



บริษัท ปูนซีเมนต์เอเชีย จำกัด (มหาชน)  
**Asia Cement**  
Public Company Limited



# รายงานประจำปี 2558 / 2015

## ANNUAL REPORT



# Contents

## ANNUAL REPORT 2015



บริษัท ปูนซีเมนต์เอเชีย จำกัด (มหาชน)  
**Asia Cement**  
Public Company Limited

- 04 Message from the Chairman

---

- 05 Board of Directors, Executive Committee

---

- 06 Basic Information of the Company

---

- 09 Auditor's Report

---

- 11 2015 Financial Statements



# Message from the Chairman

Asia Cement Public Co., Ltd.



In 2015, the total demand for cement in Thailand approximately 34.56 million tons which had decreased 1 percent compared to 2014. The total revenue of the Company was 11,128 million Baht, decreasing by 0.28 percent and the total net profit was 1,577 million Baht, decreasing by 7.7 percent.

The “Dong Phrayayen-Khao Yai Wildlife” photobook that the Company had published and distributed to libraries and schools around the nation had received the outstanding book award for “Beautiful Imagery” in 2015 from the Office of the Basic Education Commission, Ministry of Education. In addition, the Asia Cement Pukrang Plant was awarded with the “Excellent Workplace for Labour Relations and Welfare” from the Ministry of Labor for the tenth consecutive year which proves the effective management and positive relationship between the Company and its employees. Furthermore, the Company was also proud recipient of the “Green Mining Award” from the Department of Primary Industries and Mines, Ministry of Industry for the seventh consecutive year. The important achievements are the result of the consistent efforts and commitment of the employees and the management on the environmental management and corporate social responsibility.

The Company realizes that instilling environmental consciousness and developing human resources lead to a sustainable society therefore, the Company continuously give scholarships to students who have financial need and organizes extra curricular activities such as the environmental conservation youth camp.

To celebrate the auspicious occasion of Her Royal Highness Princess Maha Chakri Sirindhorn’s 60<sup>th</sup> Birthday Anniversary in 2015 and the 25<sup>th</sup> anniversary of the Company’s establishment in 2014, the Company had initiated the renewable energy program for 25 schools by installing 4.5-10 kW on-grid solar PV rooftops for 15 schools situated around the plant in 2015. The main objective of the project is to be the learning center of renewable energy for the community. Schools are able to reduce their electricity bills by 60-70%, thus allowing the schools to allocate more of their budget for student’s development program.

On behalf of the Company, I would like to take this opportunity to express my gratitude to our customers, stakeholders, employees and the management team who continuously give us the support that allows the Company to progress with stability.

(Mr. Chong Toh)  
Chairman of the Board

# Board of Directors, Executive Committee

Asia Cement Public Co., Ltd.



## Board of Directors

As of 31 December 2015

### Chairman

Mr. Chong Toh

### Directors

Mr. Giovanni Battista Ferrario  
Mr. Giovanni Maggiora  
Mr. Agostino Nuzzolo  
Mr. Philippe Henry Lucien Staib  
Mr. Nithi Patarachoke  
Mr. Thanet Earsakul  
Mr. Uran Kleosakul  
Mr. Rapee Sukhyanga  
Mr. Roberto Callieri  
Mr. Nopadol Ramyarupa

## Executive Committee

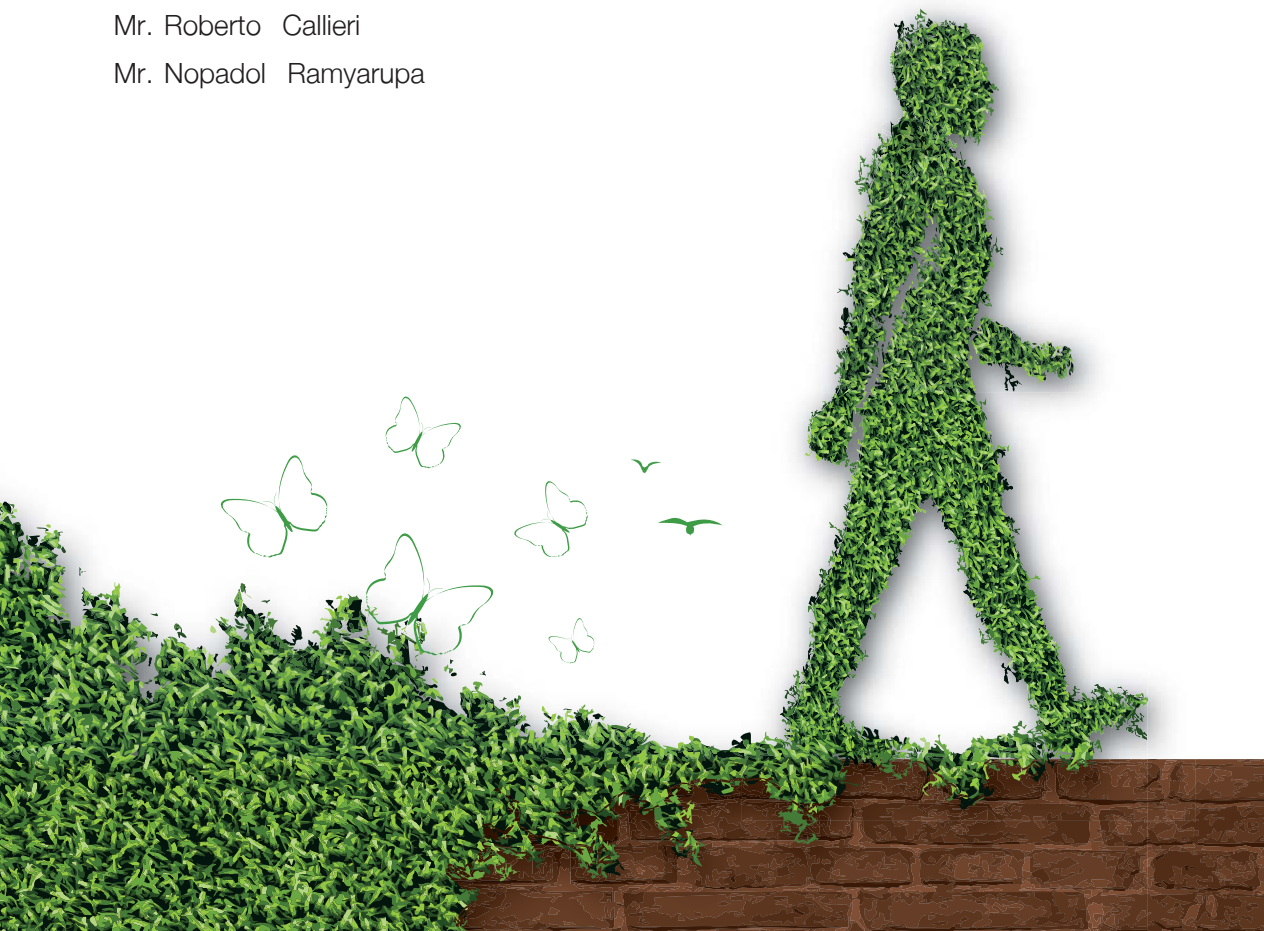
As of 31 December 2015

### Chairman

Mr. Chong Toh

### Directors

Mr. Giovanni Battista Ferrario  
Mr. Giovanni Maggiora  
Mr. Roberto Callieri *Managing Director*  
Mr. Nopadol Ramyarupa *Managing Director*



## 1. Basic Information of the Company

<b>Company:</b>	<b>Asia Cement Public Company Limited</b>
<b>Establishment:</b>	<b>August 23, 1989</b>
<b>Head Office:</b>	<b>23/124-128 Soi Soonvijai, Rama 9, Kwaeng Bangkapi, Khet Huaykwang, Bangkok</b>
<b>Plant:</b>	<b>Pukrang, 4/1 Moo 1, Yotha Sai 2, Tambon Pukrang, Amphur Pra Buddhabat, Saraburi Province</b>
<b>Type of Business:</b>	<b>Cement Production and Sale</b>
<b>Registration No.:</b>	<b>0107539000197 (Previous No. Bor Mor Jor. 620)</b>
<b>Registered Capital at the Beginning:</b>	
Registered Capital	Baht 4,290,000,000
Paid up Capital	Baht 4,290,000,000 comprising common share of 429,000,000 shares
Par Value	Common Share, Baht 10 per share
<b>Registered Capital in the Present Year:</b>	
Registered Capital	Baht 4,670,523,072
Paid up Capital	Baht 4,670,523,072 comprising common share of 778,420,512 shares
Par Value	Common Share, Baht 6 per share

## 2. Information of Subsidiaries (The Company holds shares for more than 50 %.)

### 2.1 Asia Cement Products Company Limited: Common Shares amounting to 999,994 shares which equals to 99.99%.

**Head Office Location: 23/124 Soi Soonvijai, Rama 9 Road,**

**Kwaeng Bangkapi, Khet Huaykwang, Bangkok**

**Type of Business: Ready-mixed Concrete Production and Sale**

### 2.2 Asia Cement Energy Conservation Company Limited: Common Shares amounting to 13,999,995 shares which equals to 99.99%.

