

รายงานประจำปี

ANNUAL REPORT

2557 / 2014



บริษัท ปูนซีเมนต์เอเชีย จำกัด (มหาชน)
Asia Cement
Public Company Limited



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ANNUAL REPORT 2014



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Message from the Chairman

Asia Cement Public Co., Ltd.



In 2014, the domestic demand for cement was approximately 34.9 million tons, an increase of 1.8% in comparison with 2013. Although the market improved only slightly, the Company however managed to do very well. While revenue grew by 7% to Baht 11,160 million, net income grew by an impressive 81% to Baht 1,708 million, the highest level ever recorded.

The improved profitability of the Company in 2014 benefitted from management actions to improve its market positioning and operational efficiency, in particular the contributions from the 21 Mw Waste Heat Recovery and Power Generation plant that was commissioned in 2013 at Pukrang.

Moreover, the Company has also unveiled a new cement product – the technical grade dry mortar cement which has multiple convenient uses, for example, as adhesive cement for ceramic tiles, for tile grouting and cement based skim coating, including as multipurpose repairing cement. These cement innovations expand our product variety and help fulfill the needs of cement users today who look for instant, convenient and high quality functions.

In 2014, the Asia Cement Pukrang Plant was presented with the “Excellent Workplace for Labour Relations and Welfare Award” by the Ministry of Labour for the ninth consecutive year, attesting to the good governance as well as close relationship between the Company and its personnel. In addition, the Company was also the proud recipient of the “Green Industry Award” given by the Department of Primary Industries and Mines, of the Ministry of Industry, in recognition of the Company’s environmental management capability as well as corporate social responsibility.

Asia Cement believes and invests in human resource development. We continue to provide for scholarship programmes to needy students with good academic results at all educational levels, and have also organized extracurricular activities such as the Environmental Conservation Youth Camp.

On the occasion of the 25th anniversary of the Company’s establishment, we have launched a project entitled “25 Renewable Energy Schools”. We will install 4 kW solar panels on the rooftops of 25 small and medium-sized schools situated around our Cement Plants and other appropriate locations over 3 years. In 2014, we have managed to install solar panels in 4 schools at Pukrang sub-district, which have resulted in electricity bill savings of 80-90% for the schools, which meant an increase of 20-25% of their annual expenditure.

The Company has been able to achieve the good results due to the support from our clients, shareholders and employees. On behalf of the Board of Directors and the management, I would like to thank you.

A handwritten signature in blue ink, consisting of stylized cursive letters, followed by a horizontal line.

(Mr. Chong Toh)
Chairman of the Board

Board of Directors, Executive Committee

Asia Cement Public Co., Ltd.

Board of Directors

As of 31 December 2014

Chairman

Mr. Chong Toh

Directors

Mr. Yves Rene Nanot

Mr. Giovanni Battista Ferrario

Mr. Giovanni Maggiora

Mr. Goran Leopold Seifert

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 2014

Chairman

Mr. Chong Toh

Directors

Mr. Yves Rene Nanot

Mr. Giovanni Battista Ferrario

Mr. Giovanni Maggiora

Mr. Roberto Callieri

Managing Director

Mr. Nopadol Ramyarupa

Managing Director

1. Basic Information of the Company

Company:	Asia Cement Public Company Limited
Establishment:	August 23, 1989
Head Office:	23/124-128 Soi Soonvijai, Rama 9, Kwaeng Bangkapi, Khet Huaykwang, Bangkok
Plant:	Pukrang, 4/1 Moo 1, Yotha Sai 2, Tambon Pukrang, Amphur Pra Buddhabat, Saraburi Province
Type of Business:	Cement Production and Sale
Registration No.:	0107539000197 (Previous No. PLC 620)
Registered Capital in the Beginning:	
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
Registered Capital in Current Year:	
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 amount 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 amount 13,999,994 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 Jalaprathan Cement Public Company Limited: Common Shares amount 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. The Company nowadays does not hold shares of other companies or private enterprises for more than 10%.

4. The Company's Board of Directors does not have interests in any contracts that the Company has made during the accounting period.

5. The list of all Board of Directors of the Company and the holding of 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 Holding		Increasing/Decreasing
	Current Accounting Period	Past Accounting Period	
1. Mr. Thanet Earsakul	104,256	104,256	Not Change
2. Mr. Nopadol Ramyarupa	80,000	80,000	Not Change
3. Mr. Giovanni Maggiora	No	No	No
4. Mr. Yves Rene Nanot	No	No	No
5. Mr. Rapee Sukhyanga	No	No	No
6. Mr. Giovanni Battista Ferrario	No	No	No
7. Mr. Chong Toh	No	No	No
8. Mr. Goran Leopold Seifert	No	No	No
9. Mr. Philippe Henry Lucien Staib	No	No	No
10. Mr. Uran Kleosakul	1,468,906	1,468,906	Not Change
11. Mr. Roberto Callieri	No	No	No
12. Mr. Nithi Patarachoke	No	No	No

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

Name of Director	Number of 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 as follows:

Name of Director	Number of 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, Jalapathan Cement Public Company Limited as follows:

Name of Director	Number of 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. Goran Leopold Seifert	No	No	No

6. The remuneration of Board of Directors paid in 2014

Name of Director	Remuneration (Baht)
1. Mr. Thanet Earsakul	360,000.00
2. Mr. Nopadol Ramyarupa	360,000.00
3. Mr. Giovanni Maggiora	360,000.00
4. Mr. Yves Rene Nanot	360,000.00
5. Mr. Rapee Sukhyanga	360,000.00
6. Mr. Giovanni Battista Ferrario	360,000.00
7. Mr. Chong Toh	540,000.00
8. Mr. Goran Leopold Seifert	360,000.00
9. Mr. Philippe Henry Lucien Staib	360,000.00
10. Mr. Uran Kleosakul	360,000.00
11. Mr. Roberto Callieri	360,000.00
12. Mr. Nithi Patarachoke	270,000.00
Mr. Pichit Maipoom	90,000.00
Total (Baht)	4,500,000.00

Remark: The resolution the meeting of the board of directors company as held on April 28, 2014 has appointed Mr. Nithi Patarachoke as Director replacing Mr. Pichit Maipoom.

