 million	99.95	99.95	70,889	70,889	-	-	70,889	70,889	-	-
PT. Singlurus Pratama (Incorporated in Indonesia)	Rp 7,950 million	Rp 7,950 million	65.00	65.00	18,626	18,626	-	-	18,626	18,626	-	-
PT. Lanna Harita Indonesia (Incorporated in Indonesia)	USD 8 million	USD 8 million	55.00	55.00	155,023	155,023	-	-	155,023	155,023	77,759	177,287
PT. Citra Harita Mineral (Incorporated in Indonesia)	Rp 1,000 million	Rp 1,000 million	55.00	55.00	2,187	2,187	(2,159)	-	28	2,187	-	-
Total					<u>756,725</u>	<u>852,763</u>	<u>(2,159)</u>	<u>-</u>	<u>754,566</u>	<u>852,763</u>	<u>128,759</u>	<u>256,072</u>

(Unit: Thousand Baht)

Local subsidiary

Thai Agro Energy Public Co., Ltd.

On 18 September 2013, the Extraordinary General Meeting of the Company's shareholders passed the following resolutions.

- a) Approved the plan for the listing of Thai Agro Energy Public Co., Ltd. in the Stock Exchange of Thailand. The listing shall proceed by the initial public offering (IPO) and the offer to the Company's shareholders by pre-emptive right according to shareholding proportion in the Company totaling 296,037,733 shares at the par value of Baht 1 per share, totaling Baht 296,037,733 consisting of:
1. Capital increase ordinary shares in Thai Agro Energy Public Co., Ltd. of 200,000,000 shares at the par value of Baht 1 per share, totaling Baht 200,000,000.
 2. Ordinary shares in Thai Agro Energy Public Co., Ltd. originally held by the Company of 96,037,733 shares at the par value of Baht 1 per share, totaling Baht 96,037,733.
- b) Approved the allocation of the capital increase ordinary shares in Thai Agro Energy Public Co., Ltd. of 105,037,733 shares to the Company's shareholders for subscription by pre-emptive right according to their shareholding proportion in the Company. The offer price shall be the same as the initial public offering price.

Subsequently, on 21 April 2014, the meeting of the Board of Directors of the Company passed a resolution to allocate such capital increase ordinary shares to the Company's shareholders at the proportion of 5 ordinary shares in the Company per 1 ordinary share in Thai Agro Energy Public Co., Ltd. Additionally, the Company's shareholders may subscribe more capital increase ordinary shares in excess of their allocated proportion at the same offer price. The Board of Directors of Thai Agro Energy Public Co., Ltd. or a person authorised by the Board of Directors of Thai Agro Energy Public Co., Ltd. has authorised to consider the allocation of the remaining shares unsubscribed by the Company's shareholders to each of the Company's shareholders who have indicated intention to subscribe the shares in excess of their allocated proportion in the Company on a pro-rata basis but the total amount of allocated shares shall not exceed 105,037,733 shares.

- c) Approved the sale of ordinary shares in Thai Agro Energy Public Co., Ltd. originally held by the Company of 96,037,733 shares, to be offered together with the public offering of newly issued capital increase ordinary shares of Thai Agro Energy Public Co., Ltd. The offer price shall be the same as the initial public offering price.

On 19 September 2013, the Extraordinary General Meeting of Thai Agro Energy Public Co., Ltd.'s shareholders passed a resolution to approve the increase in its registered capital from Baht 800,000,000 (800,000,000 shares of Baht 1 each) to Baht 1,000,000,000 (1,000,000,000 shares of Baht 1 each) to support the initial public offering to public and a subsidiary's shareholders. The subsidiary registered the increase of its issued and paid up share capital with Ministry of Commerce on 2 June 2014.

On 10 April 2014, the Securities and Exchange Commission approved the share offering of Thai Agro Energy Public Co., Ltd. The registration statement and prospectus of Thai Agro Energy Public Co., Ltd. have been effective on 9 May 2014. The Company and Thai Agro Energy Public Co., Ltd. determined the offering price of shares of Thai Agro Energy Public Co., Ltd. to the Company's existing shareholders who has name on the Company's share registration book on 7 May 2014 and public at the price of Baht 2.00 per share. The subscription periods for the Company's shareholders is 21 - 23 May 2014 and for public is 28 - 30 May 2014. The Company had already received the full payment from the disposal of Thai Agro Energy Public Co., Ltd.'s ordinary shares and Thai Agro Energy Public Co., Ltd. had already received the full payment from issuance of additional ordinary shares on 2 June 2014. Then, the Stock Exchange of Thailand approved 1,000,000,000 ordinary shares with a par value of Baht 1 each of Thai Agro Energy Public Co., Ltd. as listed securities for trading, effective from 5 June 2014.

The disposal of some ordinary shares of Thai Agro Energy Public Co., Ltd. and issuance of additional ordinary shares of Thai Agro Energy Public Co., Ltd. to the Company's shareholders and public led to a decrease in shareholding percentage of the Company in such subsidiary from 75.75 percent to 51.00 percent. The Company recognised gain from disposal of investment in subsidiary of Baht 90.7 million in profit or loss in the separate financial statements and recorded surplus on change in the percentage of shareholding in subsidiary of Baht 75.9 million in the consolidated statement of change in shareholders' equity.

Overseas subsidiaries

The Company has 4 overseas subsidiaries in which the Company has shareholding percentage between 55.00% and 99.95% and, as at 31 December 2014, such subsidiaries had unappropriated retained earnings of the Company's portion totaling USD 41.7 million or approximately Baht 1,432.8 million. The Group may have obligations regarding withholding tax deducted at source in Indonesia when the subsidiaries pay dividends from such amount in the future.

PT. Citra Harita Mineral

On 17 April 2012, the meeting of the Board of Directors of the Company passed a resolution to approve the dissolution and liquidation of PT. Citra Harita Mineral, which is a subsidiary incorporated in Indonesia. Currently, the subsidiary is in the process of dissolution and liquidation.

14. Investment in associated company

14.1 Detail of associated company

Company's name	Paid up capital		Shareholding percentage		Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
					Carrying amounts based on equity method		Cost	
	2014	2013	2014	2013	2014	2013	2014	2013
United Bulk Shipping Pte. Ltd. (Incorporated in Singapore)	SGD 0.1 million	SGD 0.1 million	49	49	50,250	38,930	891	891
Total					50,250	38,930	891	891

14.2 Share of profit and dividend received

During the years, the Company recognised its share of profit from investment in associated company in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in associate for the years ended 31 December		Dividend received for the years ended 31 December	
	2014	2013	2014	2013
United Bulk Shipping Pte. Ltd.	23,244	15,731	11,924	11,362

Share of profit from United Bulk Shipping Pte. Ltd. for the years ended 31 December 2014 and 2013 had been calculated from the financial statements prepared by the management of the associated company and not being audited by its auditor.