**Head Office Location: 23/124-128 Soi Soonvijai, Rama 9 Road,**

**Kwaeng Bangkapi, Khet Huaykwang, Bangkok**

**Type of Business: Electric Energy Generating and Sale**

### 2.3 Jalapraphan Cement Public Company Limited: Common Shares amounting to 106,603,319 shares which equals to 88.84%.

**Head Office Location: 23/124-128 Soi Soonvijai, Rama 9 Road,**

**Kwaeng Bangkapi, Khet Huaykwang, Bangkok**

**Type of Business: Cement Production and Sale**

**3. Currently, the Company does not hold shares in other companies or private enterprises for more than 10%.**

**4. The Company's Board of Directors does not share interests on any contracts being made by the Company during the accounting period.**

5. The list of all Board of Directors of the Company and shares holding by Directors in the Company and subsidiaries in current accounting period and past accounting period is increasing or decreasing as follows:

**5.1 The holding of Board of Directors in Asia Cement Public Company Limited:**

Name of Director	Number of Shares Holding		Increasing/Decreasing
	Current Accounting Period	Past Accounting Period	
1. Mr. Thanet Earsakul	1,200,000	104,256	Increasing
2. Mr. Nopadol Ramyarupa	80,000	80,000	Not Change
3. Mr. Giovanni Maggiora	No	No	No
4. Mr. Rapee Sukhyanga	No	No	No
5. Mr. Giovanni Battista Ferrario	No	No	No
6. Mr. Chong Toh	No	No	No
7. Mr. Agostino Nuzzolo	No	No	No
8. Mr. Philippe Henry Lucien Staib	No	No	No
9. Mr. Uran Kleosakul	1,468,906	1,468,906	Not Change
10. Mr. Roberto Callieri	No	No	No
11. Mr. Nithi Patarachoke	No	No	No

**5.2 The holding of Board of Directors in a subsidiary, that is, Asia Cement Products Company Limited is as follows:**

Name of Director	Number of Shares Holding		Increasing/Decreasing
	Current Accounting Period	Past Accounting Period	
1. Mr. Nopadol Ramyarupa	1	1	Not Change
2. Mr. Roberto Callieri	1	1	Not Change

**5.3 The holding of Board of Directors in a subsidiary, that is, Asia Cement Energy Conservation Company Limited is as follows:**

Name of Director	Number of Shares Holding		Increasing/Decreasing
	Current Accounting Period	Past Accounting Period	
1. Mr. Nopadol Ramyarupa	No	No	No
2. Mr. Roberto Callieri	No	No	No
3. Mr. Rapee Sukhyanga	No	No	No

**5.4 The holding of Board of Directors in a subsidiary, that is, Jalaprathan Cement Public Company Limited is as follows:**

Name of Director	Number of Shares Holding		Increasing/Decreasing
	Current Accounting Period	Past Accounting Period	
1. Mr. Nopadol Ramyarupa	No	No	No
2. Mr. Roberto Callieri	No	No	No
3. Mr. Rapee Sukhyanga	No	No	No
4. Mr. Giovanni Maggiora	No	No	No
5. Mr. Agostino Nuzzolo	No	No	No

## 6. The remuneration of Board of Directors paid in 2015

Name of Director	Remuneration (Baht)
1. Mr. Thanet Earsakul	360,000
2. Mr. Nopadol Ramyarupa	360,000
3. Mr. Giovanni Maggiora	360,000
4. Mr. Rapee Sukhyanga	360,000
5. Mr. Giovanni Battista Ferrario	360,000
6. Mr. Chong Toh	540,000
7. Mr. Agostino Nuzzolo	270,000
Mr. Goran Leopold Seifert	90,000
8. Mr. Philippe Henry Lucien Staib	360,000
9. Mr. Uran Kleosakul	360,000
10. Mr. Roberto Callieri	360,000
11. Mr. Nithi Patarachoke	360,000
Mr. Yves Rene Nanot	120,000
<b>Total (Baht)</b>	<b>4,260,000</b>

- Remarks:**
1. Pursuant to the resolution of the Annual General Shareholders Meeting for the year 2015 dated 3 April 2015, the meeting's resolution has appointed Mr. Agostino Nuzzolo as a Director in place of Mr. Goran Leopold Seifert.
  2. Mr. Yves Rene Nanot had resigned as the Director of the Company on 30<sup>th</sup> April 2015.



## **Independent Auditor's Report**

To the Shareholders of Asia Cement Public Company Limited

I have audited the accompanying consolidated financial statements of Asia Cement Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Asia Cement 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 Asia Cement Public Company Limited and its subsidiaries, and of Asia Cement Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 16 February 2016

Asia Cement Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	6, 7	5,566,117,136	4,539,366,970	4,556,880,770	3,840,671,869
Trade and other receivables	8	1,879,877,442	2,126,875,130	1,398,821,751	1,670,309,509
Current portion of long-term loans to related party	7	-	-	165,000,000	-
Inventories	9	1,618,865,687	1,725,351,983	1,086,657,687	1,171,297,337
Input tax refundable		72,172,568	97,623,645	19,958,102	20,454,053
Other current assets		21,509,362	22,186,182	10,837,163	12,360,163
<b>Total current assets</b>		<b>9,158,542,195</b>	<b>8,511,403,910</b>	<b>7,238,155,473</b>	<b>6,715,092,931</b>
<b>Non-current assets</b>					
Investments in subsidiaries	10	-	-	2,601,031,893	2,601,031,893
Other long-term investment		1,000,000	1,000,000	1,000,000	1,000,000
Long-term loan to related party - net of current portion	7	-	-	215,000,000	-
Investment property	11	-	99,765,000	-	-
Property, plant and equipment	12	6,486,575,850	6,858,644,194	3,085,133,056	3,362,260,129
Intangible assets	13	72,280,110	85,273,365	72,280,110	85,273,365
Deferred tax assets	14	197,219,043	183,877,664	98,643,880	96,753,278
Advance payment for purchase of assets		1,153,500	6,328,658	-	5,080,830
Other non-current assets		63,949,250	53,061,022	58,134,639	47,161,905
<b>Total non-current assets</b>		<b>6,822,177,753</b>	<b>7,287,949,903</b>	<b>6,131,223,578</b>	<b>6,198,561,400</b>
<b>Total assets</b>		<b>15,980,719,948</b>	<b>15,799,353,813</b>	<b>13,369,379,051</b>	<b>12,913,654,331</b>

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

Asia Cement Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Note	2015	2014	2015	2014
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institution	7, 15	130,000,000	280,000,000	-	-
Trade and other payables	16	1,958,128,793	1,851,755,441	1,383,632,113	1,321,959,601
Current portion of long-term loans from related parties	7	-	499,236,474	-	-
Income tax payable		120,858,174	177,682,873	118,720,681	172,570,919
Short-term provisions		-	10,247,110	-	10,247,110
Other current liabilities		40,583,936	46,845,298	24,820,147	28,580,025
<b>Total current liabilities</b>		<b>2,249,570,903</b>	<b>2,865,767,196</b>	<b>1,527,172,941</b>	<b>1,533,357,655</b>
<b>Non-current liabilities</b>					
Provision for long-term employee benefits	17	211,270,647	189,256,921	139,056,055	128,787,520
Long-term provisions		19,627,691	12,172,904	15,657,853	9,157,902
Deferred tax liabilities	14	256,314,321	256,243,114	16,243,296	16,394,945
Other non-current liabilities		14,452,597	-	-	-
<b>Total non-current liabilities</b>		<b>501,665,256</b>	<b>457,672,939</b>	<b>170,957,204</b>	<b>154,340,367</b>
<b>Total liabilities</b>		<b>2,751,236,159</b>	<b>3,323,440,135</b>	<b>1,698,130,145</b>	<b>1,687,698,022</b>
<b>Shareholders' equity</b>					
Share capital					
Registered					
778,420,512 ordinary shares of Baht 6 each		4,670,523,072	4,670,523,072	4,670,523,072	4,670,523,072
Issued and fully paid					
778,420,512 ordinary shares of Baht 6 each		4,670,523,072	4,670,523,072	4,670,523,072	4,670,523,072
Share premium		4,612,220,396	4,612,220,396	4,612,220,396	4,612,220,396
Retained earnings					
Appropriated - statutory reserve	18	467,052,307	435,207,000	467,052,307	435,207,000
Unappropriated		2,799,576,220	2,118,679,534	1,879,891,309	1,466,444,019
Other components of shareholders' equity	19	412,366,473	412,366,473	41,561,822	41,561,822
Equity attributable to owners of the Company		12,961,738,468	12,248,996,475	11,671,248,906	11,225,956,309
Non-controlling interests of the subsidiaries		267,745,321	226,917,203	-	-
<b>Total shareholders' equity</b>		<b>13,229,483,789</b>	<b>12,475,913,678</b>	<b>11,671,248,906</b>	<b>11,225,956,309</b>
<b>Total liabilities and shareholders' equity</b>		<b>15,980,719,948</b>	<b>15,799,353,813</b>	<b>13,369,379,051</b>	<b>12,913,654,331</b>

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

# Asia Cement Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales		10,892,984,618	11,056,702,974	7,631,280,678	7,658,906,439
Interest income		75,057,625	56,591,334	67,148,701	66,938,704
Management fee income		840,000	840,000	72,421,395	80,389,378
Dividend income	10	-	-	251,999,892	-
Gains on sales of assets		98,796,232	3,690,323	94,329	2,975,446
Other income		60,376,912	41,769,894	64,086,427	79,900,944
<b>Total revenues</b>		<u>11,128,055,387</u>	<u>11,159,594,525</u>	<u>8,087,031,422</u>	<u>7,889,110,911</u>
<b>Expenses</b>					
Cost of sales		8,519,985,995	8,380,885,214	5,920,417,601	5,841,362,935
Selling expenses		204,359,359	279,515,674	190,720,783	264,288,240
Administrative expenses		519,228,692	505,783,678	435,911,110	441,825,847
<b>Total expenses</b>		<u>9,243,574,046</u>	<u>9,166,184,566</u>	<u>6,547,049,494</u>	<u>6,547,477,022</u>
<b>Profit before finance cost and income tax expenses</b>		<u>1,884,481,341</u>	<u>1,993,409,959</u>	<u>1,539,981,928</u>	<u>1,341,633,889</u>
Finance cost		(54,046,680)	(60,815,831)	(23,730,205)	(22,978,891)
<b>Profit before income tax expenses</b>		<u>1,830,434,661</u>	<u>1,932,594,128</u>	<u>1,516,251,723</u>	<u>1,318,654,998</u>
Income tax expenses	14	(253,532,950)	(224,826,214)	(253,896,132)	(262,217,136)
<b>Profit for the year</b>		<u>1,576,901,711</u>	<u>1,707,767,914</u>	<u>1,262,355,591</u>	<u>1,056,437,862</u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gains (losses) arising from post-employment benefits, net of income tax	14, 17	(5,986,725)	(17,487,955)	278,543	(11,596,307)
<b>Other comprehensive income for the year</b>		<u>(5,986,725)</u>	<u>(17,487,955)</u>	<u>278,543</u>	<u>(11,596,307)</u>
<b>Total comprehensive income for the year</b>		<u>1,570,914,986</u>	<u>1,690,279,959</u>	<u>1,262,634,134</u>	<u>1,044,841,555</u>
<b>Profit attributable to:</b>					
Equity holders of the Company		1,535,458,771	1,665,336,356	1,262,355,591	1,056,437,862
Non-controlling interests of the subsidiaries		41,442,940	42,431,558		
		<u>1,576,901,711</u>	<u>1,707,767,914</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		1,530,083,530	1,648,406,481	1,262,634,134	1,044,841,555
Non-controlling interests of the subsidiaries		40,831,456	41,873,478		
		<u>1,570,914,986</u>	<u>1,690,279,959</u>		
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the Company	21	1.97	2.14	1.62	1.36