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 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of 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

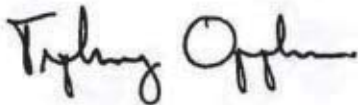
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 2014, 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: 27 February 2015

Asia Cement Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Assets					
Current assets					
Cash and cash equivalents	6, 7	4,539,366,970	2,900,112,071	3,840,671,869	2,728,626,537
Trade and other receivables	8	2,126,875,130	2,185,838,826	1,670,309,509	1,639,898,322
Current portion of long-term loans to related party	7	-	-	-	300,000,000
Inventories	9	1,725,351,983	1,656,125,795	1,171,297,337	1,126,417,719
Input tax refundable		97,623,645	114,050,773	20,454,053	20,852,385
Other current assets		22,186,182	23,264,687	12,360,163	14,872,612
Total current assets		8,511,403,910	6,879,392,152	6,715,092,931	5,830,667,575
Non-current assets					
Investments in subsidiaries	10	-	-	2,601,031,893	2,501,279,823
Other long-term investment		1,000,000	1,000,000	1,000,000	1,000,000
Investment property	11	99,765,000	-	-	-
Property, plant and equipment	12	6,858,644,194	7,161,878,881	3,362,260,129	3,519,282,111
Intangible assets	13	85,273,365	98,291,794	85,273,365	98,291,794
Deferred tax assets	14	183,877,664	142,066,329	96,753,278	88,295,496
Advance payment for purchase of assets		6,328,658	13,646,384	5,080,830	12,060,230
Other non-current assets		53,061,022	56,617,052	47,161,905	51,099,360
Total non-current assets		7,287,949,903	7,473,500,420	6,198,561,400	6,271,308,814
Total assets		15,799,353,813	14,352,892,572	12,913,654,331	12,101,976,389

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 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institution	7, 15	280,000,000	350,000,000	-	-
Trade and other payables	16	1,804,626,461	1,476,437,313	1,295,324,125	1,048,755,642
Current portion of long-term loans from related parties	7	499,236,474	513,174,130	-	-
Income tax payable		177,682,873	182,691,338	172,570,919	169,052,261
Short-term provisions		21,059,210	34,480,000	18,374,510	32,980,000
Advance received from customers		21,707,322	32,377,324	16,808,985	26,630,768
Other current liabilities		61,454,856	72,594,917	30,279,116	48,621,730
Total current liabilities		2,865,767,196	2,661,755,022	1,533,357,655	1,326,040,401
Non-current liabilities					
Provision for long-term employee benefits	17	189,256,921	151,972,368	128,787,520	103,373,128
Long-term provisions		12,172,904	11,892,372	9,157,902	8,830,327
Deferred tax liabilities	14	256,243,114	274,584,714	16,394,945	15,565,472
Total non-current liabilities		457,672,939	438,449,454	154,340,367	127,768,927
Total liabilities		3,323,440,135	3,100,204,476	1,687,698,022	1,453,809,328

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 2014

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Shareholders' equity					
Share capital					
Registered					
778,420,512 ordinary shares of Baht 8 each		<u>4,670,523,072</u>	<u>4,670,523,072</u>	<u>4,670,523,072</u>	<u>4,670,523,072</u>
Issued and fully paid					
778,420,512 ordinary shares of Baht 8 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	435,207,000	382,207,000	435,207,000	382,207,000
Unappropriated		2,118,679,534	990,325,360	1,466,444,019	941,654,771
Other components of shareholders' equity	19	<u>412,366,473</u>	<u>412,366,473</u>	<u>41,561,822</u>	<u>41,561,822</u>
Equity attributable to owners of the Company		12,248,996,475	11,067,642,301	11,225,956,309	10,648,167,061
Non-controlling interests of the subsidiaries		<u>226,917,203</u>	<u>185,045,795</u>	-	-
Total shareholders' equity		<u>12,475,913,678</u>	<u>11,252,688,096</u>	<u>11,225,956,309</u>	<u>10,648,167,061</u>
Total liabilities and shareholders' equity		<u>15,799,353,813</u>	<u>14,352,892,572</u>	<u>12,913,654,331</u>	<u>12,101,976,389</u>

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 2014

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
Note	2014	2013	2014	2013
Profit or loss:				
Revenues				
Sales	11,056,702,974	10,330,526,466	7,658,906,439	7,303,682,806
Interest income	56,591,334	67,090,540	66,938,704	83,438,943
Management fee income	840,000	840,000	80,389,378	75,369,277
Other income	45,460,217	28,850,716	82,876,390	59,701,686
Total revenues	11,159,594,525	10,427,307,722	7,889,110,911	7,522,192,712
Expenses				
Cost of sales	8,380,885,214	8,409,942,035	5,841,362,935	5,937,383,974
Selling expenses	279,515,674	318,776,956	284,288,240	302,511,899
Administrative expenses	505,783,678	512,319,149	441,825,847	393,841,923
Other expenses	-	352,551	-	4,341,344
Total expenses	9,166,184,566	9,241,390,691	6,547,477,022	6,638,079,140
Profit before finance cost and income tax expenses	1,993,409,959	1,185,917,031	1,341,633,889	884,113,572
Finance cost	(60,815,831)	(61,020,405)	(22,978,891)	(20,090,456)
Profit before income tax expenses	1,932,594,128	1,124,896,626	1,318,654,998	864,023,116
Income tax expenses	14 (224,826,214)	(178,978,269)	(262,217,136)	(182,882,872)
Profit for the year	1,707,767,914	945,918,357	1,056,437,862	681,140,244
Other comprehensive income:				
Actuarial gains (losses) arising from post-employment benefits, net of income tax	14, 17 (17,487,955)	6,422,175	(11,596,307)	4,185,265
Other comprehensive income for the year	(17,487,955)	6,422,175	(11,596,307)	4,185,265
Total comprehensive income for the year	1,690,279,959	952,340,532	1,044,841,555	685,325,509
Profit attributable to:				
Equity holders of the Company	1,665,336,356	833,340,009	1,056,437,862	681,140,244
Non-controlling interests of the subsidiaries	42,431,558	112,578,348	-	-
	1,707,767,914	945,918,357		
Total comprehensive income attributable to:				
Equity holders of the Company	1,648,406,481	838,443,497	1,044,841,555	685,325,509
Non-controlling interests of the subsidiaries	41,873,478	113,897,035	-	-
	1,690,279,959	952,340,532		
Basic earnings per share	21			
Profit attributable to equity holders of the Company	2.14	1.07	1.36	0.88