The Company's management believes that the management accounts of the associated company would not be significantly different from the account audited by its auditor.

14.3 Summarised financial information of associated company

Financial information of the associated company is summarised below.

Company's name	Paid up capital		Total assets		Total liabilities		Total revenues		(Unit: Thousand Baht)	
	as at 31 December		as at 31 December		as at 31 December		for the years ended		Profit	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
United Bulk Shipping Pte. Ltd.	SGD 0.1 million	SGD 0.1 million	257,640	155,540	155,520	77,172	1,313,109	945,157	47,436	32,104

15. Investment properties

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

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2014</u>	<u>2013</u>
Cost	37,496	37,496
Less: Accumulated depreciation	(1,200)	(1,200)
Less: Allowance for diminution in value	(1,570)	(1,570)
Net book value	<u>34,726</u>	<u>34,726</u>

A reconciliation of the net book value of investment properties for the years 2014 and 2013 is presented below.

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2014</u>	<u>2013</u>
Net book value at beginning of year	34,726	34,726
Disposal - net book value on disposal date	-	-
Net book value at end of year	<u>34,726</u>	<u>34,726</u>

As at 31 December 2014, the Company had investment properties, which mainly are plots of land of Paka mine, with an aggregate net book value of approximately Baht 34.7 million (2013: Baht 34.7 million). The Company is considering making use and/or selling such assets to other parties. However, for some plots of land and land improvement which the Company had considered their net realisable value to be less than the net book value, the Company had set up allowance for impairment of such assets of Baht 1.6 million (2013: Baht 1.6 million).

The fair value of the investment properties as at 31 December 2014 is Baht 51.6 million (2013: Baht 51.6 million), which is determined based on the price appraised by the Department of Land.

16. Property, plant and equipment

Consolidated financial statements

(Unit: Thousand Baht)

	Land	Ore	Land improvement	Building and amenities	Machinery and equipment	Office equipment	Vehicles	Assets under construction and installation	Total
Cost									
1 January 2013	346,435	65,045	101,065	315,947	2,165,059	91,954	50,974	471,669	3,608,148
Additions	6,655	-	3,715	318,818	23,506	5,730	68	170,014	528,506
Disposals/write-off	(251)	-	-	(812)	(15,551)	(4,766)	(1,230)	-	(22,610)
Transfer in (transfer out)	-	-	1,907	9,352	15,588	582	-	(27,459)	(30)
Cash received from government grants	-	-	-	-	(6,338)	-	-	(6,000)	(12,338)
Translation adjustment	1,165	-	1,151	3,896	29,742	3,363	946	8,082	48,345
31 December 2013	354,004	65,045	107,838	647,201	2,212,006	96,863	50,758	616,306	4,150,021
Additions	3,701	-	4,281	3,208	5,985	4,947	9,335	319,186	350,643
Disposals/write-off	(1,446)	-	-	(202)	(4,383)	(3,509)	(685)	-	(10,225)
Transfer in (transfer out)	-	-	4,484	32,014	188,675	1,391	-	(226,564)	-
Cash received from government grants	-	-	-	-	(13,487)	-	-	-	(13,487)
Translation adjustment	79	-	79	1,751	2,073	227	65	547	4,821
31 December 2014	356,338	65,045	116,682	683,972	2,390,869	99,919	59,473	709,475	4,481,773

(Unit: Thousand Baht)

	Land	Ore	Land improvement	Building and amenities	Machinery and equipment	Office equipment	Vehicles	Assets under construction and installation	Total
Accumulated depreciation									
1 January 2013	-	65,045	24,660	42,864	528,695	62,619	36,432	-	760,315
Depreciation for the year	-	-	3,213	19,330	115,561	13,122	4,501	-	155,727
Accumulated depreciation of the disposed and written-off assets	-	-	-	(176)	(15,441)	(3,834)	(1,230)	-	(20,681)
Translation adjustment	-	-	1,151	497	10,213	2,027	315	-	14,203
31 December 2013	-	65,045	29,024	62,515	639,028	73,934	40,018	-	909,564
Depreciation for the year	-	-	3,425	48,442	124,259	10,988	3,751	-	190,865
Accumulated depreciation of the disposed and written-off assets	-	-	-	(103)	(4,032)	(3,396)	(674)	-	(8,205)
Translation adjustment	-	-	79	75	836	168	30	-	1,188
31 December 2014	-	65,045	32,528	110,929	760,091	81,694	43,125	-	1,093,412
Net book value									
31 December 2013	354,004	-	78,814	584,686	1,572,978	22,929	10,740	616,306	3,240,457
31 December 2014	356,338	-	84,154	573,043	1,630,778	18,225	16,348	709,475	3,388,361
Depreciation for the year									
2013 (Baht 110 million included in manufacturing cost, and the balance in selling and administrative expenses)									155,727
2014 (Baht 169 million included in manufacturing cost, and the balance in selling and administrative expenses)									190,865

Separate financial statements

(Unit: Thousand Baht)

	Land	Ore	Land improvement	Building and amenities	Machinery and equipment	Office equipment	Vehicles	Assets under construction and installation	Total
Cost									
1 January 2013	180,000	65,045	28,122	5,345	80,044	26,442	12,099	3,737	400,834
Additions	-	-	3,715	1,300	11,118	2,123	-	25,371	43,627
Disposal/write-off	-	-	-	-	(15,128)	(1,864)	(1,230)	-	(18,222)
Transfer in (transfer out)	-	-	1,907	-	-	582	-	(2,519)	(30)
31 December 2013	180,000	65,045	33,744	6,645	76,034	27,283	10,869	26,589	426,209
Additions	-	-	4,281	2,979	501	1,949	-	18,038	27,748
Disposal/write-off	-	-	-	-	(110)	(1,670)	(20)	-	(1,800)
Transfer in (transfer out)	-	-	4,485	22,186	17,795	-	-	(44,466)	-
31 December 2014	180,000	65,045	42,510	31,810	94,220	27,562	10,849	161	452,157
Accumulated depreciation									
1 January 2013	-	65,045	8,503	1,090	77,088	19,754	12,081	-	183,561
Depreciation for the year	-	-	3,213	295	2,535	3,118	6	-	9,167
Accumulated depreciation of the disposed and written-off assets	-	-	-	-	(15,128)	(1,800)	(1,230)	-	(18,158)
31 December 2013	-	65,045	11,716	1,385	64,495	21,072	10,857	-	174,570
Depreciation for the year	-	-	3,425	548	2,047	2,797	6	-	8,823
Accumulated depreciation of the disposed assets/write-off	-	-	-	-	(110)	(1,657)	(20)	-	(1,787)
31 December 2014	-	65,045	15,141	1,933	66,432	22,212	10,843	-	181,606
Net book value									
31 December 2013	180,000	-	22,028	5,260	11,539	6,211	12	26,589	251,639
31 December 2014	180,000	-	27,369	29,877	27,788	5,350	6	161	270,551
Depreciation for the year									
2013 (included in selling and administrative expenses)									9,167
2014 (included in selling and administrative expenses)									8,823

The subsidiary has mortgaged part of its land and construction thereon and machinery with net book value as at 31 December 2014 amounting to approximately Baht 1,183 million (2013: Baht 1,198.7 million) as collateral for short-term and long-term loans and credit facilities granted by a commercial bank as discussed in Note 19 and Note 22.