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

**Asia Cement Public Company Limited and its subsidiaries**  
**Statement of changes in shareholders' equity**  
**For the year ended 31 December 2015**

(Unit: Baht)

		<b>Consolidated financial statements</b>										
		Equity attributable to owners of the Company					Other components of equity					
		Retained earnings		Surplus from purchase of non-controlling interests of the subsidiary			Surplus on revaluation of land		Total other components of shareholders' equity		Equity attributable to non-controlling interests of the subsidiaries	
Note	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of land	Surplus from purchase of non-controlling interests of the subsidiary	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
	<b>Balance as at 1 January 2014</b>	4,670,523,072	4,612,220,396	382,207,000	990,325,360	79,120,541	412,366,473	11,067,642,301	11,067,642,301	185,045,795	11,252,688,096	
	Profit for the year	-	-	-	1,665,336,356	-	-	1,665,336,356	1,665,336,356	42,431,558	1,707,767,914	
	Other comprehensive income for the year	-	-	-	(16,929,875)	-	-	(16,929,875)	(16,929,875)	(558,080)	(17,487,955)	
	Total comprehensive income for the year	-	-	-	1,648,406,481	-	-	1,648,406,481	1,648,406,481	41,873,478	1,690,279,959	
24	Dividend paid	-	-	-	(467,052,307)	-	-	(467,052,307)	(467,052,307)	-	(467,052,307)	
	Unappropriated retained earnings transferred to statutory reserve	-	-	53,000,000	-	-	-	-	-	-	-	
	Decrease in non-controlling interests of the subsidiary as a result of additional investment by the Company during the year	-	-	-	-	-	-	-	-	-	-	
2.2	<b>Balance as at 31 December 2014</b>	4,670,523,072	4,612,220,396	435,207,000	2,118,679,534	79,120,541	412,366,473	12,248,996,475	12,248,996,475	226,917,203	12,475,913,678	
	<b>Balance as at 1 January 2015</b>	4,670,523,072	4,612,220,396	435,207,000	2,118,679,534	79,120,541	412,366,473	12,248,996,475	12,248,996,475	226,917,203	12,475,913,678	
	Profit for the year	-	-	-	1,535,458,771	-	-	1,535,458,771	1,535,458,771	41,442,940	1,576,901,711	
	Other comprehensive income for the year	-	-	-	(5,375,241)	-	-	(5,375,241)	(5,375,241)	(611,484)	(5,986,725)	
	Total comprehensive income for the year	-	-	-	1,530,083,530	-	-	1,530,083,530	1,530,083,530	40,831,456	1,570,914,986	
24	Dividend paid	-	-	-	(817,341,537)	-	-	(817,341,537)	(817,341,537)	-	(817,341,537)	
	Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary	-	-	-	-	-	-	-	-	-	-	
	Unappropriated retained earnings transferred to statutory reserve	-	-	31,845,307	(31,845,307)	-	-	-	-	(3,338)	(3,338)	
18	<b>Balance as at 31 December 2015</b>	4,670,523,072	4,612,220,396	467,052,307	2,799,576,220	79,120,541	412,366,473	12,961,738,468	12,961,738,468	267,745,321	13,229,483,789	

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

**Asia Cement Public Company Limited and its subsidiaries**  
**Statement of changes in shareholders' equity (continued)**

**For the year ended 31 December 2015**

(Unit: Baht)

		<b>Separate financial statements</b>						
		Retained earnings		Other components of equity				
Note	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Other comprehensive income		Total components of equity	
					Surplus on revaluation of land	Total other components of shareholders' equity		
	<b>Balance as at 1 January 2014</b>	4,670,523,072	4,612,220,396	382,207,000	941,654,771	41,561,822	41,561,822	10,648,167,061
	Profit for the year	-	-	1,056,437,862	-	-	-	1,056,437,862
	Other comprehensive income for the year	-	-	(11,596,307)	-	-	-	(11,596,307)
	Total comprehensive income for the year	-	-	1,044,841,555	-	-	-	1,044,841,555
24	Dividend paid	-	-	(467,052,307)	-	-	-	(467,052,307)
	Unappropriated retained earnings transferred to statutory reserve	-	-	53,000,000	(53,000,000)	-	-	-
18	<b>Balance as at 31 December 2014</b>	4,670,523,072	4,612,220,396	435,207,000	1,466,444,019	41,561,822	41,561,822	11,225,956,309
	<b>Balance as at 1 January 2015</b>	4,670,523,072	4,612,220,396	435,207,000	1,466,444,019	41,561,822	41,561,822	11,225,956,309
	Profit for the year	-	-	1,262,355,591	-	-	-	1,262,355,591
	Other comprehensive income for the year	-	-	278,543	-	-	-	278,543
	Total comprehensive income for the year	-	-	1,262,634,134	-	-	-	1,262,634,134
24	Dividend paid	-	-	(817,341,537)	-	-	-	(817,341,537)
	Unappropriated retained earnings transferred to statutory reserve	-	-	31,845,307	(31,845,307)	-	-	-
18	<b>Balance as at 31 December 2015</b>	4,670,523,072	4,612,220,396	467,052,307	1,879,891,309	41,561,822	41,561,822	11,671,248,906

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

# Asia Cement Public Company Limited and its subsidiaries

## Cash flow statement

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Cash flows from operating activities</b>				
Profit before tax	1,830,434,661	1,932,594,128	1,516,251,723	1,318,654,998
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	861,627,048	838,542,311	598,635,349	591,381,782
Depletion and amortisation	12,993,265	13,018,429	12,993,265	13,018,429
Allowance for doubtful accounts (reversal)	13,150,697	1,016,862	(413,514)	295,844
Reduction of inventory to net realisable value (reversal)	(630,058)	10,401,377	4,338,440	20,870,223
Reversal allowance for impairment loss on assets	(2,116,493)	(3,964,324)	(993,293)	(386,231)
Provision for long-term employee benefits	16,348,220	15,424,609	11,616,714	10,919,008
Long-term provisions	6,831,544	216,835	6,831,544	216,835
Provision for quarry restoration costs	2,278,000	950,000	200,000	200,000
Written off bad debts	3,755,630	865,125	3,352,390	25,231
Written off assets	-	108,780	-	-
Gains on sales of investment property	(100,235,000)	-	-	-
(Gains) losses on sales of plant and equipment	1,433,572	(3,690,344)	(94,329)	(2,975,446)
Unrealised (gains) losses on exchange	204,949	(13,920,614)	90,572	88,520
Dividend income from subsidiary	-	-	(251,999,892)	-
Interest income	(71,465,820)	(52,187,202)	(64,414,880)	(64,480,017)
Interest expenses	18,866,720	24,433,419	90,226	327,594
Income from operating activities before changes in operating assets and liabilities	2,593,476,935	2,763,809,391	1,836,484,315	1,888,156,770
Operating assets (increase) decrease				
Trade and other receivables	228,336,284	55,306,466	266,484,327	(35,037,773)
Inventories	28,050,126	(174,627,581)	14,476,371	(140,075,249)
Other current assets	25,453,318	18,911,564	2,018,951	2,910,781
Other non-current assets	(10,888,228)	3,556,030	(10,972,734)	3,937,455
Operating liabilities increase (decrease)				
Trade and other payables	(18,577,517)	243,217,775	(3,787,382)	197,701,811
Short-term provisions	(10,247,110)	(4,232,890)	(10,247,110)	(4,232,890)
Other current liabilities	(6,261,362)	(21,810,063)	(3,759,878)	(28,164,397)
Provision for long-term employee benefits	(1,817,900)	-	(1,000,000)	-
Provision for quarry restoration costs	(1,654,757)	(886,303)	(531,593)	(89,260)
Other non-current liabilities	14,452,597	-	-	-
Cash from operating activities	2,840,322,386	2,883,244,389	2,089,165,267	1,885,107,248
Cash receipt from previous year income tax	674,579	309,654	-	-
Cash paid for income tax	(322,131,140)	(287,331,210)	(309,858,257)	(263,427,711)
<b>Net cash from operating activities</b>	<u>2,518,865,825</u>	<u>2,596,222,833</u>	<u>1,779,307,010</u>	<u>1,621,679,537</u>