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 2014

Consolidated financial statements												(Unit: Baht)
Equity attributable to owners of the Company												
Other components of equity												
Other comprehensive												
Note	Issued and paid-up share capital	Share premium	Retained earnings		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	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity		
			Appropriated - statutory reserve	Unappropriated								
Balance as at 1 January 2013	4,570,523,072	4,612,220,366	348,207,000	575,062,119	79,120,541	-	79,120,541	10,265,163,128	1,024,335,950	11,309,499,078		
Profit for the year	-	-	-	833,340,009	-	-	-	833,340,009	112,578,348	945,918,357		
Other comprehensive income for the year	-	-	-	5,103,488	-	-	-	5,103,488	1,318,687	6,422,175		
Total comprehensive income for the year	-	-	-	838,443,497	-	-	-	838,443,497	113,897,035	952,340,532		
Dividend paid	-	-	-	(389,210,256)	-	-	-	(389,210,256)	-	(389,210,256)		
Unappropriated retained earnings transferred to statutory reserve	-	-	34,000,000	(34,000,000)	-	-	-	-	-	-		
Surplus from purchase non-controlling interests of the subsidiary	-	-	-	-	-	-	-	-	-	-		
Balance as at 31 December 2013	4,570,523,072	4,612,220,366	382,207,000	960,325,360	79,120,541	-	333,245,932	333,245,932	(953,187,190)	(619,941,258)		
Balance as at 1 January 2014	4,570,523,072	4,612,220,366	382,207,000	960,325,360	79,120,541	-	333,245,932	333,245,932	185,046,785	11,252,686,066		
Profit for the year	-	-	-	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)	(558,080)	(17,487,955)		
Total comprehensive income for the year	-	-	-	1,648,406,481	-	-	-	1,648,406,481	41,873,478	1,690,279,959		
Dividend paid	-	-	-	(467,052,307)	-	-	-	(467,052,307)	-	(467,052,307)		
Decrease in non-controlling interests of the subsidiary as a result of additional investment by the Company during the year	-	-	-	-	-	-	-	-	(2,070)	(2,070)		
Unappropriated retained earnings transferred to statutory reserve	-	-	53,000,000	(53,000,000)	-	-	-	-	-	-		
Balance as at 31 December 2014	4,570,523,072	4,612,220,366	435,207,000	2,116,679,534	79,120,541	-	333,245,932	12,246,996,475	226,917,203	12,475,913,678		

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 2014

Separate financial statements										(Unit: Baht)
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other comprehensive income		Total other components of equity		
				Appropriated - statutory reserve	Unappropriated	Income	Surplus on revaluation of land	shareholders' equity	Total shareholders' equity	
Balance as at 1 January 2013		4,670,523,072	4,612,220,396	348,207,000	679,539,518	41,561,822	41,561,822	10,352,051,808		
Profit for the year		-	-	-	681,140,244	-	-	681,140,244		
Other comprehensive income for the year		-	-	-	4,185,265	-	-	4,185,265		
Total comprehensive income for the year		-	-	-	685,325,509	-	-	685,325,509		
Dividend paid	24	-	-	-	(389,210,256)	-	-	(389,210,256)		
Unappropriated retained earnings transferred to statutory reserve	18	-	-	34,000,000	(34,000,000)	-	-	-		
Balance as at 31 December 2013		4,670,523,072	4,612,220,396	382,207,000	941,654,771	41,561,822	41,561,822	10,648,167,061		
Balance as at 1 January 2014		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		
Dividend paid	24	-	-	-	(467,052,307)	-	-	(467,052,307)		
Unappropriated retained earnings transferred to statutory reserve	18	-	-	53,000,000	(53,000,000)	-	-	-		
Balance as at 31 December 2014		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		

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 2014

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before tax	1,932,594,128	1,124,896,626	1,318,654,998	864,023,116
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	838,542,311	944,286,607	591,381,782	768,542,613
Depletion and amortisation	13,018,429	11,611,158	13,018,429	11,611,158
Allowance for doubtful accounts (reversal)	1,016,862	(4,557,729)	295,844	(374,303)
Decrease of inventory to net realisable value	10,401,377	14,978,577	20,870,223	18,761,251
Reversal of allowance for impairment loss on assets	(3,964,324)	(1,899,574)	(386,231)	(1,899,574)
Provision for long-term employee benefits	15,424,609	14,624,032	10,919,008	10,297,933
Long-term provisions	216,835	750,746	216,835	750,746
Provision for quarry restoration costs	950,000	730,000	200,000	200,000
Written off bad debts	865,125	811,990	25,231	-
Written off assets	108,780	740,194	-	-
(Gains) losses on sales of plant and equipment	(3,690,344)	(387,643)	(2,975,446)	4,341,344
Unrealised (gains) losses on exchange	(13,920,614)	13,453,174	88,520	(331,055)
Interest income	(52,187,202)	(62,887,157)	(64,480,017)	(81,271,439)
Interest expenses	24,433,419	29,184,472	327,594	181,503
Profit from operating activities before changes in operating assets and liabilities	2,763,809,391	2,086,335,473	1,888,156,770	1,594,833,293
Operating assets (increase) decrease				
Trade and other receivables	55,306,466	(553,445,891)	(35,037,773)	(82,293,227)
Inventories	(174,627,581)	(76,320,936)	(140,075,249)	(34,828,306)
Other current assets	18,911,564	(25,086,012)	2,910,781	(13,034,810)
Other non-current assets	3,556,030	(46,986,833)	3,937,455	(46,314,232)
Operating liabilities increase (decrease)				
Trade and other payables	252,405,675	(188,349,553)	208,074,411	(73,318,907)
Short-term provisions	(13,420,790)	16,255,400	(14,605,490)	18,256,400
Other current liabilities	(21,810,083)	20,601,067	(28,164,397)	11,967,395
Provision for long-term employee benefits	-	(1,623,850)	-	(668,100)
Provision for quarry restoration costs	(886,303)	(1,279,800)	(89,260)	(978,900)
Cash from operating activities	2,883,244,389	1,230,099,065	1,885,107,248	1,373,620,606
Cash receipt from previous year income tax	309,654	40,605,941	-	36,055,508
Cash paid for income tax	(287,331,210)	(36,551,848)	(263,427,711)	(32,537,709)
Net cash from operating activities	2,596,222,833	1,234,153,158	1,621,679,537	1,377,138,405