During the year 2014, a subsidiary recorded receipt for a subsidy of Baht 13.5 million (2013: Baht 12.3 million) from the subsidy agreement with the Energy Conservation Promotion Fund under "Biogas Technology for Industry Project". The subsidiary included accrued receipt for the subsidy of Baht 4.9 million which subsequently received on 7 January 2015. However, the subsidy is required to comply with the terms under the agreements.

As at 31 December 2014, a subsidiary had vehicles under finance lease agreements with net book values amounting to Baht 5 million (2013: Nil).

As at 31 December 2014, the Company and subsidiaries had certain plant and equipment which have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 231 million (2013: Baht 196 million) (the Company only: Baht 98 million, 2013: Baht 89 million).

17. Intangible assets

Details of intangible assets which are computer software are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Cost		
1 January 2013	9,806	4,122
Additions	888	576
Transfer in	30	30
Write-off	(4)	(4)
Translation adjustment	43	-
31 December 2013	<u>10,763</u>	<u>4,724</u>
Additions	991	135
Transfer in	2,874	-
Write-off	(235)	(235)
31 December 2014	<u>14,393</u>	<u>4,624</u>
Accumulated amortisation		
1 January 2013	5,860	2,607
Amortisation for the year	1,488	705
Accumulated amortisation of the written-off assets	(3)	(3)
Translation adjustment	43	-
31 December 2013	<u>7,388</u>	<u>3,309</u>
Amortisation for the year	2,335	495
Accumulated amortisation of the written-off assets	(235)	(235)
31 December 2014	<u>9,488</u>	<u>3,569</u>
Net book value		
31 December 2013	<u>3,375</u>	<u>1,415</u>
31 December 2014	<u>4,905</u>	<u>1,055</u>

18. Other non-current assets

Other non-current assets have been shown net of related accumulated amortisation as at 31 December 2014 and 2013 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u> (restated)	<u>2014</u>	<u>2013</u>
Deferred expenses - Indonesia coal mine project	401,453	398,514	-	-
Deferred stripping costs	134,419	146,406	-	-
Deferred transferred service fees according to contract	33,919	51,803	33,919	51,803
Others	25,773	26,662	8,995	9,954
Total other non-current assets	<u>595,564</u>	<u>623,385</u>	<u>42,914</u>	<u>61,757</u>
Amortisation expenses for the year	<u>516,012</u>	<u>963,461</u>	<u>17,884</u>	<u>21,632</u>

Deferred expenses - Indonesia coal mine project

A reconciliation of the net book value of deferred expenses - Indonesia coal mine project for the years 2014 and 2013 is presented below.

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Exploration and evaluation assets	Deferred exploration and development costs	Total
As at 1 January 2013	33,461	290,351	323,812
Increase during the year	192	116,689	116,881
Amortisation for the year	-	(65,246)	(65,246)
Translation adjustment	2,384	20,683	23,067
As at 31 December 2013	<u>36,037</u>	<u>362,477</u>	<u>398,514</u>
Increase during the year	-	69,257	69,257
Transfer out	-	(2,874)	(2,874)
Amortisation for the year	-	(65,258)	(65,258)
Translation adjustment	164	1,650	1,814
As at 31 December 2014	<u>36,201</u>	<u>365,252</u>	<u>401,453</u>

Deferred stripping costs

A reconciliation of the net book value of deferred stripping costs for the years 2014 and 2013 is presented below.

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2014</u>	<u>2013</u>
Net book value at beginning of year - as previously reported	12,132	13,953
Cumulative effect from the change in accounting policy (Note 4)	<u>134,274</u>	<u>335,192</u>
Net book value at beginning of year - restated	146,406	349,145
Increase during the year - restated	486,647	870,887
Write-off during the year - restated	(66,431)	(198,037)
Amortisation for the year - restated	(432,870)	(876,583)
Translation adjustment	<u>667</u>	<u>994</u>
Net book value at end of year	<u><u>134,419</u></u>	<u><u>146,406</u></u>

Agreement of transferring service fees provided by PT. Indocoal Pratama Jaya

On 6 March 2008, the Company and PT. Indocoal Pratama Jaya ("IPJ") entered into agreement of transferring service fees for service provided to the concession area of PT. Singlurus Pratama (SGP) for the first 15 million tons of coal produced and distributed at a price of USD 0.75 per ton, in accordance with the Service Agreement, which stipulate that IPJ is to receive a fee of USD 0.75 per ton of coal produced and distributed from SGP.

IPJ has an agreement with a creditor who provided it with financial support, whereby IPJ agreed to pay the creditor the fees it receives at a rate of USD 0.75 per ton for the first 15 million tons of coal produced and distributed from the SGP concession.

That creditor agreed to transfer such fees to the Company at a negotiated price of USD 3.75 million, or equivalent to Baht 118.3 million, with the Company making a lump sum payment. Such fees will be amortised according to the quantity of coal sold from SGP and the Company had already started amortising the fee since July 2009.

19. Short-term loans from financial institutions

	(Unit: Thousand Baht)	
	Consolidated	financial
	statements	
	<u>2014</u>	<u>2013</u>
Promissory notes	831,210	604,684
Trust receipts	366,521	297,504
Short-term loans from financial institution	-	94,120
Total	<u>1,197,731</u>	<u>996,308</u>

As at 31 December 2014, the local subsidiary had short-term loans from financial institution in the form of promissory notes of Baht 831.2 million (2013: Baht 604.7 million), which bear interests between 3.6 and 3.9 percent per annum (2013: between 3.7 and 4.1 percent per annum). The loan amounting to Baht 831.2 million (2013: Baht 604.7 million) is secured by the mortgage of part of the subsidiary's land and construction thereon and machinery as discussed in Note 16.

Two subsidiaries entered into the credit facilities agreements with two financial institutions of Baht 200 million and USD 7.9 million. As at 31 December 2014, the subsidiaries had outstanding balance of trust receipts of Baht 131.9 million and USD 7.1 million, totaling Baht 366.5 million (2013: Baht 140 million and USD 4.8 million, totaling Baht 297.5 million), with interest rates of 3.52 percent per annum and 6.0 percent per annum, respectively (2013: 3.7 percent per annum and 6.34 percent per annum, respectively).