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



# Asia Cement Public Company Limited and its subsidiaries

## Cash flow statement (continued)

For the year ended 31 December 2015

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Cash flows from investing activities</b>				
Cash paid for investment in subsidiary	-	-	-	(99,750,000)
Cash paid for loan in subsidiary	-	-	(380,000,000)	-
Cash paid for purchase shares from non-controlling interests of the subsidiaries (Note 2.2)	-	(2,070)	-	(2,070)
Cash receipt from long-term loan to subsidiary	-	-	-	300,000,000
Acquisition of plant and equipment	(280,456,177)	(447,909,398)	(184,895,633)	(314,271,598)
Acquisition of intangible assets	(10)	-	(10)	-
Proceeds from sales of investment property	200,000,000	-	-	-
Proceeds from sales of plant and equipment	3,592,326	3,718,133	749,970	2,983,836
Dividend income from subsidiary	-	-	251,999,892	-
Interest income	73,220,897	53,962,445	66,479,435	68,785,528
<b>Net cash used in investing activities</b>	<u>(3,642,964)</u>	<u>(390,230,890)</u>	<u>(245,666,346)</u>	<u>(42,254,304)</u>
<b>Cash flows from financing activities</b>				
Decrease in short-term loans from financial institution	(150,000,000)	(70,000,000)	-	-
Repayment of long term loans from related parties	(499,236,474)	-	-	-
Dividend paid	(817,341,537)	(467,052,307)	(817,341,537)	(467,052,307)
Dividend paid to non-controlling interest	(3,338)	-	-	-
Interest expenses	(21,891,346)	(29,684,737)	(90,226)	(327,594)
<b>Net cash used in financing activities</b>	<u>(1,488,472,695)</u>	<u>(566,737,044)</u>	<u>(817,431,763)</u>	<u>(467,379,901)</u>
<b>Net increase in cash and cash equivalents</b>	1,026,750,166	1,639,254,899	716,208,901	1,112,045,332
Cash and cash equivalents at beginning of year	4,539,366,970	2,900,112,071	3,840,671,869	2,728,626,537
<b>Cash and cash equivalents at end of year</b>	<u>5,566,117,136</u>	<u>4,539,366,970</u>	<u>4,556,880,770</u>	<u>3,840,671,869</u>
<b>Supplemental cash flows information</b>				
<b>Non-cash transactions</b>				
Purchases of equipment for which no cash has been paid	127,770,546	81,017,749	65,369,322	38,405,552
Transferred cement and spare parts to construction in progress during the year	79,134,141	95,000,016	65,892,753	74,325,408
Transferred advance payment for assets to construction in progress during the year	5,175,158	7,317,726	5,080,830	6,979,400
Transferred land to investment property	-	99,765,000	-	-

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

# Asia Cement Public Company Limited and its subsidiaries

## Notes to consolidated financial statements

For the year ended 31 December 2015

### 1. General information

Asia Cement Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of cement. The registered offices of the Company are as follows:

Head office: 23/124-128 Soi Soonvijai, Rama 9 Road, Bangkapi, Huaykwang, Bangkok.

Pukrang factory: 4/1 Moo1, Yothasai 2 Road, Tambon Pukrang, Amphur Praphutthabat, Saraburi.

In January 2009, Jalaprathan Cement Plc. (a subsidiary) suspended clinker production at Cha-Am and Takli plants and recorded impairment loss on buildings, machines, equipment and spare parts related to those productions in its accounts. Consequently in 2011, the subsidiary operated clinker production at normal capacity at Cha-Am plant. The management of subsidiary therefore decided to reverse the impairment loss recorded for buildings, machines and equipment related to clinker production at Cha-Am plant.

As at 31 December 2015, the subsidiary maintain the impairment loss on buildings, machines, equipment and spare parts related to clinker production at Takli plant same as recorded in 2009, eventhough it produced clinker in year 2013 but not at normal production capacity.

### 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 Asia Cement Public Company Limited (“the Company”) and five subsidiaries (“the subsidiaries”) which incorporated in Thailand. These are detailed below.

Company’s name	Nature of business	Percentage of shareholding	
		<u>2015</u>	<u>2014</u>
		%	%
<u>Held by the Company</u>			
Jalaprathan Cement Plc.	Manufacturing of cement	88.84	88.84
Asia Cement Products Co., Ltd.	Manufacturing of ready-mixed concrete	99.99	99.99
Asia Cement Energy Conservation Co., Ltd.	Generate electricity	99.99	99.99
<u>Held by Jalaprathan Cement Plc.</u>			
Jalaprathan Concrete Co., Ltd	Manufacturing of ready-mixed concrete	99.99	99.99
Naga Property Co., Ltd.	Ceased its operation	100.00	100.00

In December 2013, the Company acquired 68,882,362 ordinary shares of Jalaprathan Cement Public Company (subsidiary) from non-controlling interests of the subsidiary, increasing the Company’s shareholding to 88.84 percent. The investment value was Baht 620 million. The difference between the cost of this purchase from non-controlling interests of the subsidiary and the net book value of the equity of the subsidiary, amounting to Baht 333 million, was recorded as “Surplus from purchase of non-controlling interests of the subsidiary” and separately presented under other components of equity in the consolidated statement of changes in shareholders’ equity.

Subsequently, during year 2014, the Company acquired additional 230 ordinary shares of such subsidiary from non-controlling interests of the subsidiary, amounting to Baht 2,070.

The financial statements of Jalaprathan Cement Plc., has always been included in the consolidated financial statements. This is because the Company has control over that company.

- b) The Company is deemed to have control over an investee or subsidiaries 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.

- c) 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.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiaries 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.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

### **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 year**

The Company and its subsidiaries has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which 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 standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries financial statements. However, some of these standards involve changes to key principles, which are summarised 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 former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

## **TFRS 10 Consolidated Financial Statements**

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of *TAS 27 Consolidated and Separate Financial Statements* dealing with consolidated 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 has control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiaries' financial statements.

## **TFRS 11 Joint Arrangements**

TFRS 11 supersedes *TAS 31 Interests in Joint Ventures*. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

This standard does not have any impact on the 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 on 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 measurement. 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 effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

### **(b) Financial reporting standard that will become effective in the future**

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's and its subsidiaries' management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

## **4. Significant accounting policies**

### **4.1 Revenue recognition**

#### *Sales of goods*

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

#### *Rental income*

Rental income is recognised over the term of the lease, on an accrual basis.

#### *Interest income*

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

#### *Rendering of services*

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

## **4.2 Cash and cash equivalents**

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

## **4.3 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 experience and analysis of debt aging.

## **4.4 Inventories**

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. Cost includes all production costs and attributable factory overheads.

Raw materials are valued at the lower of cost (under the weighted average method) and net realisable value and are charged to production costs whenever consumed.

Spare parts and supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

## **4.5 Investments**

- a) Investments in non-marketable equity securities, which the Company classify as other investments, are stated at cost net of allowance for impairment loss of investment (if any).
- b) Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

The weighted average method is used for computation of the cost of investments.

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

## **4.6 Investment property**

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at cost less allowance for loss on impairment (if any).

On disposal of investment property, 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.

#### 4.7 Property, plant and equipment/Depreciation

Land is stated at revalued amount less allowance for loss on impairment of assets.

Quarries cost is stated at cost less accumulated depletion and allowance for loss on impairment of assets (if any).

Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets.

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values, by using Market Approach. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Company's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised equity under the heading of "Surplus on revaluation of land". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Company's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Surplus on revaluation of land" in respect of the same asset.

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

Buildings, leasehold improvement and structures	-	5 - 30 years
Machinery, tool and equipment	-	5 - 30 years
Furniture, fixtures and office equipment	-	3 - 10 Years
Motor vehicles	-	5 - 10 Years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

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.



In certain cases the Company owns quarries from which it extracts its raw materials. In these cases the stated value includes the purchase price of the land and any improvement costs. When not owned, the quarries costs represent the improvement costs, survey and replantation costs.

The depletion rate for the year is determined by the ratio between the actual units of resources extracted for the year and total number of units extractable from the quarries.

#### **4.8 Intangible assets**

Intangible assets (leasehold right on office building and computer software) are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and 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.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Leasehold right on office building	25 years
Computer software	10 years

Mining concessions represent cost of mining concession, plus if applicable any other concession fees, are stated at cost and being depleted using the ratio of the actual units of limestone extracted for the year and total number of extractable limestone units.

#### **4.9 Related party transactions**

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

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

#### **4.10 Long-term leases**

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.

#### **4.11 Foreign currencies**

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

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

Gains and losses on exchange are included in determining income.

#### **4.12 Impairment of assets**

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, and investment property whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. 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 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. However in cases where land was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

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 estimates 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 unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

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

###### *Defined benefit plans*

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

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

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

#### **4.14 Provisions**

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

#### **4.15 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 their carrying amounts and the tax bases of assets and liabilities, by using the enacted tax rate at the end of reporting period.

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

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

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

#### **4.16 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **5. Significant accounting judgments and estimates**

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

### **Leases**

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment 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 judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

### **Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

### **Allowance for diminution in value of inventory**

In determining an allowance for diminution in value of inventory, the management makes judgment and estimates net realisable value of inventory based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period. Also, the management makes judgment and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

### **Impairment of equity investments**

The Company treats other 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 investment property/Depreciation**

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

The Company measures land at revalued amounts. Such amounts are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates as described in Note 12 to the financial statements.

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

### **Deferred tax assets**

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilised. Significant management judgment 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.

## 6. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash	76	99	76	99
Bank deposits	5,566,041	4,539,268	4,556,805	3,840,573
Total	5,566,117	4,539,367	4,556,881	3,840,672

As at 31 December 2015, bank deposits in saving accounts and fixed accounts carried interests between 0.3 and 1.7 percent per annum (2014: between 0.3 and 2.3 percent per annum) (Separate financial statements: between 0.3 and 1.7 percent per annum (2014: between 0.3 and 2.3 percent per annum)).