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 2014

			(Unit: Baht)	
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Cash paid for investment in subsidiary	-	-	(99,750,000)	(402,500,000)
Cash paid for purchase shares from non-controlling interests of the subsidiaries (Note 2.2)	(2,070)	(619,941,258)	(2,070)	(619,941,258)
Cash receipt from long-term loan to subsidiary	-	-	300,000,000	-
Acquisition of plant and equipment	(447,909,398)	(494,439,633)	(314,271,598)	(110,888,423)
Acquisition of intangible assets	-	(39,619,732)	-	(39,619,732)
Advance payment for purchase of assets	-	(10,276,070)	-	(8,689,916)
Proceeds from sales of plant and equipment	3,718,133	47,182,808	2,983,836	3,753,578
Interest income	53,962,445	52,745,061	68,785,528	72,850,110
Net cash used in investing activities	(390,230,890)	(1,064,348,824)	(42,254,304)	(1,105,035,641)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institution	(70,000,000)	100,000,000	-	-
Dividend paid	(467,052,307)	(389,210,256)	(467,052,307)	(389,210,256)
Cash paid for interest expenses	(29,684,737)	(23,674,020)	(327,594)	(181,503)
Net cash used in financing activities	(566,737,044)	(312,884,276)	(467,379,901)	(389,391,759)
Net increase (decrease) in cash and cash equivalents	1,639,254,899	(143,079,942)	1,112,045,332	(117,288,995)
Cash and cash equivalents at beginning of year	2,900,112,071	3,043,192,013	2,728,626,537	2,845,915,532
Cash and cash equivalents at end of year	4,539,366,970	2,900,112,071	3,840,671,869	2,728,626,537
Supplemental cash flows information				
Non-cash transactions				
Purchases of equipment for which no cash has been paid	81,017,749	225,443,907	38,405,552	83,768,020
Transferred cement and spare parts to construction in progress during the year	95,000,016	92,626,324	74,325,408	72,144,779
Transferred advance payment for assets to construction in progress during the year	7,317,726	-	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 2014

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, Bangkok, 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 2014, 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>2014</u>	<u>2013</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) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

- d) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- e) 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, which present investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

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

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

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

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

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

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

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

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

TAS 19 (revised 2014) Employee Benefits

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

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognised 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 part dealing with consolidated financial statements as included in TAS 27 *Consolidated and Separate Financial Statements*. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company and its subsidiaries believes that the standards will not have any significant 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 to account for an investment in a jointly controlled entity that meets the definition of a joint venture using the equity method, while TAS 31 allows the entity to apply either the proportionate consolidation method or the equity method to account for such an investment.

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

TFRS 12 Disclosure of Interests in Other Entities

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

TFRS 13 Fair Value Measurement

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

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

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 and its subsidiary own 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.

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.

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.

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>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash	99	83	99	83
Bank deposits	4,539,268	2,900,029	3,840,573	2,728,544
Total	4,539,367	2,900,112	3,840,672	2,728,627

As at 31 December 2014, bank deposits in saving accounts and fixed accounts carried interests between 0.3 and 2.3 percent per annum (2013: between 0.1 and 2.8 percent per annum) (Separate financial statement: between 0.3 and 2.3 percent per annum (2013: between 0.1 and 2.8 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>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Sales of goods and raw materials	-	-	721	982
Sales of water and waste heat	-	-	17	4
Management fee income	-	-	87	75
Interest income	-	-	15	18
Trademark license fee income	-	-	-	2
Income from penalty due to failure to buy goods in the amount specified in the agreement	-	-	40	26
Trademark license fee expense	-	-	-	2
Purchases of goods	-	-	70	66
Purchases of electricity	-	-	393	94
<u>Transactions with related companies</u>				
Sales of goods	284	7	283	7
Interest income	33	6	32	4
Purchases of raw materials	311	308	292	291
Purchases of software	-	39	-	39
Management fee expenses	75	33	74	3
Technical fee	22	23	17	18
Interest expenses	22	29	-	-
Software license fee	7	12	7	12
Consultant fee	11	9	11	8

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

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Bank deposits with related party</u>				
Related financial institution (related by common shareholders)	1,050,908	1,849,357	814,546	1,778,509
Total bank deposits with related party	<u>1,050,908</u>	<u>1,849,357</u>	<u>814,546</u>	<u>1,778,509</u>
<u>Trade and other receivables - related parties (Note 8)</u>				
Subsidiaries	-	-	438,064	422,080
Related companies (related by common shareholders)	89,197	3,515	89,197	3,515
Total trade and other receivables - related parties	<u>89,197</u>	<u>3,515</u>	<u>527,261</u>	<u>425,595</u>
<u>Long-term loans to related party</u>				
Subsidiary	-	-	-	300,000
Less: Portion due within one year	-	-	-	(300,000)
Long-term loans to related party - net of current portion	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Short-term loans from related party (Note 15)</u>				
Related financial institution (related by common shareholders)	100,000	350,000	-	-
Total short-term loans from related party	<u>100,000</u>	<u>350,000</u>	<u>-</u>	<u>-</u>
<u>Trade and other payables - related parties (Note 16)</u>				
Subsidiaries	-	-	92,363	180,376
Related companies (related by common shareholders)	39,667	108,469	35,966	27,830
Total trade and other payables - related parties	<u>39,667</u>	<u>108,469</u>	<u>128,329</u>	<u>208,206</u>
<u>Long-term loans from related parties</u>				
Related companies (related by common shareholders)	499,236	513,174	-	-
Less: Portion due within one year	(499,236)	(513,174)	-	-
Long-term loans from related parties - net of current portion	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Long-term loans to Jalaprathan Cement Plc. (subsidiary)

The outstanding balance as at 31 December 2013 secured by Ciments Francais S.A., France, represented an outstanding loan amount Baht 300 million carrying interest rate at a floating rate equal to the average MLR of three local banks minus 1.0 percent per annum. Interest is repayable on a quarterly basis and the loan was to be repayable within 2014.