As at 31 December 2014, trust receipts of USD 7.1 million or approximately Baht 234.6 million (2013: USD 4.8 million or approximately Baht 157.5 million) are secured by pledge of restricted deposit and accounts receivable of USD 0.6 million or approximately Baht 19.8 million and Rupiah 45,000 million or Baht 118.7 million, respectively, (2013: secured by pledge of accounts receivable of Rupiah 61,000 million or approximately Baht 163.3 million) as discussed in Note 8 and Note 10, respectively, and containing covenants which the overseas subsidiary has to comply, pertaining to matters such as requesting for approval from the financial institution for negative pledge.

As at 31 December 2013, the overseas subsidiary had short-term loans from financial institution of USD 2.9 million or approximately Baht 94.1 million with interest at the rate of 3.74 percent per annum, which were repayable in 2014.

20. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Trade payables - related parties	1,366	3,652	1,366	3,652
Trade payables - unrelated parties	413,738	568,163	51,615	93,359
Other payables - related parties	-	-	-	5,544
Other payables - unrelated parties	47,699	105,557	8,410	6,460
Total trade and other payables	<u>462,803</u>	<u>677,372</u>	<u>61,391</u>	<u>109,015</u>

21. Liabilities under finance lease agreements

Details of liabilities under finance lease agreements of a subsidiary as at 31 December 2014 are as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
Liabilities under finance lease agreements	6,679
Less: Deferred interest expenses	(1,437)
Total	<u>5,242</u>
Less: Current portion	(916)
Liabilities under finance lease agreements - net of current portion	<u>4,326</u>

The subsidiary has entered into the finance lease agreements with leasing company for rental of vehicles for use in its operations, whereby it is committed to pay rental on a monthly basis. The term of the agreement is 5 years.

As at 31 December 2014, future minimum lease payments required under the finance lease agreements were as follows:

	(Unit: Thousand Baht)		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	1,456	5,223	6,679
Deferred interest expenses	(540)	(897)	(1,437)
Present value of future minimum lease payments	<u>916</u>	<u>4,326</u>	<u>5,242</u>

22. Long-term loan from financial institution

	(Unit: Thousand Baht)	
	Consolidated	financial
	statements	
	<u>2014</u>	<u>2013</u>
Long-term loan from financial institution	657,757	837,757
Less: Current portion	<u>(180,000)</u>	<u>(180,000)</u>
Long-term loan from financial institution - net of current portion	<u>477,757</u>	<u>657,757</u>

Movements in the long-term loan from financial institution during the year ended 31 December 2014 are summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2014	837,757
Less: Repayment during the year	<u>(180,000)</u>
Balance as at 31 December 2014	<u>657,757</u>

On 6 November 2013, the local subsidiary entered into long-term loan agreement with a local bank, obtaining loan facilities of Baht 845 million, for the debt refinance with another local bank. Then, on 18 December 2013, the subsidiary withdrew the loan for the debt refinance and repaid all of short-term and long-term loans to that local bank totaling Baht 837.8 million. The loan initially carries interest rate at THBFIX reference rate plus 1.75 percent per annum for the first year, and the interest rate increases by 0.05 percent per annum from the second to fifth year. The loan is repayable within 5 years in 10 semi-annually installments of Baht 90 million during the first to ninth installment, and remaining balance is repayable in the tenth installment. The repayment period is from June 2014 to December 2018. The loan is secured by the mortgage of a part of the subsidiary's land and construction thereon and machinery as discussed in Note 16.

On 7 March 2014, the subsidiary made executed an annex of the long-term loan agreement with the bank to revise certain conditions and debt service coverage ratios.

The loan agreement contains several covenants which, among other things, require the subsidiary to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreement.

As at 31 December 2014, the subsidiary could maintain certain financial ratios as specified in the annex of the loan agreement (2013: the subsidiary could not maintain certain financial ratios as specified in the loan agreement, however, the subsidiary had negotiated with the bank, and had obtained a waiver letter for the condition to maintain certain financial ratios for the year ended 31 December 2013 from that bank on 27 December 2013. The subsidiary could maintain all conditions in a waiver letter and the loan agreement).

23. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Company and its subsidiaries, was as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Defined benefit obligation at beginning of year	156,141	176,265	24,573	22,742
Current service cost	23,204	28,420	1,692	1,527
Interest cost	13,325	10,078	1,219	1,067
Benefits paid during the year	(4,249)	(2,245)	-	-
Actuarial gain	(18,326)	(34,292)	-	(763)
Translation adjustment	(2,660)	(22,085)	-	-
Defined benefit obligation at end of year	167,435	156,141	27,484	24,573

Long-term employee benefit expenses included in the profit or loss consist of the following:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current service cost	23,204	28,420	1,692	1,527
Interest cost	13,325	10,078	1,219	1,067
Actuarial gain recognised during the year	(18,326)	(34,292)	-	(763)
Total expenses recognised in profit or loss	18,203	4,206	2,911	1,831
Line items in profit or loss under which such expenses are included				
Cost of sales	634	335	-	-
Selling and administrative expenses	17,569	3,871	2,911	1,831

Key actuarial assumptions used for the valuation are as follows:

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	4.64 - 8.00	4.64 - 9.00	4.64	4.64
Future salary increase rate (depending on age)	4.70 - 8.00	4.70 - 9.00	7.63	7.63
Staff turnover rate	0 - 29	0 - 29	0 - 15	0 - 15

The amounts of defined benefit obligations and experience adjustment for the current and the past four years are as follows:

(Unit: Thousand Baht)

	Defined benefit obligations		Experience adjustments on the obligations	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Year 2014	167,435	27,484	(498)	-
Year 2013	156,141	24,573	(7,462)	3,807
Year 2012	176,265	22,742	2,184	-
Year 2011	122,556	22,165	756	1,758
Year 2010	84,701	18,217	755	-

24. Provision for mine reclamation and decommissioning costs

(Unit: Thousand Baht)

	Consolidated financial statements		
	Provision for mine reclamation	Provision for decommissioning costs	Total
As at 1 January 2013	72,446	12,980	85,426
Increase during the year	46,782	24,704	71,486
Decrease from actual paid	(27,674)	-	(27,674)
Translation adjustment	(8,911)	(6,234)	(15,145)
As at 31 December 2013	82,643	31,450	114,093
Increase during the year	21,193	-	21,193
Decrease from actual paid	(26,534)	-	(26,534)
Reversal of provisions	(22,117)	-	(22,117)
Translation adjustment	(1,198)	(494)	(1,692)
As at 31 December 2014	53,987	30,956	84,943

25. Share capital

On 22 April 2013, the Annual General Meeting of the Company's shareholders passed the resolutions to increase the Company's registered share capital in order to support the dividend payment at Baht 175,000,000 by issuing new ordinary shares of 175,000,000 shares, having a par value of Baht 1 per share, which shall result in an increase of previous registered share capital of Baht 350,000,000, consisting of 350,000,000 ordinary shares at a par value of Baht 1 per share to become a new registered share capital of Baht 525,000,000, consisting of 525,000,000 ordinary shares at par value of Baht 1 per share. The Company registered the share capital increase with the Ministry of Commerce on 30 April 2013.