## 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, its subsidiaries and those related parties.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b><u>Transactions with subsidiaries</u></b>				
(eliminated from the consolidated financial statements)				
Sales of goods and raw materials	-	-	622	721
Sales of water and waste heat	-	-	16	17
Management fee income	-	-	88	87
Interest income	-	-	1	15
Income from penalty due to failure to buy goods in the amount specified in the agreement	-	-	-	40
Purchases of goods	-	-	48	70
Purchases of electricity	-	-	360	393

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b><u>Transactions with related companies</u></b>				
Sales of goods	535	284	535	283
Interest income	31	33	26	32
Purchases of raw materials	101	311	83	292
Management fee expenses	64	75	63	74
Technical fee	15	22	10	17
Interest expenses	16	22	-	-
Software license fee	14	7	14	7
Consultant fee	9	11	9	11

The balances of accounts as at 31 December 2015 and 2014 between the Company, its subsidiaries and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b><u>Bank deposits with related party</u></b>				
Related financial institution (related by common shareholders)	2,209,160	1,050,908	1,775,840	814,546
Total bank deposits with related party	<u>2,209,160</u>	<u>1,050,908</u>	<u>1,775,840</u>	<u>814,546</u>
<b><u>Trade and other receivables - related parties</u></b>				
<b><u>(Note 8)</u></b>				
Subsidiaries	-	-	331,972	438,064
Related companies (related by common shareholders)	99,775	89,197	99,775	89,197
Total trade and other receivables - related parties	<u>99,775</u>	<u>89,197</u>	<u>431,747</u>	<u>527,261</u>
<b><u>Long-term loans to related party</u></b>				
Subsidiary	-	-	380,000	-
Less: Portion due within one year	-	-	(165,000)	-
Long-term loans to related party - net of current portion	<u>-</u>	<u>-</u>	<u>215,000</u>	<u>-</u>
<b><u>Short-term loans from related party (Note 15)</u></b>				
Related financial institution (related by common shareholders)	130,000	100,000	-	-
Total short-term loans from related party	<u>130,000</u>	<u>100,000</u>	<u>-</u>	<u>-</u>



	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2015	2014	2015	2014
<b><u>Trade and other payables - related parties (Note 16)</u></b>				
Subsidiaries	-	-	82,627	92,363
Related companies (related by common shareholders)	48,987	39,667	36,946	35,966
Total trade and other payables - related parties	<u>48,987</u>	<u>39,667</u>	<u>119,573</u>	<u>128,329</u>
<b><u>Long-term loans from related parties</u></b>				
Related companies (related by common shareholders)	-	499,236	-	-
Less: Portion due within one year	-	(499,236)	-	-
Long-term loans from related parties - net of current portion	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

### **Long-term loans to Jalapraphan Cement Plc. (subsidiary)**

The outstanding balance as at 31 December 2015 represented unsecured loan of Baht 380 million carrying interest at a floating rate following the average three-month fixed deposit rate of three local banks plus 1.0 percent per annum. The loan and interest are repayable on a quarterly basis within 2017.

### **Long-term loans from related companies**

The outstanding balance as at 31 December 2014 represented an unsecured loan of a subsidiary of Euro 2.8 million and Baht 386 million.

The Euro 2.8 million loan was acquired to settle the unpaid technical fee with CTG S.p.A., Italy, a fellow subsidiary. The loan bears interest at the EURIBOR three months rate plus 0.5 percent per annum. Interest is repayable on a quarterly basis while the loan principal matures on 15 December 2011 or as agreed by the parties. Both parties may agree to extend the repayment schedule from the original maturity date.

The second loan of Baht 386 million was acquired to pay for management and technical services from Ciments Francais S.A., France. The loan bears interest at a floating rate following the average three-month fixed deposit rate of three local banks plus 2.5 percent per annum and due on 31 October 2014. During 2014, both parties agree to extend the repayment schedule by due on October 2015.

During year 2015, the subsidiary repay all of the loan and interest.

### Directors and management benefits

During the years ended 31 December 2015 and 2014, the Company and its subsidiaries had employee benefit expenses to their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Short-term employee benefits	32	36	25	31
Post-employment benefits	1	1	1	1
Total	<u>33</u>	<u>37</u>	<u>26</u>	<u>32</u>

### **8. Trade and other receivables**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<u>Trade receivables - related parties</u>				
Age of receivables				
Not yet due	98,203	85,748	309,758	332,541
Past due				
Up to 3 months	-	-	100,948	126,324
3 - 6 months	-	-	1,420	-
Total trade receivables - related parties	<u>98,203</u>	<u>85,748</u>	<u>412,126</u>	<u>458,865</u>
<u>Trade receivables - unrelated parties</u>				
Age of receivables				
Not yet due	1,371,948	1,535,742	779,548	904,744
Past due				
Up to 3 months	319,412	384,632	169,637	213,476
3 - 6 months	19,509	15,369	4,937	5,481
6 - 12 months	29,535	6,123	2,869	3,159
Over 12 months	18,522	13,222	3,503	3,936
Total	<u>1,758,926</u>	<u>1,955,088</u>	<u>960,494</u>	<u>1,130,796</u>
Less: Allowance for doubtful accounts	<u>(27,412)</u>	<u>(14,261)</u>	<u>(3,827)</u>	<u>(4,241)</u>
Total trade receivables - unrelated parties, net	<u>1,731,514</u>	<u>1,940,827</u>	<u>956,667</u>	<u>1,126,555</u>
Total trade receivables - net	<u>1,829,717</u>	<u>2,026,575</u>	<u>1,368,793</u>	<u>1,585,420</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<u>Other receivables</u>				
Other receivables - related parties	1,572	3,449	19,621	68,396
Other receivables - unrelated parties	48,588	96,851	10,408	16,494
Total other receivables	<u>50,160</u>	<u>100,300</u>	<u>30,029</u>	<u>84,890</u>
Total trade and other receivables - net	<u>1,879,877</u>	<u>2,126,875</u>	<u>1,398,822</u>	<u>1,670,310</u>

Approximately Baht 11.5 million of the Company and its subsidiaries' trade accounts receivable as at 31 December 2015 was factoring with recourse to a bank (2014: Baht 10.9 million) (Separate financial statements: Baht 11.5 million (2014: Nil)). The amount received from factoring has been recorded as a secured liability under the caption of "Trade and other payables" in the statement of financial position.

## 9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Finished goods	154,973	139,453	-	-	154,973	139,453
Work in process	316,789	504,556	(2,000)	(2,000)	314,789	502,556
Raw materials	620,660	607,349	(23,125)	(23,125)	597,535	584,224
Spare parts and supplies	928,460	889,943	(390,194)	(390,824)	538,266	499,119
Good in transit	13,303	-	-	-	13,303	-
Total	<u>2,034,185</u>	<u>2,141,301</u>	<u>(415,319)</u>	<u>(415,949)</u>	<u>1,618,866</u>	<u>1,725,352</u>

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Finished goods	95,759	94,919	-	-	95,759	94,919
Work in process	198,432	315,200	-	-	198,432	315,200
Raw materials	421,601	402,062	(19,120)	(19,120)	402,481	382,942
Spare parts and supplies	639,038	624,079	(250,181)	(245,843)	388,857	378,236
Good in transit	1,129	-	-	-	1,129	-
Total	<u>1,355,959</u>	<u>1,436,260</u>	<u>(269,301)</u>	<u>(264,963)</u>	<u>1,086,658</u>	<u>1,171,297</u>

During the current year, the Company and its subsidiaries reduced cost of inventories by Baht 27 million (2014: Baht 68 million) (Separate financial statement: Baht 23 million (2014: Baht 48 million)), to reflect the net realisable value. This was included in cost of sales. In addition, the Company reversed the write-down of cost of inventories by Baht 28 million (2014: Baht 58 million) (Separate financial statement: Baht 19 million (2014: Baht 28 million)), and reduced the amount of inventories recognised as expenses during the year.

As described in Note 1 to the financial statements as at 31 December 2015, the subsidiary maintain the impairment of spare parts of machines related to clinker production at Takli plant amounting to Baht 27 million (2014: Baht 34 million).

## 10. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
			(%)	(%)		
Jalaprathan Cement Plc.	1,200,000	1,200,000	88.84	88.84	1,191,032	1,191,032
Asia Cement Products Co., Ltd.	10,000	10,000	99.99	99.99	10,000	10,000
Asia Cement Energy Conservation Co., Ltd	1,400,000	1,400,000	99.99	99.99	<u>1,400,000</u>	<u>1,400,000</u>
Total					<u>2,601,032</u>	<u>2,601,032</u>

During the year 2015, the Company had dividend received from Asia Cement Energy Conservation Co., Ltd. amounted to Baht 252 million.

### Investment in Asia Cement Energy Conservation Co., Ltd.

On 15 March 2011, the extraordinary general meeting of the shareholders of Asia Cement Energy Conservation Co., Ltd., a subsidiary, passed a resolution to increase its registered share capital of Baht 1,399 million from Baht 1 million (10,000 ordinary shares of Baht 100 each) to Baht 1,400 million (14 million shares of Baht 100 each) by issuing additional 13.99 million ordinary shares of Baht 100 each. The subsidiary registered the first 10 million additional shares of Baht 100 each with the Ministry of Commerce. In December 2011, the Company already paid for such new shares.

During year 2012, the subsidiary registered the rest 3.99 million additional shares of Baht 100 per share with the Ministry of Commerce, and called up 25 percent of the new registered capital totaling Baht 99.75 million. In 2013, the subsidiary called up an additional 50 percent of that registered capital, totaling Baht 199.50 million. Subsequently, during year 2014, the subsidiary called up the last additional 25 percent of that registered capital, totaling Baht 99.75 million. The Company already paid for such new shares.

#### Investment in Jalaprathan Cement Public Company Limited

As described in Note 2.2 to the financial statements, in December 2013, the Company acquired 68,882,362 ordinary shares of Jalaprathan Cement Public Company Limited (subsidiary) from non-controlling interests of the subsidiary, increasing the Company's shareholding to 88.84 percent. The investment value was Baht 620 million.

Subsequently, during year 2014, the Company acquired additional 230 ordinary shares of such subsidiary from non-controlling interests of the subsidiary, amounting to Baht 2,070.

### **11. Investment property**

Investment property of the subsidiary is land awaiting sale as presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Net book value at beginning of year	99,765	-	-	-
Transfer from land account	-	99,765	-	-
Disposals - net book value	(99,765)	-	-	-
Net book value at end of year	<u>-</u>	<u>99,765</u>	<u>-</u>	<u>-</u>

As at 31 December 2014, the fair value of land was Baht 153 million, which was appraised by an accredited independent value using the market approach.