During 2014, the subsidiary repaid the loan and interest in full.

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 (2013: 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 (2013: 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.

Directors and management benefits

During the years ended 31 December 2014 and 2013, 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	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Short-term employee benefits	36	34	31	27
Post-employment benefits	1	1	1	1
Total	<u>37</u>	<u>35</u>	<u>32</u>	<u>28</u>

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<u>Trade receivables - related parties</u>				
Age of receivables				
Not yet due	85,748	2,360	332,541	284,720
Past due				
Up to 3 months	-	-	126,324	51,197
3 - 6 months	-	-	-	8,792
Total trade receivables - related parties	<u>85,748</u>	<u>2,360</u>	<u>458,865</u>	<u>344,709</u>
<u>Trade receivables - unrelated parties</u>				
Age of receivables				
Not yet due	1,535,742	1,600,100	904,744	998,539
Past due				
Up to 3 months	384,632	397,105	213,476	185,201
3 - 6 months	15,369	12,736	5,481	3,244
6 - 12 months	6,123	2,496	3,158	726
Over 12 months	13,222	12,267	3,936	3,997
Total	<u>1,955,088</u>	<u>2,024,704</u>	<u>1,130,795</u>	<u>1,191,707</u>
Less: Allowance for doubtful accounts	<u>(14,261)</u>	<u>(13,244)</u>	<u>(4,241)</u>	<u>(3,945)</u>
Total trade receivables - unrelated parties, net	<u>1,940,827</u>	<u>2,011,460</u>	<u>1,126,554</u>	<u>1,187,762</u>
Total trade accounts receivable - net	<u>2,026,575</u>	<u>2,013,820</u>	<u>1,585,419</u>	<u>1,532,471</u>
<u>Other receivables</u>				
Other receivables - related parties	3,449	1,155	68,396	80,886
Other receivables - unrelated parties	96,851	170,863	16,494	26,541
Total other receivables	<u>100,300</u>	<u>172,018</u>	<u>84,890</u>	<u>107,427</u>
Total trade and other receivables - net	<u>2,126,875</u>	<u>2,185,838</u>	<u>1,670,309</u>	<u>1,639,898</u>

Approximately Baht 10.9 million of the subsidiaries' trade accounts receivable as at 31 December 2014 was factoring with recourse to a bank (2013: Baht 1.7 million). 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	
	2014	2013	2014	2013	2014	2013
Finished goods	139,453	148,175	-	-	139,453	148,175
Work in process	504,556	315,356	(2,000)	(2,000)	502,556	313,356
Raw materials	607,349	675,435	(23,125)	(4,005)	584,224	671,430
Spare parts and supplies	889,943	922,708	(390,824)	(399,543)	499,119	523,165
Total	2,141,301	2,061,674	(415,949)	(405,548)	1,725,352	1,656,126

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2014	2013	2014	2013	2014	2013
Finished goods	94,919	102,600	-	-	94,919	102,600
Work in process	315,200	181,828	-	-	315,200	181,828
Raw materials	402,062	421,153	(19,120)	-	382,942	421,153
Spare parts and supplies	624,079	664,929	(245,843)	(244,093)	378,236	420,836
Total	1,436,260	1,370,510	(264,963)	(244,093)	1,171,297	1,126,417

During the current year, the Company and its subsidiaries reduced cost of inventories by Baht 68 million (2013: Baht 43 million) (Separate financial statement: Baht 48 million (2013: Baht 31 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 58 million (2013: Baht 28 million) (Separate financial statement: Baht 28 million (2013: Baht 13 million)), and reduced the amount of inventories recognised as expenses during the year.

As described in Note 1 to the financial statements, the management of the subsidiary maintain the impairment of spare parts of machines related to clinker production at Takli plant amounting to Baht 34 million (2013: Baht 62 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	
	2014	2013	2014 (%)	2013 (%)	2014	2013
Jalaprathan Cement Plc.	1,200,000	1,200,000	88.84	88.84	1,191,032	1,191,030
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	1,300,250	99.99	99.99	1,400,000	1,300,250
Total					2,601,032	2,501,280

The Company had no dividend received from its subsidiaries during 2014 and 2013.

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 is land awaiting sale as presented below.

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2014</u>	<u>2013</u>
Net book value at beginning of year	-	-
Transfer from land account	99,765	-
Net book value at end of year	<u>99,765</u>	<u>-</u>