Subsequently, on 18 September 2013, the Extraordinary General Meeting of the Company's shareholders No. 1/2556 passed the resolution to approve the reduction of the Company's registered capital from Baht 525,000,000 consisting of 525,000,000 ordinary shares at a par value of Baht 1 per share to become Baht 524,999,679, consisting of 524,999,679 ordinary shares at par value of Baht 1 per share by writing off the unsold ordinary shares of 321 shares at the par value of Baht 1 per share, totaling Baht 321. The Company registered the share capital decrease with the Ministry of Commerce on 20 September 2013.

26. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside 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.

During the year 2013, the Company set aside an additional statutory reserve by amount of Baht 17.5 million or a total sum of Baht 52.5 million.

27. Capital reserve for share-based payment transactions

During the year 2011, a shareholder of the local subsidiary sold 3.1 million shares to directors and employees of the subsidiary at a price of Baht 1 per share. This transaction falls under the scope of TFRS 2 Share-based Payment, which requires that the subsidiary records the difference between the selling price and the fair value of shares as an expense. The subsidiary considered that the book value approach is appropriate to determine fair value as book value was calculated based on the financial statements as at 31 December 2010, which was close to the transaction date. However, the resulting difference of Baht 0.6 million was recorded as an expense in profit or loss in the consolidated income statement for the current year and as capital reserve for share-based payment transactions in the consolidated statement of financial position as at 31 December 2014.

28. Provident fund

The Company and a subsidiary and their employees jointly established a provident fund as approved by the Ministry of Finance, in accordance with the Provident Fund Act B.E. 2530. The fund is contributed by employees at a rate of 5% of their basic salaries and the Company and the subsidiary also contribute a certain amount. The fund is managed by the Bank of Ayudhaya Public Co., Ltd. will be paid to employee upon termination in accordance with the fund rules of the Company and its subsidiary. Total contributions of the Company and the subsidiary during the year 2014 amounted to Baht 7.3 million, and the Company only: Baht 5.1 million (2013: Baht 6.4 million, the Company only: Baht 4.6 million).

29. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
		(restated)		
Purchase of finished goods	1,826,531	1,699,388	1,681,005	1,318,733
Raw materials and consumables used	1,900,821	1,223,192	-	-
Changes in inventories of finished goods and work in process (increase) decrease	(101,051)	26,899	14,490	26,546
Royalty fee	916,423	1,107,320	-	-
Freight and transportation of goods expenses	952,645	1,015,905	107,651	95,533
Coal winning and conveyance expenses	777,743	692,850	-	-
Depreciation and amortisation expenses	709,212	1,120,676	27,202	31,505
Salaries, wages and other employee benefits	196,698	192,949	37,940	31,637
Management benefit expenses	186,029	176,088	62,878	63,333
Electricity and fuel expenses	119,811	117,090	6,774	6,142
Repair and maintenance expenses	105,253	107,535	5,818	5,019
Write-off of deferred stripping costs	66,431	198,037	-	-
Loss on exchange	24,332	180,097	-	-

30. Income tax

Income tax expenses for the years ended 31 December 2014 and 2013 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u> (restated)	<u>2014</u>	<u>2013</u>
Current income tax:				
Current income tax charge	225,468	196,294	67,778	12,741
Adjustments in respect of income tax of previous year	3,281	-	3,281	-
Withholding tax deducted at source recognised as expenses during the year	5,832	42,008	5,832	42,008
Deferred tax:				
Relating to origination and reversal of temporary differences	(12)	(8,342)	(1,014)	11,828
Income tax expenses reported in the statement of income	<u>234,569</u>	<u>229,960</u>	<u>75,877</u>	<u>66,577</u>

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u> (restated)	<u>2014</u>	<u>2013</u>
Accounting profit before tax	848,980	956,670	477,387	524,335
Income tax rate	10% - 30%	10% - 30%	20%	20%
Accounting profit before tax multiplied by income tax rate	219,879	246,149	95,477	104,867
Adjustment in respect of income tax of previous year	3,281	-	3,281	-
Withholding tax deducted at source recognised as expenses during the year	5,832	42,008	5,832	42,008
Effects of:				
Promotional privileges (Note 31)	(27,534)	(33,939)	-	-
Recognition of tax loss carried forward of previous year	(8,635)	(9,170)	-	(9,170)
Non-deductible expenses	44,734	3,465	742	1,596
Income not subject to tax	(2,964)	(10,703)	(28,137)	(53,487)
Additional expense deductions allowed	(152)	(60)	(152)	(60)
Loss which may not be utilised in the future	-	4,706	-	-
Taxable withholding tax deducted at source expenses	(1,166)	(31,371)	(1,166)	(31,371)
Others	(650)	305	-	-
Total	3,633	(76,767)	(28,713)	(92,492)
Write-off of deferred tax assets	-	12,194	-	12,194
Unrecognised tax loss as deferred tax assets	1,960	6,862	-	-
Translation adjustment	(16)	(486)	-	-
Income tax expenses reported in the statement of income	<u>234,569</u>	<u>229,960</u>	<u>75,877</u>	<u>66,577</u>

A reconciliation of the book value of deferred tax assets and deferred tax liabilities for the years ended 31 December 2014 and 2013 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements					Separate financial statements			
	As at 31 December 2013 (as previously reported)	Cumulative effect from the change in accounting policy	As at 31 December 2013 (restated)	Recognise to income statement	Translation adjustment	As at 31 December 2014	As at 1 January 2014	Recognise to income statement	As at 31 December 2014
Deferred tax assets									
Provision for long-term employee benefits	46,535	-	46,535	4,066	180	50,781	4,915	582	5,497
Accumulated depreciation - ore, plant and equipment	25,534	-	25,534	(1,719)	54	23,869	13,009	-	13,009
Inventories	-	-	-	14,810	93	14,903	-	-	-
Tax loss carried forward	20,250	-	20,250	(10,312)	-	9,938	-	-	-
Allowance for diminution in inventory value	-	-	-	6,119	134	6,253	-	-	-
Government grants	4,479	-	4,479	1,507	-	5,986	-	-	-
Others	314	-	314	469	-	783	314	432	746
Total	97,112	-	97,112	14,940	461	112,513	18,238	1,014	19,252
Deferred tax liabilities									
Accumulated amortisation - deferred exploration and development costs and deferred stripping costs	36,345	40,282	76,627	19,881	792	97,300	-	-	-
Accumulated depreciation - machinery	3,421	-	3,421	-	-	3,421	-	-	-
Inventories	-	5,009	5,009	(4,953)	(56)	-	-	-	-
Total	39,766	45,291	85,057	14,928	736	100,721	-	-	-

(Unit: Thousand Baht)