During the year 2015, the subsidiary sold such land to a non-related company amounting to Baht 200 million and recognised gains on the sales amounting to Baht 100 million in profit or loss.

## 12. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements												
	Assets used in the operations					Unused assets but not classified as held for sale							
	Revaluation basis	Cost basis				Revaluation basis	Cost basis						
	Land	Quarries cost	Buildings, leasehold improvement and structures	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Land	Buildings, leasehold improvement and structures	Machinery, tools and equipment	Motor vehicles	Construction in progress	Total
<b>Cost/Revalued amount:</b>													
As at 1 January 2014	1,689,351	613,888	4,435,119	15,354,943	331,511	809,754	719,249	163,300	275,469	1,261,535	109,131	76,440	25,839,690
Additions	-	-	-	1,893	271	171	628,910	-	-	-	-	-	631,245
Disposals/write-off	-	-	(59,790)	(13,157)	(9,304)	(1,279)	-	-	-	-	-	-	(83,530)
Transfer between accounts	-	-	31,698	520,358	10,333	21,936	(600,266)	-	-	-	-	-	(15,941)
Transfer to investment property	-	-	-	-	-	-	-	(99,765)	-	-	-	-	(99,765)
As at 31 December 2014	1,689,351	613,888	4,407,027	15,864,037	332,811	830,582	747,893	63,535	275,469	1,261,535	109,131	76,440	26,271,699
Additions	-	-	-	6,562	377	-	485,597	-	-	-	-	-	492,536
Disposals/write-off	-	-	(3,639)	(36,563)	(914)	(55,996)	(810)	-	-	(537)	-	-	(98,459)
Transfer between accounts	-	-	66,467	346,600	18,053	66,990	(504,503)	-	-	-	-	-	(6,393)
Transfer to assets used in the operations	63,535	-	-	1,123	-	17,204	-	(63,535)	-	-	(17,204)	(1,123)	-
As at 31 December 2015	1,752,886	613,888	4,469,855	16,181,759	350,327	858,780	728,177	-	275,469	1,260,998	91,927	75,317	26,659,383
<b>Accumulated depreciation:</b>													
As at 1 January 2014	-	109,024	3,582,538	11,934,390	290,360	746,761	-	-	151,709	643,221	102,791	-	17,560,794
Depreciation for the year	-	11,839	133,613	667,569	10,205	15,316	-	-	-	-	-	-	838,542
Depreciation on disposals /write-off	-	-	(59,678)	(13,138)	(9,299)	(1,279)	-	-	-	-	-	-	(83,394)
Reverse allowance for impairment loss	-	-	22,148	65,347	-	2,149	-	-	-	-	-	-	89,644
Transfer between accounts	-	-	(1,798)	(14,143)	-	-	-	-	-	-	-	-	(15,941)
As at 31 December 2014	-	120,863	3,676,823	12,640,025	291,266	762,947	-	-	151,709	643,221	102,791	-	18,389,645

(Unit: Thousand Baht)

## Consolidated financial statements (continued)

	Assets used in the operations						Unused assets but not classified as held for sale						
	Revaluation basis	Cost basis			Revaluation basis			Cost basis			Total		
		Quarries cost	Buildings, leasehold improvement and structures	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Land	Buildings, leasehold improvement and structures	Machinery, tools and equipment		Motor vehicles	Construction in progress
Depreciation for the year	-	12,947	131,516	685,645	11,957	19,562	-	-	-	-	-	-	861,627
Depreciation on disposals /write-off	-	-	(3,096)	(33,556)	(913)	(55,331)	-	-	-	(537)	-	-	(93,433)
Transfer between accounts	-	-	-	(6,325)	-	-	-	-	-	-	-	-	(6,325)
Transfer to assets used in the operations	-	-	-	-	-	16,539	-	-	-	-	(16,539)	-	-
As at 31 December 2015	-	133,810	3,805,243	13,285,789	302,310	743,717	-	151,709	642,684	86,252	-	-	19,151,514
<b>Allowance for impairment loss:</b>													
As at 1 January 2014	81,771	54,758	22,148	65,347	-	2,149	15,691	123,760	618,314	6,340	76,440	76,440	1,117,018
Decrease during the year	-	-	-	-	-	-	(3,964)	-	-	-	-	-	(3,964)
Reverse allowance for impairment loss	-	-	(22,148)	(65,347)	-	(2,149)	-	-	-	-	-	-	(89,644)
As at 31 December 2014	81,771	54,758	-	-	-	-	11,727	123,760	618,314	6,340	76,440	(1,123)	1,023,410
Decrease during the year	-	-	-	-	-	-	(993)	-	-	-	-	-	(2,116)
Transfer to assets used in the operations	50,300	-	-	-	-	665	-	(50,300)	-	(665)	-	-	-
As at 31 December 2015	132,071	54,758	-	-	-	665	10,734	123,760	618,314	5,675	75,317	-	1,021,294
<b>Net book value:</b>													
As at 31 December 2014	1,607,580	438,267	730,204	3,224,012	41,545	67,635	736,166	13,235	-	-	-	-	6,858,644
As at 31 December 2015	1,620,815	425,320	664,612	2,895,970	48,017	114,398	717,443	-	-	-	-	-	6,486,575
<b>Depreciation for the year:</b>													
2014 (Baht 813 million included in manufacturing cost, and the balance in administrative expenses)													838,542
2015 (Baht 835 million included in manufacturing cost, and the balance in administrative expenses)													861,627

(Unit: Thousand Baht)

## Separate financial statements (all assets are used in the operations)

	Revaluation basis	Cost basis							Total
		Land	Quarries cost	Buildings, leasehold improvement and structures	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	
<b>Cost/Revalued amount:</b>									
As at 1 January 2014	374,548	546,241	3,299,463	10,746,185	303,086	640,452	482,960	16,392,935	
Additions	-	-	-	426	147	98	433,311	433,982	
Disposals/write-off	-	-	(10,495)	(3,222)	(4,363)	-	-	(18,080)	
Transfer between accounts	-	-	17,576	303,529	3,203	11,595	(351,844)	(15,941)	
As at 31 December 2014	374,548	546,241	3,306,544	11,046,918	302,073	652,145	564,427	16,792,896	
Additions	-	-	-	5,338	95	-	315,806	321,239	
Disposals/write-off	-	-	-	-	(124)	-	(656)	(780)	
Transfer between accounts	-	-	31,415	270,673	8,775	62,803	(380,059)	(6,393)	
As at 31 December 2015	374,548	546,241	3,337,959	11,322,929	310,819	714,948	499,518	17,106,962	
<b>Accumulated depreciation:</b>									
As at 1 January 2014	-	101,412	2,831,444	9,017,624	264,680	591,736	-	12,806,896	
Depreciation for the year	-	11,833	101,172	458,807	8,799	10,771	-	591,382	
Depreciation on disposals/write-off	-	-	(10,493)	(3,222)	(4,356)	-	-	(18,071)	
Transfer between accounts	-	-	-	(15,941)	-	-	-	(15,941)	
As at 31 December 2014	-	113,245	2,922,123	9,457,268	269,123	602,507	-	13,364,266	
Depreciation for the year	-	9,948	96,463	468,441	9,157	14,626	-	598,635	
Depreciation on disposals/write-off	-	-	-	-	(124)	-	-	(124)	
Transfer between accounts	-	-	-	(6,325)	-	-	-	(6,325)	
As at 31 December 2015	-	123,193	3,018,586	9,919,384	278,156	617,133	-	13,956,452	



(Unit: Thousand Baht)

## Separate financial statements (all assets are used in the operations) (continued)

	Revaluation basis	Cost basis							Total
		Land	Quarries cost	Buildings, leasehold improvement and structures	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	
<b>Allowance for impairment loss:</b>									
As at 1 January 2014	-	54,758	-	-	-	-	-	11,999	66,757
Decrease during the year	-	-	-	-	-	-	-	(387)	(387)
As at 31 December 2014	-	54,758	-	-	-	-	-	11,612	66,370
Decrease during the year	-	-	-	-	-	-	-	(993)	(993)
As at 31 December 2015	-	54,758	-	-	-	-	-	10,619	65,377
<b>Net book value:</b>									
As at 31 December 2014	374,548	378,238	384,421	1,589,650	32,950	49,638	552,815	3,362,260	
As at 31 December 2015	374,548	368,290	319,373	1,403,545	32,663	97,815	488,899	3,085,133	
<b>Depreciation for the year:</b>									
2014 (Baht 566 million included in manufacturing cost, and the balance in administrative expenses)									591,382
2015 (Baht 572 million included in manufacturing cost, and the balance in administrative expenses)									598,635

As described in Note 1 to the financial statements, as at 31 December 2015, the subsidiary maintain the impairment of the assets related to clinker production at Takli plant amounted to Baht 823 million (2014: Baht 823 million).

A breakdown of land carried on the revaluation basis is as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Original cost	1,563,578	1,563,578	322,595	322,595
Surplus from revaluation	189,308	189,308	51,953	51,953
Revalued amount	1,752,886	1,752,886	374,548	374,548
Less: Allowance for impairment loss	(132,071)	(132,071)	-	-
Net book value	<u>1,620,815</u>	<u>1,620,815</u>	<u>374,548</u>	<u>374,548</u>

As at 31 December 2015, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted approximately Baht 9,250 million (2014: Baht 8,571 million) (Separate financial statements: Baht 6,684 million (2014: Baht 6,002 million)).