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

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				
	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
Cost/Revalued amount:												
As at 1 January 2013	1,689,351	613,888	4,185,584	14,158,955	304,666	793,674	1,447,018	202,000	275,469	1,261,535	115,631	76,440
Additions	-	-	-	8,255	263	830	803,161	-	-	-	-	-
Disposals/write-off	-	-	(2,851)	(38,010)	(429)	(6,245)	(134)	(38,700)	-	-	(6,500)	-
Transfer between accounts	-	-	252,386	1,225,743	27,011	21,495	(1,530,796)	-	-	-	-	-
As at 31 December 2013	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
Additions	-	-	-	1,893	271	171	628,910	-	-	-	-	-
Disposals/write-off	-	-	(59,790)	(13,157)	(9,304)	(1,279)	-	-	-	-	-	-
Transfer between accounts	-	-	31,698	520,358	10,333	21,936	(600,266)	-	-	-	-	-
Transfer to investment property	-	-	-	-	-	-	-	(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
Accumulated depreciation:												
As at 1 January 2013	-	95,567	3,400,459	11,246,049	281,415	738,291	-	-	151,709	643,221	109,291	-
Depreciation for the year	-	13,457	184,636	722,164	9,374	14,656	-	-	-	-	-	-
Depreciation on disposals /write-off	-	-	(2,557)	(29,662)	(429)	(6,186)	-	-	-	-	(6,500)	-
Transfer between accounts	-	-	-	(4,161)	-	-	-	-	-	-	-	-
As at 31 December 2013	-	109,024	3,582,538	11,934,390	290,360	746,761	-	-	151,709	643,221	102,791	-
Depreciation for the year	-	11,839	133,613	667,569	10,205	15,316	-	-	-	-	-	-
Depreciation on disposals /write-off	-	-	(59,678)	(13,138)	(9,299)	(1,279)	-	-	-	-	-	-
Reverse allowance for impairment loss	-	-	22,148	65,347	-	2,149	-	-	-	-	-	-
Transfer between accounts	-	-	(1,798)	(14,143)	-	-	-	-	-	-	-	-
As at 31 December 2014	-	120,863	3,676,823	12,640,025	291,266	762,947	-	-	151,709	643,221	102,791	-

(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	
		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
Allowance for impairment loss:													
As at 1 January 2013	81,771	54,758	22,148	65,347	-	2,149	17,591	50,300	123,760	618,314	6,340	76,440	1,118,918
Decrease during the year	-	-	-	-	-	-	(1,900)	-	-	-	-	-	(1,900)
As at 31 December 2013	81,771	54,758	22,148	65,347	-	2,149	15,691	50,300	123,760	618,314	6,340	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	50,300	123,760	618,314	6,340	76,440	1,023,410
Net book value:													
As at 31 December 2013	1,607,580	450,106	830,433	3,355,206	41,151	60,844	703,558	113,000	-	-	-	-	7,161,878
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
Depreciation for the year:													
2013 (Baht 923 million included in manufacturing cost, and the balance in administrative expenses)													944,287
2014 (Baht 813 million included in manufacturing cost, and the balance in administrative expenses)													838,542

(Unit: Thousand Baht)

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

	Cost basis						
	Revaluation basis						
	Land	Quarries cost	Buildings, leasehold improvement and structures	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress
							Total
Cost/Revalued amount:							
As at 1 January 2013	374,548	546,241	3,272,959	10,619,196	278,035	630,278	448,655
Additions	-	-	-	5,909	228	2,330	258,334
Disposals/write-off	-	-	(1,000)	(33,873)	(425)	(4,184)	(135)
Transfer between accounts	-	-	27,504	154,953	25,248	12,028	(223,894)
As at 31 December 2013	374,548	546,241	3,299,463	10,746,185	303,086	640,452	482,960
Additions	-	-	-	426	147	98	433,311
Disposals/write-off	-	-	(10,495)	(3,222)	(4,363)	-	-
Transfer between accounts	-	-	17,576	303,529	3,203	11,595	(351,844)
As at 31 December 2014	374,548	546,241	3,306,544	11,046,918	302,073	652,145	564,427
Accumulated depreciation:							
As at 1 January 2013	-	87,955	2,673,435	8,472,283	256,301	584,062	-
Depreciation for the year	-	13,457	158,975	575,508	8,803	11,799	-
Depreciation on disposals/write-off	-	-	(966)	(26,006)	(424)	(4,125)	-
Transfer between accounts	-	-	-	(4,161)	-	-	-
As at 31 December 2013	-	101,412	2,831,444	9,017,624	264,680	591,736	-
Depreciation for the year	-	11,833	101,172	458,807	8,799	10,771	-
Depreciation on disposals/write-off	-	-	(10,493)	(3,222)	(4,356)	-	-
Transfer between accounts	-	-	-	(15,941)	-	-	-
As at 31 December 2014	-	113,245	2,922,123	9,457,268	269,123	602,507	-
							13,364,266

(Unit: Thousand Baht)

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

	Cost basis						
	Revaluation basis						
	Land	Quarries cost	Buildings, leasehold improvement and structures	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress
							Total
Allowance for impairment loss:							
As at 1 January 2013	-	54,758	-	-	-	-	68,657
Decrease during the year	-	-	-	-	-	-	(1,900)
As at 31 December 2013	-	54,758	-	-	-	-	66,757
Decrease during the year	-	-	-	-	-	-	(387)
As at 31 December 2014	-	54,758	-	-	-	-	66,370
Net book value:							
As at 31 December 2013	374,548	390,071	468,019	1,728,561	38,406	48,716	3,519,282
As at 31 December 2014	374,548	378,238	384,421	1,589,650	32,950	49,638	3,362,260
Depreciation for the year:							
2013 (Baht 747 million included in manufacturing cost, and the balance in administrative expenses)							768,542
2014 (Baht 566 million included in manufacturing cost, and the balance in administrative expenses)							591,382

As described in Note 1 to the financial statements, as at 31 December 2014, the Company maintain the impairment of the assets related to clinker production at Takli plant amounted to Baht 823 million (2013: Baht 914 million).

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Original cost	1,563,578	1,663,343	322,595	322,595
Surplus from revaluation	189,308	189,308	51,953	51,953
Revalued amount	1,752,886	1,852,651	374,548	374,548
Less: Allowance for impairment loss	(132,071)	(132,071)	-	-
Net book value	1,620,815	1,720,580	374,548	374,548

As at 31 December 2014, 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 8,571 million (2013: Baht 7,679 million) (Separate financial statements: Baht 6,002 million (2013: Baht 5,103million)).