	Consolidated financial statements					Separate financial statements			
	As at 31 December 2012 (as previously reported)	Cumulative effect from the change in accounting policy	As at 31 December 2012 (restated)	Recognise to income statement	Translation adjustment	As at 31 December 2013	As at 1 January 2013	Recognise to income statement	As at 31 December 2013
Deferred tax assets									
Provision for long-term employee benefits	42,502	-	42,502	1,540	2,493	46,535	4,549	366	4,915
Accumulated depreciation - ore, plant and equipment	26,365	-	26,365	(1,723)	891	25,533	13,009	-	13,009
Tax loss carried forward	18,250	-	18,250	2,000	-	20,250	-	-	-
Government grants	2,769	-	2,769	1,710	-	4,479	-	-	-
Allowance for doubtful accounts	12,194	-	12,194	(12,194)	-	-	12,194	(12,194)	-
Inventories	-	12,459	12,459	(12,150)	(309)	-	-	-	-
Others	485	-	485	(222)	51	314	314	-	314
Total	102,565	12,459	115,024	(21,039)	3,126	97,111	30,066	(11,828)	18,238
Deferred tax liabilities									
Accumulated amortisation - deferred exploration and development costs and deferred stripping costs	9,290	100,558	109,848	(34,439)	1,218	76,627	-	-	-
Inventories	-	-	-	5,058	(50)	5,008	-	-	-
Accumulated depreciation - machinery	3,421	-	3,421	-	-	3,421	-	-	-
Total	12,711	100,558	113,269	(29,381)	1,168	85,056	-	-	-

As at 31 December 2014, the subsidiaries had unused tax losses totaling Baht 8 million (2013: Baht 34 million). No deferred tax assets have been recognised on these amounts as there are uncertain economic future which affect the utilisation of unused tax losses.

31. Promotional privileges

Thai Agro Energy Public Company Limited, a subsidiary, has been granted the promotional privileges under the Investment Promotion Act B.E. 2520 as approved by the Board of Investment as follows:

Certificate No.	1760(2)/2546	2078(9)/2551
Date	26 December 2003	19 November 2008
1. Promotional privileges for	Manufacture of alcohol	Manufacture of ethanol (99.5%)
2. Significant privileges		
2.1 Exemption from corporate income tax on income derived from the promoted operations (commencing from the date of earning operating income) and exemption from income tax on dividend paid from the income of the promoted operations throughout the period in which the corporate income tax is exempted.	8 years (expired)	8 years (will expire on 1 April 2020)
2.2 Allowance to carry-forward the annual loss from promoted operations incurred during the corporate income tax exemption period to offset with net income incurred thereafter (after exemption period in 2.1).	5 years	5 years
2.3 Exemption from import duty on raw and essential materials or products used for manufacture for export commencing from the first import date.	1 year	1 year
3. Date of first earning operating income	31 January 2005	2 April 2012

As a promoted company, the subsidiary has to comply with certain conditions and restrictions provided for in the promotional certificate.

The subsidiary's operating revenues for the years ended 31 December 2014 and 2013 were domestic sales, which were divided between promoted and non-promoted operations, are summarised below:

	(Unit: Thousand Baht)	
	<u>2014</u>	<u>2013</u>
Revenues from sales		
Promoted operations	1,514,152	1,593,732
Non-promoted operations	982,127	65,320
Total	<u>2,496,279</u>	<u>1,659,052</u>

32. Earnings per share

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

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

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u> (restated)	<u>2014</u>	<u>2013</u>
Profit attributable to equity holders of the Company (Thousand Baht)	430,468	507,394	401,510	457,758
Weighted average number of ordinary shares (Thousand shares)	525,000	525,000	525,000	525,000
Basic earnings per share (Baht)	0.82	0.97	0.76	0.87

33. Dividend paid

Dividends paid by the Company and its subsidiaries for the years ended 31 December 2014 and 2013 are as follows:

The Company

<u>Dividends</u>	<u>Approved by</u>	<u>Total Dividends (Thousand Baht)</u>	<u>Dividend per share (Baht)</u>	<u>Paid on</u>
<u>2014</u>				
Final dividends for 2013	Annual General Meeting of the shareholders on 21 April 2014	210,000	0.40	9 May 2014
Interim dividends for 2014	Board of Directors' meeting on 20 October 2014	183,750	0.35	19 November 2014
Total		<u>393,750</u>	<u>0.75</u>	
<u>2013</u>				
Final dividends for 2012	Annual General Meeting of the shareholders on 22 April 2013	175,000	0.50	21 May 2013
Stock dividends for 2012	Annual General Meeting of the shareholders on 22 April 2013	175,000 ⁽¹⁾	0.50	21 May 2013
Interim dividends for 2013	Board of Directors' meeting on 21 October 2013	183,750	0.35	20 November 2013
Total		<u>533,750</u>	<u>1.35</u>	

⁽¹⁾ On 22 April 2013, the Annual General Meeting of the Company's shareholders approved the Company's distribution of a stock dividend totaling 175 million shares at Baht 1 each, by allocating these newly issued shares to the Company's existing shareholders in proportion to their shareholding at the ratio of 2 existing issued ordinary shares to 1 stock dividend at the par value of Baht 1 per share, or dividend payment at Baht 0.50 per share. In case of any fraction of shares from the allocation of newly issued shares, it shall be rounded off and paid in cash instead of stock dividend with calculation based on the stock dividend payment ratio at amount of Baht 0.50 per share.

In addition, the Annual General Meeting of the shareholders for 2014 approved to set aside a general reserve of Baht 76.6 million (2013: Baht 154.7 million).

Local subsidiary

Thai Agro Energy Public Co., Ltd.

<u>Dividends</u>	<u>Approved by</u>	<u>Total Dividends (Thousand Baht)</u>	<u>Dividend per share (Baht)</u>	<u>Paid on</u>
<u>2014</u>				
Interim dividends for 2014	Board of Directors' meeting on 18 September 2014	100,000	0.10	17 October 2014
Total		<u>100,000</u>	<u>0.10</u>	
<u>2013</u>				
Final dividends for 2012	Annual General Meeting of the shareholders on 23 April 2013	24,000	0.03	20 May 2013
Interim dividends for 2013	Board of Directors' meeting on 19 December 2013	80,000	0.10	17 January 2014
Total		<u>104,000</u>	<u>0.13</u>	

During the year 2014, the Company received dividend income at 51 percent for a total of Baht 51 million (2013: received dividend income at 75.75 percent for a total of Baht 78.8 million).