### 13. Intangible assets

	(Unit: Thousand Baht)			
	Consolidated/Separate financial statements			
	Leasehold right on office building	Computer software	Mining concessions	Total
<b>Cost:</b>				
1 January 2014	185,875	38,916	25,104	249,895
31 December 2014	185,875	38,916	25,104	249,895
31 December 2015	185,875	38,916	25,104	249,895
<b>Accumulated amortisation/ depletion:</b>				
1 January 2014	134,364	2,612	14,627	151,603
Amortisation/depletion for the year	7,447	3,892	1,680	13,019
31 December 2014	141,811	6,504	16,307	164,622
Amortisation/depletion for the year	7,447	3,892	1,654	12,993
31 December 2015	149,258	10,396	17,961	177,615
<b>Net book value:</b>				
31 December 2014	44,064	32,412	8,797	85,273
31 December 2015	36,617	28,520	7,143	72,280

## 14. Income tax

14.1 Income tax expenses of the Company and its subsidiaries for the years ended 31 December 2015 and 2014 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Current income tax:</b>				
Current income tax charge	266,317	283,043	257,481	269,909
Over recorded of last year income tax	(1,473)	(2,963)	(1,473)	(2,963)
Write-off of non-refundable withholding tax deducted at source	462	527	-	-
Total	<u>265,306</u>	<u>280,607</u>	<u>256,008</u>	<u>266,946</u>
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(11,773)	(55,781)	(2,112)	(4,729)
Total	<u>(11,773)</u>	<u>(55,781)</u>	<u>(2,112)</u>	<u>(4,729)</u>
Income tax expenses reported in the statement of comprehensive income	<u>253,533</u>	<u>224,826</u>	<u>253,896</u>	<u>262,217</u>

14.2 The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Deferred tax on actuarial (gains) losses arising from post-employment benefits	1,497	4,372	(70)	2,899
	<u>1,497</u>	<u>4,372</u>	<u>(70)</u>	<u>2,899</u>

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Accounting profit before tax	1,830,435	1,932,594	1,516,252	1,318,655
Applicable tax rates	0 - 20%	0 - 20%	20%	20%
Accounting profit before tax multiply by income tax rate	366,087	386,524	303,250	263,731
Utilisation of previously unrecognised deferred tax assets				
- Tax losses	(12,024)	(63,604)	-	-
- Allowance for diminution in value of inventories	(1,334)	(5,723)	-	-
- Allowance for impairment loss of assets	(14,844)	(15,182)	-	-
Previous year tax loss which were recognised as deferred tax assets during the year	(51,210)	(26,855)	-	-
Reversal of previously recognised deferred tax assets	7,690	3,158	-	-
Tax effect of promotional privileges	(42,341)	(52,698)	-	-
Effect of elimination entries on the consolidated financial statements	(34)	(39)	-	-
Tax effect of dividend income	-	-	(50,400)	-
Tax effect of non-deductible expenses	2,554	21,165	2,519	1,449
Tax effect of reversal surplus revaluation of land as a result of transfer to investment property/disposal	-	(19,484)	-	-
Write-off of non-refundable withholding tax deducted at source	462	527	-	-
Over recorded of last year income tax	(1,473)	(2,963)	(1,473)	(2,963)
Income tax expenses as included in the statement of comprehensive income	<u>253,533</u>	<u>224,826</u>	<u>253,896</u>	<u>262,217</u>

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	27,412	14,261	3,827	4,241
Allowance for diminution in value of inventories	388,418	382,375	269,301	264,963
Allowance for impairment of assets	66,237	68,353	65,377	66,370
Provision for quarry restoration costs	8,243	7,620	4,273	4,605
Provision for sales promotion	-	10,247	-	10,247
Provision for long - term employee benefits	211,271	189,257	139,056	128,787
Other long-term provisions	11,385	4,553	11,385	4,553
Concession and extraction rights-aggregate	14,453	-	-	-
Loss of asset damage from fire accident	2,629	-	-	-
Effect of elimination of intercompany transactions	-	67,868	-	-
Tax losses	256,048	174,854	-	-
	<u>986,096</u>	<u>919,388</u>	<u>493,219</u>	<u>483,766</u>
Applicable tax rates	20%	20%	20%	20%
Deferred tax assets	<u>197,219</u>	<u>183,878</u>	<u>98,644</u>	<u>96,753</u>
<b>Deferred tax liabilities</b>				
Depreciation from changing useful lives of assets	(38,602)	(38,246)	(29,264)	(30,022)
Increase on revaluation of land	(74,576)	(74,576)	(51,953)	(51,953)
Surplus from revaluation of land of subsidiary on acquisition	(1,168,393)	(1,168,393)	-	-
	<u>(1,281,571)</u>	<u>(1,281,215)</u>	<u>(81,217)</u>	<u>(81,975)</u>
Applicable tax rates	20%	20%	20%	20%
Deferred tax liabilities	<u>(256,314)</u>	<u>(256,243)</u>	<u>(16,243)</u>	<u>(16,395)</u>

14.5 As at 31 December 2015, the subsidiaries have deductible temporary differences and unused tax losses of totaling Baht 527 million (2014: Baht 926 million). No deferred tax assets have been recognised on these amount as the subsidiaries believe that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

Details of expiry date of unused tax loss are summarised as below:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
31 December 2015	-	220	-	-
31 December 2016	192	204	-	-
31 December 2017	125	130	-	-
31 December 2018	4	4	-	-
	<u>321</u>	<u>558</u>	<u>-</u>	<u>-</u>

#### 15. Short-term loans from financial institution

As at 31 December 2015, a subsidiary has unsecured loan from local commercial bank, related financial institution, amounting to Baht 130 million (2014: Baht 100 million), bearing interest at a rate of 2.40 percent per annum (2014: 2.65 percent per annum).

In addition, as at 31 December 2014, the subsidiary has unsecured loan from a non related financial institution, amounting to Baht 180 million, bearing interest at a rate of 2.58 percent per annum. However, the subsidiary has already repaid the loan during 2015.

#### 16. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Trade payables - related parties	12,510	3,666	15,453	19,465
Trade payables - unrelated parties	1,279,799	1,196,650	884,916	826,170
Other payables - related parties	36,477	36,001	104,120	108,864
Other payables - unrelated parties	448,405	389,621	272,460	232,571
Account payable from factoring	11,522	10,940	11,522	-
Advanced received from customers	19,373	21,707	13,078	16,809
Accrued expenses	150,043	193,170	82,083	118,081
Total trade and other payables	<u>1,958,129</u>	<u>1,851,755</u>	<u>1,383,632</u>	<u>1,321,960</u>

The account payable from factoring represents the amount received from a bank for factoring with recourse, in accordance with the conditions specified in the factoring agreement. The bank has the right to pursue the Company and its subsidiaries for payment in the event that it is unable to make full collection of the trade receivables.

## 17. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Provision for long-term employee benefits</b>				
<b>at beginning of year</b>	189,257	151,972	128,787	103,373
Included in profit or loss:				
Current service cost	10,733	9,193	7,805	6,716
Interest cost	5,615	6,232	3,812	4,203
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	-	21,860	-	14,495
Experience adjustments	7,483	-	(348)	-
Benefits paid during the year	(1,817)	-	(1,000)	-
<b>Provision for long-term employee benefits</b>				
<b>at end of year</b>	<u>211,271</u>	<u>189,257</u>	<u>139,056</u>	<u>128,787</u>

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cost of sales	1,898	1,877	-	-
Selling and administrative expenses	14,450	13,548	11,617	10,919
<b>Total expenses recognised in profit or loss</b>	<u>16,348</u>	<u>15,425</u>	<u>11,617</u>	<u>10,919</u>

The Company and its subsidiaries expect to pay Baht 16 million of long-term employee benefits during the next year (Separate financial statements: Baht 13 million) (2014: Baht 2 million (Separate financial statements: Baht 2 million)).

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 10 years (Separate financial statements: 10 years) (2014: 10 years (Separate financial statements: 10 years)).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Discount rate	3.0	3.0	3.0	3.0
Salary increase rate	5.0	5.0	5.0	5.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 0.25%</u>	<u>Decrease 0.25%</u>	<u>Increase 0.25%</u>	<u>Decrease 0.25%</u>
Discount rate	208	218	137	143
Salary increase rate	219	208	144	136

#### 18. Statutory reserve

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

#### 19. Other components of shareholders' equity

The revaluation surplus on land as included in other components of shareholders' equity can neither be offset against deficit nor used for dividend payment.



## 20. Expenses by nature

Significant expenses classified by nature are as follow:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Salaries and wages and other				
employee benefits	678,838	654,761	499,789	492,732
Depreciation	861,627	838,542	598,635	591,382
Reversal loss on impairment of assets	(2,116)	(3,964)	(993)	(387)
Loss on obsolescence and impairment				
of raw materials, spare parts and				
supplies (reversal)	(630)	10,401	4,338	20,870
Allowance for doubtful accounts/				
written-off bad debts	16,906	1,882	2,939	321
Transportation expenses	259,359	345,414	63,904	121,900
Management fee	3,141	3,286	2,269	2,613
Rental expenses from operating lease				
agreements	89,518	87,775	9,860	10,610
Repair and maintenance expenses	661,548	664,847	503,736	507,406
Raw materials used, consumables used				
and purchase of goods	3,206,001	3,506,291	1,991,506	2,117,243
Changes in inventories of finished				
goods, work in process and clinker	160,709	(180,478)	115,928	(125,690)

## 21. Basic earnings per share

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

## 22. 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 four reportable segments as follows: (1) Manufacturing of cement (2) Manufacturing of ready-mixed concrete (3) Office building rental and (4) Generate electricity. 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 on a basis consistent with that used to measure operating profit or loss in the financial statements.

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

The Company and its subsidiaries are operated in Thailand only. As a result, all of the revenues as reflected in these financial statements pertain to the aforementioned geographical reportable.

For the years 2015 and 2014, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues.

The following tables present revenue and profit information regarding the Company's and its subsidiaries' operating segments for the year ended 31 December 2015 and 2014.