13. Intangible assets

	(Unit: Thousand Baht)			
	Consolidated/Separate financial statements			
	Leasehold right on office building	Computer software	Mining concessions	Total
Cost:				
1 January 2013	185,875	-	24,400	210,275
Addition	-	38,916	704	39,620
31 December 2013	185,875	38,916	25,104	249,895
31 December 2014	185,875	38,916	25,104	249,895
Accumulated amortisation/ depletion:				
1 January 2013	126,916	-	13,075	139,991
Amortisation/depletion for the year	7,448	2,612	1,552	11,612
31 December 2013	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
Net book value:				
31 December 2013	51,511	36,304	10,477	98,292

(Unit: Thousand Baht)

Consolidated/Separate financial statements

	Leasehold right on office building	Computer software	Mining concessions	Total
31 December 2014	44,064	32,412	8,797	85,273

14. Income tax

14.1 Income tax expenses of the Company and its subsidiaries for the years ended 31 December 2014 and 2013 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current income tax:				
Current income tax charge	283,043	205,684	269,909	190,730
Over recorded of last year income tax	(2,963)	(724)	(2,963)	(819)
Write-off of non-refundable withholding tax deducted at source/overpaid tax	527	323	-	-
Total	280,607	205,283	266,946	189,911
Deferred tax:				
Relating to origination and reversal of temporary differences	(55,781)	(26,305)	(4,729)	(7,028)
Total	(55,781)	(26,305)	(4,729)	(7,028)
Income tax expenses reported in the statement of comprehensive income	224,826	178,978	262,217	182,883

14.2 The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2014 and 2013 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Deferred tax on actuarial (gains) losses arising from post-employment benefits	4,372	(1,606)	2,899	(1,046)
	4,372	(1,606)	2,899	(1,046)

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Accounting profit before tax	1,932,594	1,124,896	1,318,655	864,023
Applicable tax rates	0 - 20%	0 - 20%	20%	20%
Accounting profit before tax multiply by income tax rate	386,524	224,979	263,731	172,805
Deferred tax assets which were not recognised during the year				
- Tax losses	-	959	-	-
Utilisation of previously unrecognised deferred tax assets				
- Tax losses	(63,604)	(10,211)	-	-
- Allowance for diminution in value of inventories	(5,723)	(2,463)	-	-
- Allowance for impairment loss of assets	(15,182)	(15,297)	-	-
Previous year tax loss which were recognised as deferred tax assets during the year	(26,855)	(18,040)	-	-
Reversal of previously recognised deferred tax assets	3,158	-	-	-
Tax effect of promotional privileges	(52,698)	(12,262)	-	-
Effect of elimination entries on the consolidated financial statements	(39)	96	-	-
Tax effect of non-deductible expenses	21,165	19,274	1,449	10,897
Tax effect of reversal surplus revaluation of land as a result of transfer to investment property/disposal	(19,484)	(7,656)	-	-
Write-off of non-refundable withholding tax deducted at source/overpaid tax	527	323	-	-
Over recorded of last year income tax	(2,963)	(724)	(2,963)	(819)
Income tax expenses as included in the statement of comprehensive income	<u>224,826</u>	<u>178,978</u>	<u>262,217</u>	<u>182,883</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	
	2014	2013	2014	2013
Deferred tax assets				
Allowance for doubtful accounts	14,261	13,244	4,241	3,945
Allowance for diminution in value of inventories	382,375	343,357	264,963	244,093
Allowance for impairment of assets	68,353	71,011	66,370	66,757
Provision for quarry restoration costs	7,620	7,556	4,605	4,494
Provision for sales promotion	10,247	14,480	10,247	14,480
Provision for long - term employee benefits	189,257	151,972	128,788	103,373
Other long-term provisions	4,553	4,336	4,553	4,336
Effect of elimination of intercompany transactions	67,868	-	-	-
Tax losses	174,854	104,375	-	-
	<u>919,388</u>	<u>710,331</u>	<u>483,767</u>	<u>441,478</u>
Applicable tax rates	20%	20%	20%	20%
Deferred tax assets	<u>183,878</u>	<u>142,066</u>	<u>96,753</u>	<u>88,295</u>
Deferred tax liabilities				
Depreciation from changing useful lives of assets	(38,246)	(32,536)	(30,022)	(25,875)
Decrease (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)	(1,265,811)	-	-
	<u>(1,281,215)</u>	<u>(1,372,923)</u>	<u>(81,975)</u>	<u>(77,828)</u>
Applicable tax rates	20%	20%	20%	20%
Deferred tax liabilities	<u>(256,243)</u>	<u>(274,585)</u>	<u>(16,395)</u>	<u>(15,565)</u>

14.5 As at 31 December 2014, the subsidiaries have deductible temporary differences and unused tax losses of totaling Baht 926 million (2013: Baht 1,497 million). No deferred tax assets have been recognised on these amount as the subsidiaries belief that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

15. Short-term loans from financial institution

As at 31 December 2014, a subsidiary has unsecured loan from local commercial bank, related financial institution, amounting to Baht 100 million (2013: Baht 350 million), bearing interest at a rate of 2.65 percent per annum (2013: 3.26 - 3.45 percent per annum) and from a non related financial institution, amounting to Baht 180 million (2013: nil), bearing interest at a rate of 2.58 percent per annum.

16. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Trade payables - related parties	3,666	10,963	19,465	53,190
Trade payables - unrelated parties	1,196,650	821,123	826,169	558,292
Other payables - related parties	36,001	97,506	108,864	155,016
Other payables - unrelated parties	393,643	403,324	244,233	197,063
Account payable from factoring	10,939	1,666	-	-
Accrued expenses	163,727	141,855	96,593	85,194
Total trade and other payables	<u>1,804,626</u>	<u>1,476,437</u>	<u>1,295,324</u>	<u>1,048,755</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 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 from the Company, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Defined benefits obligation at beginning of year	151,972	147,000	103,373	98,974
Current service cost	9,193	9,324	6,716	6,795
Interest cost	6,232	5,300	4,203	3,503
Benefits paid during the year	-	(1,624)	-	(668)
Actuarial (gains) losses	21,860	(8,028)	14,495	(5,231)
Provisions for long-term employee benefits at end of year	189,257	151,972	128,787	103,373

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current service cost	9,193	9,324	6,716	6,795
Interest cost	6,232	5,300	4,203	3,503
Total expenses recognised in profit or loss	15,425	14,624	10,919	10,298
Line items under which such expenses are included in profit or loss				
Cost of sales	1,877	1,754	-	-
Selling and administrative expenses	13,548	12,870	10,919	10,298

As at 31 December 2014, cumulative actuarial gains (net of actuarial losses), which were recognised in the other comprehensive income, amounted to Baht 15 million (2013: Baht 33 million) (Separate financial statements: Baht 5 million (2013: Baht 17 million)).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated financial statements		Separate financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	(% per annum)		(% per annum)	
Discount rate	3.0	4.3	3.0	4.3
Future salary increase rate	5.0	5.0	5.0	5.0
Staff turnover rate	2.0 - 4.0	2.0 - 4.0	3.0	3.0

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
Year	Defined benefits obligation	Experience adjustments	Defined benefits obligation	Experience adjustments
2014	189,257	-	128,787	-
2013	151,972	-	103,373	-
2012	147,000	(28,194)	98,974	(12,967)
2011	168,808	39,797	107,566	22,069
2010	110,214	9,371	73,386	8,154

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.