Overseas subsidiary

PT. Lanna Harita Indonesia

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends (Thousand US Dollar)</u>	<u>Dividend per share (US Dollar)</u>	<u>Paid on</u>
<u>2014</u>				
The third interim dividends for 2013	Board of Directors' meeting on 10 March 2014	1,600	200	19 March 2014
Final dividends for 2013	Annual General Meeting of the shareholders on 19 June 2014	1,600	200	23 June 2014
Interim dividends for 2014	Board of Directors' meeting on 22 September 2014	1,200	150	25 September 2014
Total		<u>4,400</u>	<u>550</u>	

Dividends	Approved by	Total dividends (Thousand US Dollar)	Dividend per share (US Dollar)	Paid on
<u>2013</u>				
The third interim dividends for 2012	Board of Directors' meeting on 19 March 2013	2,000	250	22 March 2013
Final dividends for 2012	Annual General Meeting of the shareholders on 3 June 2013	3,600	450	26 June 2013
The first interim dividends for 2013	Board of Directors' meeting on 9 September 2013	2,400	300	17 September 2013
The second interim dividends for 2013	Board of Directors' meeting on 11 November 2013	2,400	300	2 December 2013
Total		10,400	1,300	

During the year 2014, the Company received dividend income at 55 percent for a total of USD 2.42 million or equivalent to Baht 77.8 million. The Company had been withheld the withholding tax deducted at source of Baht 5.8 million (2013: dividend income of USD 5.7 million or equivalent to Baht 177.3 million. The Company had been withheld the withholding tax deducted at source of Baht 13.3 million).

34. 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.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have three reportable segments as follows:

1. Domestic coal segment, which purchases and sells of coal
2. Overseas coal segment, which produces and sells of coal
3. Ethanol segment, which produces and sells of ethanol

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company's and its subsidiaries' operating segments for the years ended 31 December 2014 and 2013, respectively.

(Unit: Million Baht)

	For the years ended 31 December											
	Domestic coal business		Overseas coal business		Ethanol business		Total segments		Adjustments and eliminations		Consolidated	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u> (restated)	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u> (restated)	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u> (restated)
Revenue from external customers	1,974	1,584	7,738	8,889	2,496	1,659	12,208	12,132	-	-	12,208	12,132
Inter-segment revenue	249	267	-	82	-	-	249	349	(249)	(349)	-	-
Interest income	18	17	10	4	-	-	28	21	(3)	-	25	21
Interest expenses	-	-	10	1	57	59	67	60	(3)	-	64	60
Depreciation and amortisation	27	32	578	992	106	99	711	1,123	(2)	(2)	709	1,121
Gain on disposal of investment in subsidiary	91	-	-	-	-	-	91	-	(91)	-	-	-
Share of profit from investment in associated company accounted for by the equity method	23	16	-	-	-	-	23	16	-	-	23	16
Income tax expenses	76	67	168	167	(9)	(4)	235	230	-	-	235	230
Segment profit	516	505	2,931	3,547	331	268	3,778	4,320	(249)	(259)	3,529	4,061
Segment total assets	2,526	2,551	3,847	4,289	3,385	2,888	9,758	9,728	(796)	(1,064)	8,962	8,664
Investment in associated company accounted for by equity method	50	39	-	-	-	-	50	39	-	-	50	39
Additions (decrease) to non-current assets other than financial instruments and deferred tax assets	11	16	(19)	189	166	38	158	243	2	2	160	245

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	<u>2014</u>	<u>2013</u> (restated)
Revenue from external customers		
Thailand	4,621,140	3,243,059
India	2,607,255	1,784,342
Singapore	1,855,367	2,135,491
Switzerland	966,464	3,669,283
Australia	703,357	1,114,866
China	600,604	-
South Korea	595,051	-
Others	258,941	185,093
Total	<u>12,208,179</u>	<u>12,132,134</u>
Non-current assets (other than financial instruments and deferred tax assets)		
Thailand	2,960,923	2,783,630
Indonesia	1,386,370	1,403,405
Total	<u>4,347,293</u>	<u>4,187,035</u>

Major customers

For the year 2014, the Company and its subsidiaries have revenue from two major customers in amount of Baht 1,846 million and Baht 1,688 million, arising from sales by the overseas coal business and domestic coal business (2013: Baht 3,669 million and Baht 1,371 million derived from two major customers, arising from sales by the overseas coal business and domestic coal business).

35. Significant contracts and agreements

35.1 In 1998, PT. Lanna Harita Indonesia had been granted the right under a Coal Contract of Work ("CCOW") from the Indonesian government to explore for and exploit coal for a period of thirty years in a total survey area of 30,018 hectares in Tanah Merah in Samarinda and Kutai, East Kalimantan, Indonesia. The subsidiary has a continuing obligation to pay a fee and compensation under the contract.

35.2 In 1997, PT. Singlurus Pratama was granted the right under a Coal Contract of Work (“CCOW”) from the Indonesian government to explore for and exploit coal for a period of thirty years beginning at the commencement of the first mining operation in a total survey area of 24,760 hectares in Kutai, East Kalimantan, Indonesia. The subsidiary has a continuing obligation to pay a fee and compensation under the contract.

In February 2009, the subsidiary received the consent from Indonesian government to start the production activities.

35.3 On 20 May 2009, PT. Singlurus Pratama entered into the marketing and technical service agreements with the Company and entered into assistance service agreement with a company in Indonesia. The service fees are charged on the basis and at the rates as stipulated in the agreements.

36. Commitments and contingent liabilities

36.1 Capital commitments

As at 31 December 2014, a subsidiary had capital commitments of approximately Baht 4.8 million, relating to the subsidiary's construction of the biogas system and the acquisitions of machinery and equipment (2013: The Company and its subsidiary had capital commitments of Baht 194 million and the Company only: Baht 17.7 million, relating to the construction of the Company's machinery, installation of building system and coal conveyance, the construction of the subsidiary's biogas system and the second ethanol production plant, and the acquisitions of machinery and equipment).

36.2 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of office building space, vehicles and other services. The terms of the agreements are generally between 1 and 5 years. As at 31 December 2014 and 2013, future minimum payment under these lease and service agreements are as follows:

(Unit: Million Baht)

Payable within	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Less than 1 year	35	36	11	11
In over 1 and up to 5 years	26	31	9	19

36.3 Long-term service and purchase commitments

- a) The Company and its subsidiaries had commitments under several service agreements in respect of the security service, car maintenance service and other services. The terms of the agreements are generally between 1 and 5 years. As at 31 December 2014 and 2013, future minimum payments under these agreements are as follows:

(Unit: Million Baht)

Payable within	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Less than 1 year	3	3	2	2
In over 1 and up to 5 years	-	2	-	2

- b) The Company and its subsidiaries had commitments under service agreements regarding the legal consulting, the consulting for mining, environment and safety and other consulting of Baht 2 million (the Company only: Baht 0.9 million) (2013: Baht 1.7 million and the Company only: Baht 0.5 million).
- c) The Company had commitments under the coal purchase agreement with an overseas company which the price, coal quality and quantity to purchase are stipulated in the agreement.
- d) The local subsidiary entered into a power supply agreement with the Provincial Electricity Authority for a period of one year, commencing 21 December 2010 to 20 December 2011, and being automatically renewed for every one-year period. The subsidiary shall pay power supply at the rate as stipulated in the agreement.
- e) The local subsidiary had commitments under the purchase of molasses agreement with 15-year duration under which the price is to be determined every 5 years commencing the first year in 2005. The price for the first three years is that stipulated in the agreement and for the fourth and fifth year, using the average actual market price of the first three years for comparison and the quantity to purchase and sales of molasses are those stipulated in the agreement. In addition, the subsidiary had additional two commitments under the purchase of molasses agreements with 5-years duration under which the price is to be determined before shipment in the next period and the quantity to purchase of molasses are those stipulated in the agreements.