(Unit: Million Baht)

	Consolidated financial statements											
	Cement segment		Ready-mixed concrete segment		Office building rental segment		Generate electricity segment		Elimination of inter-segment revenues		Consolidation	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenue from external customers	9,310	9,339	1,583	1,718	-	-	-	-	-	-	10,893	11,057
Inter-segment revenues	700	771	49	42	-	-	360	393	(1,109)	(1,206)	-	-
Interest income	68	67	4	10	-	-	6	3	(3)	(24)	75	56
Dividend income	300	-	-	-	-	-	-	-	(300)	-	-	-
Other income	164	259	50	21	-	-	-	-	(54)	(234)	160	46
Total revenues	10,542	10,436	1,686	1,791	-	-	366	396	(1,466)	(1,464)	11,128	11,159
Cost of sales	(7,233)	(7,187)	(1,552)	(1,623)	-	-	(52)	(42)	1,154	1,286	(7,683)	(7,566)
Selling expenses	(191)	(265)	(13)	(15)	-	-	-	-	-	-	(204)	(280)
Administrative expenses	(466)	(489)	(83)	(60)	-	-	(10)	(7)	77	88	(482)	(468)
Depreciation, depletion and amortisation	(770)	(757)	(19)	(14)	-	-	(86)	(81)	-	-	(875)	(852)
Total expenses	(8,660)	(8,698)	(1,667)	(1,712)	-	-	(148)	(130)	1,231	1,374	(9,244)	(9,166)
Profit before finance cost and income tax expenses	1,882	1,738	19	79	-	-	218	266	(235)	(90)	1,884	1,993
Finance cost	(52)	(80)	(5)	(5)	-	-	-	-	3	24	(54)	(61)
Income tax expenses	(229)	(219)	(11)	(19)	-	-	-	-	(13)	14	(253)	(224)
Profit for the year	1,601	1,439	3	55	-	-	218	266	(245)	(52)	1,577	1,708

## 23. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees, the Company and its subsidiaries contributed to the fund monthly at the rate of 3 - 10 percent of basic salaries. The fund, which is managed by Bangkok Capital Asset Management Company Limited and UOB Asset Management (Thai) Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2015 amounting to approximately Baht 32 million (2014: Baht 30 million) (Separate financial statements: Baht 23 million (2014: Baht 23 million)) were recognised as expenses.

## 24. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2013	Annual General Meeting of the shareholders on 28 April 2014	467,052	0.60
Total for 2014		467,052	0.60
Final dividends for 2014	Annual General Meeting of the shareholders on 3 April 2015	817,342	1.05
Total for 2015		817,342	1.05

## 25. Commitments and contingent liabilities

### 25.1 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land, office building space, motor vehicles, and the sublease of rights to mine and produce limestone. The terms of the agreements are generally between 1 and 25 years. The subsidiary is committed to make payment for the subleased rights to mine and produce limestone at minimum rates and on the basis of the volume produced multiplied by the rate specified in the sublease of rights agreement.

As at 31 December 2015 and 2014, future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Payable:				
In up to 1 year	59	59	22	22
In over 1 and up to 5 years	169	197	37	44
In over 5 years	-	4	-	3

## 25.2 Long-term service agreements commitments

- a) The Company and its subsidiaries have entered into agreements related to the concrete transportation, packing cement and other services. The Company and its subsidiaries are committed to pay service fees calculated from quantities and distance multiplied by the rate specified in the agreements.
- b) The Company and its subsidiaries have entered into others services agreements, mostly related to the provision of repair and maintenance of machines and equipments and the provision of concrete production. As at 31 December 2015 and 2014, there were commitments to be payable under those agreements as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Payable:				
In up to 1 year	158	96	115	70
In over 1 and up to 5 years	48	59	32	42

In addition, a subsidiary has entered into agreements regarding the provision of repair and maintenance of machines and equipments which it is committed to pay the service fees calculated from production quantities multiplied by rate specified in the agreements.

### 25.3 Purchase of raw material commitments

As at 31 December 2015, the Company and its subsidiaries have entered into agreements to purchase of raw materials in the future of approximately Baht 1,176 million (2014: Baht 440 million) (Separate financial statements: Baht 896 million (2014: Baht 398 million)).

In addition, the subsidiaries have entered into another agreements regarding to purchase of raw materials in the future. Commitment value will be based on the purchase volume and prices specified in the agreements.

### 25.4 Bank guarantees

The Company and its subsidiaries have outstanding bank guarantees issued by banks on behalf of the Company and its subsidiaries as at 31 December 2015 and 2014 as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Guarantee the application for the right to operate an industrial stone mine with the aim to develop a cement industry and establish a cement factory in the south of Thailand	300	300	300	300
Guarantee electricity use	232	232	179	179
Other guarantees	14	11	7	7

### 26. Fair value hierarchy

As at 31 December 2015, the Company and its subsidiaries had the asset that was measured at fair value using level 2 of inputs as follows:

Asset measured at fair value	(Unit: Million Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Land	1,621	375

## 27. Financial instruments

### 27.1 Financial risk management policies

The Company 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, borrowing, investments, trade and other payables and loans. The financial risks associated with these financial instruments and how they are managed is described below.

#### ***Credit risk***

The Company and its subsidiaries exposed to credit risk primarily with respect to trade and other receivables and borrowing. 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 concentrations on credit risk since they have large customer bases. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and borrowing as stated in the statement of financial position.

#### ***Interest rate risk***

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, borrowing, and loans. Most of the Company and its subsidiaries' financial assets and liabilities bear no interest or floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities as at 31 December 2015 and 2014 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2015				
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial assets</b>					
Cash and cash equivalents	4,745	702	119	5,566	0.25 - 1.65
Trade and other receivables	26	-	1,854	1,880	2
Other long-term investments	-	-	1	1	-
	<u>4,771</u>	<u>702</u>	<u>1,974</u>	<u>7,447</u>	

(Unit: Million Baht)

## Consolidated financial statements

As at 31 December 2015

	Fixed			Total	Effective interest rate (% p.a.)
	interest rates within 1 year	Floating interest rate	Non- interest bearing		
<b>Financial liabilities</b>					
Short-term loans from financial institution	130	-	-	130	2.40
Trade and other payables	-	-	1,958	1,958	-
	<u>130</u>	<u>-</u>	<u>1,958</u>	<u>2,088</u>	

(Unit: Million Baht)

## Consolidated financial statements

As at 31 December 2014

	Fixed			Total	Effective interest rate (% p.a.)
	interest rates within 1 year	Floating interest rate	Non- interest bearing		
<b>Financial assets</b>					
Cash and cash equivalents	3,570	860	109	4,539	0.25 - 2.30
Trade and other receivables	35	-	2,092	2,127	2.00 - 3.00
Other long-term investments	-	-	1	1	-
	<u>3,605</u>	<u>860</u>	<u>2,202</u>	<u>6,667</u>	
<b>Financial liabilities</b>					
Short-term loans from financial institution	280	-	-	280	2.58 - 2.65
Trade and other payables	-	-	1,852	1,852	-
Long-term loans from related parties	-	499	-	499	0.58 - 4.12
	<u>280</u>	<u>499</u>	<u>1,852</u>	<u>2,631</u>	

(Unit: Million Baht)

## Separate financial statements

As at 31 December 2015

	Fixed			Total	Effective interest rate (% p.a.)
	interest rates within 1 year	Floating interest rate	Non- interest bearing		
<b>Financial assets</b>					
Cash and cash equivalents	4,030	439	88	4,557	0.25 - 1.65
Trade and other receivables	-	-	1,399	1,399	2.00
Long-term loans to related party	-	380	-	380	1.93
Investments in subsidiaries	-	-	2,601	2,601	-
Other long-term investment	-	-	1	1	-
	<u>4,030</u>	<u>819</u>	<u>4,089</u>	<u>8,938</u>	
<b>Financial liability</b>					
Trade and other payables	-	-	1,384	1,384	-
	<u>-</u>	<u>-</u>	<u>1,384</u>	<u>1,384</u>	



(Unit: Million Baht)

Separate financial statements					
As at 31 December 2014					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial assets</b>					
Cash and cash equivalents	3,155	612	74	3,841	0.25 - 2.30
Trade and other receivables	-	-	1,670	1,670	2.00
Investments in subsidiaries	-	-	2,601	2,601	-
Other long-term investment	-	-	1	1	-
	<u>3,155</u>	<u>612</u>	<u>4,346</u>	<u>8,113</u>	
<b>Financial liability</b>					
Trade and other payables	-	-	1,322	1,322	-
	<u>-</u>	<u>-</u>	<u>1,322</u>	<u>1,322</u>	

### Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from trading transactions and loans that are denominated in foreign currencies.

The balances of financial liabilities denominated in foreign currencies as at are summarised below.

Foreign currency	Financial liabilities as at 31 December		Selling exchange rate as at 31 December	
	<u>2015</u> (Million)	<u>2014</u> (Million)	<u>2015</u> (Baht per 1 foreign currency unit)	<u>2014</u>
Euro	1	4	39.7995	40.3552

### 27.2 Fair value 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, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

### 28. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2015, the Group's debt-to-equity ratio was 0.21:1 (2014: 0.27:1) and the Company's was 0.15:1 (2014: 0.15:1).

**29. Fire at Cha-Am Plant of a subsidiary**

On 10 November 2015, a fire broke out in control room and parts of machine at Cha-Am plant of a subsidiary, caused by an electrical short circuit. The subsidiary has investigated the resulting losses and has filed a fire insurance claim with an insurance company. Management does not expect any significant losses will be incurred as a result of this incident.

**30. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 16 February 2016.













# ปูนดอกบัว



23/124-128 ซอยศูนย์วิจัย ถนนพระรามที่ 9  
แขวงบางกะปิ เขตห้วยขวาง กรุงเทพฯ 10310  
โทรศัพท์ 0-2641-5600 โทรสาร 0-2641-5680

23/124-128 Soi Soonvijai, Rama 9 Road,  
Bangkapi, Huaykwang, Bangkok 10310 Thailand  
Tel. (66 2) 641-5600 Fax. (66 2) 641-5680