36.4 Coal supply agreement commitments

PT. Lanna Harita Indonesia and PT. Singlurus Pratama have coal supply commitments to domestic customers in accordance with the Domestic Market Obligation regulation required by the Indonesian government.

36.5 Guarantees

As at 31 December 2014, the Company and its subsidiaries had bank guarantees of approximately Baht 5.9 million, Rupiah 15,689 million and USD 0.6 million (the Company only: Baht 0.8 million) (2013: Baht 11.5 million, Rupiah 21,892 million and USD 0.03 million (the Company only: Baht 0.4 million)) issued by banks on behalf of the Company and its subsidiaries in respect of mine reclamation of the overseas subsidiaries to the government, guarantee for a local subsidiary's contractual performance under the license for production and distribution of ethanol-for-fuel from the Excise Department, Biogas Technologic promotion project 2012 (Year 5) of the Energy Policy and Planning Office Ministry of Energy, and to guarantee contractual performance under the license for using of electric to the Provincial Electricity Authority.

37. Litigation

In September 2011, a subsidiary company was sued by a company for its alleged non-compliance with the cassava chip purchase agreement dated 21 January 2011 and memorandum dated 29 April 2011, claiming a compensation for damage of Baht 186.9 million. On 8 November 2011, the subsidiary submitted the testimony and countersued that company, claiming a compensation for damage of Baht 82.4 million.

On 9 October 2014, the Civil Court dismissed the lawsuit filed by that company and ordered it to make payments for purchases of cassava chip that the subsidiary paid in advance of Baht 6.9 million which together with interest expense of 7.5 percent per annum, calculated from 8 November 2014 (the countersue date) until completion of payment. In addition, that company shall pay for charges and partial lawyer fee for the subsidiary.

On 3 December 2014, the subsidiary lodged an appeal with the Appeal Court. As at 31 December 2014, the case is still being conciliated by the Appeal Court and the subsidiary has not received such payment; therefore, the subsidiary has not recorded in its account.

38. Financial instruments

38.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, investments, trade and other payables, short-term and long-term borrowings. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the statements of financial position.

Interest rate risk

The Company's and its subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, and interest bearing short-term and long-term borrowings. However, since most of financial assets and liabilities 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 rates 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)

Consolidated financial statements					
As at 31 December 2014					
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate (% per annum)
Financial assets					
Cash and cash equivalents	148	299	-	447	0.10 - 9.75
Current investments	500	-	267	767	2.70 - 3.00
Trade and other receivables	-	-	724	724	-
	<u>648</u>	<u>299</u>	<u>991</u>	<u>1,938</u>	
Financial liabilities					
Short-term loans from financial institutions	1,198	-	-	1,198	3.52 - 6.00
Trade and other payables	-	-	463	463	-
	<u>1,198</u>	<u>-</u>	<u>463</u>	<u>1,661</u>	

(Unit: Million Baht)

Consolidated financial statements					
As at 31 December 2013					
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate (% per annum)
Financial assets					
Cash and cash equivalents	50	772	-	822	0.02 - 9.50
Current investments	380	-	-	380	3.10 - 3.35
Trade and other receivables	-	-	864	864	-
	<u>430</u>	<u>772</u>	<u>864</u>	<u>2,066</u>	
Financial liabilities					
Short-term loans from financial institutions	996	-	-	996	3.70 - 6.34
Trade and other payables	-	-	677	677	-
	<u>996</u>	<u>-</u>	<u>677</u>	<u>1,673</u>	

As at 31 December 2014, long-term loan from bank of Baht 657.8 million (2013: Baht 837.8 million) carries interest at THBFIX reference rate plus 1.75 percent per annum for the first year, and the interest rate increases by 0.05 percent per annum from the second to fifth year.

(Unit: Million Baht)

Separate financial statements

As at 31 December 2014

	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate (% per annum)
Financial assets					
Cash and cash equivalents	-	20	-	20	0.10 - 1.90
Current investments	500	-	267	767	2.70 - 3.00
Trade and other receivables	-	-	255	255	-
	500	20	522	1,042	
Financial liabilities					
Trade and other payables	-	-	61	61	-
	-	-	61	61	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2013

	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate (% per annum)
Financial assets					
Cash and cash equivalents	50	113	-	163	0.02 - 2.40
Current investments	380	-	-	380	3.10 - 3.35
Trade and other receivables	-	-	330	330	-
	430	113	330	873	
Financial liabilities					
Trade and other payables	-	-	109	109	-
	-	-	109	109	

Foreign currency risk

The Company's and its subsidiaries' exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into forward exchange contracts when they consider appropriate. Generally, the forward contracts mature within one year.

The Company had balances of financial assets and liabilities denominated in foreign currencies as follows:

As at 31 December 2014				
Foreign currency	Financial assets	Financial liabilities	Exchange rate as at 31 December 2014	
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
			<u>Buying rate</u>	<u>Selling rate</u>
US dollar	2.6	-	32.8128	33.1132

As at 31 December 2013				
Foreign currency	Financial assets	Financial liabilities	Exchange rate as at 31 December 2013	
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
			<u>Buying rate</u>	<u>Selling rate</u>
US dollar	5.1	0.3	32.6778	32.9494

As at 31 December 2014 and 2013, the Company and its subsidiaries had no outstanding forward exchange contract.

38.2 Fair values of financial instruments

Since the majority of the Company's and its subsidiaries' financial instruments are short-term in nature or bear floating interest rates or fixed interest rates which are close to the market rates, their fair value is not expected to be materially different from the amounts presented in the 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 instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

39. Capital management

The primary objective of the Company's and its subsidiaries' capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2014, the Group's debt-to-equity ratio was 0.53:1 (2013: 0.68:1) and the Company's debt-to-equity ratio was 0.06:1 (2013: 0.08:1).

40. Event after reporting period

Proposed dividend of the subsidiary

On 19 February 2015, the meeting of the Board of Directors of Thai Agro Energy Public Company Limited ("the subsidiary") approved to pay a final dividend for 2014 of Baht 0.05 per share, totaling Baht 50 million. The Company will receive such dividend at 51 percent for a total of Baht 25.5 million. However, such dividend payment is subject to the approval of the Annual General Meeting of the shareholders of the subsidiary to be held in April 2015.

41. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 25 February 2015.