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>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Salaries and wages and other employee benefits	654,761	596,341	492,732	464,236
Depreciation	838,542	944,287	591,382	768,543
Reversal loss on impairment of assets	(3,964)	(1,900)	(386)	(1,900)
Loss on obsolescence and impairment of raw materials, spare parts and supplies	10,401	14,979	20,870	18,761
Allowance for doubtful accounts (reversal)/written-off bad debts	1,882	(3,745)	321	(374)
Transportation expenses	345,414	309,578	121,900	120,743
Rental expenses from operating lease agreements	87,775	89,945	10,610	5,563
Repair and maintenance expenses	664,847	458,289	507,406	580,013
Raw materials and consumables used and purchase of goods	3,506,291	3,477,582	2,117,243	2,137,490
Changes in inventories of finished goods and work in process	(180,478)	(134,955)	(125,690)	34,626

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 total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

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

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

For the years 2014 and 2013, 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, profit and total assets information regarding the Company's and its subsidiaries' operating segments for the year ended 31 December 2014 and 2013.

(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	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenue from external customers	9,339	8,742	1,718	1,588	-	-	-	-	-	-	11,057	10,330
Inter-segment revenues	771	927	42	44	-	-	393	94	(1,206)	(1,065)	-	-
Interest income	67	84	10	13	-	-	3	-	(24)	(30)	56	67
Other income	259	143	21	20	-	-	-	-	(234)	(133)	46	30
Total revenues	10,436	9,896	1,791	1,665	-	-	396	94	(1,464)	(1,228)	11,159	10,427
Cost of sales	(7,187)	(7,143)	(1,623)	(1,468)	-	-	(42)	(12)	1,286	1,138	(7,566)	(7,485)
Selling expenses	(265)	(304)	(15)	(15)	-	-	-	-	-	-	(280)	(319)
Administrative expenses	(489)	(485)	(60)	(50)	-	-	(7)	(7)	88	61	(468)	(481)
Depreciation, depletion and amortisation	(757)	(926)	(14)	(12)	-	-	(81)	(19)	-	-	(852)	(957)
Other expenses	-	1	-	-	-	-	-	-	-	(1)	-	-
Total expenses	(8,698)	(8,857)	(1,712)	(1,545)	-	-	(130)	(38)	1,374	1,198	(9,166)	(9,242)
Profit before finance cost and income tax expenses	1,738	1,039	79	120	-	-	266	56	(90)	(30)	1,993	1,185
Finance cost	(80)	(87)	(5)	(4)	-	-	-	-	24	30	(61)	(61)
Income tax expenses	(219)	(166)	(19)	(12)	-	-	-	-	13	-	(225)	(178)
Non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	(42)	(113)	(42)	(113)
Profit for the year	1,439	786	55	104	-	-	266	56	(95)	(113)	1,665	833

(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	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Investment property	-	-	100	-	-	-	-	-	-	-	100	-
Property, plant and equipment	5,626	5,921	156	68	-	-	1,146	1,174	(70)	(2)	6,858	7,161
Other assets	11,043	9,969	776	911	6	6	574	300	(3,558)	(3,995)	8,841	7,191
Total assets	16,669	15,890	1,032	979	6	6	1,720	1,474	(3,628)	(3,997)	15,799	14,352

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 Bualuang Securities Public Company Limited and UOB Asset Management (Thai) Company Limited, will be paid to employees upon termination in accordance with the fund rules.

During the year 2014, the Company and its subsidiaries contributed Baht 30 million (2013: Baht 30 million) to the fund (Separate financial statements: Baht 23 million (2013: Baht 23 million)).

24. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2012	Annual General Meeting of the shareholders on 26 April 2013	389,210	0.50
Total for 2013		389,210	0.50
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

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 sublease rights to mine and produce limestone. The terms of the agreements are generally between 1 and 25 years.

As at 31 December 2014 and 2013, 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>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Payable:				
In up to 1 year	59	33	22	18
In over 1 and up to 5 years	197	50	44	30
In over 5 years	4	9	3	7

25.2 Long-term service agreements commitments

- 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.
- 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 2014 and 2013, there were commitments to be payable under those agreements as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Payable:				
In up to 1 year	96	84	70	27
In over 1 and up to 5 years	59	36	42	25

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 2014, the Company and its subsidiaries have entered into agreements to purchase of raw materials in the future of approximately Baht 440 million (2013: Baht 730 million) (Separate financial statements: Baht 398 million (2013: Baht 684 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

As at 31 December 2014 and 2013, there were the following outstanding bank guarantees issued by banks on behalf of the Company and its subsidiaries.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</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	11	26	7	25

26. Financial instruments

26.1 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 2014 and 2013 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 2014					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
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	-
	3,605	860	2,202	6,667	
Financial liabilities					
Short-term loans from financial institution	280	-	-	280	2.58 - 2.65
Trade and other payables	-	-	1,804	1,804	-
Long-term loans from related parties	-	499	-	499	0.58 - 4.12
	280	499	1,804	2,583	

(Unit: Million Baht)

Consolidated financial statements					
As at 31 December 2013					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalents	2,525	300	75	2,900	0.10 - 2.75
Trade and other receivables	35	-	2,151	2,186	2.00
Other long-term investments	-	-	1	1	-
	<u>2,560</u>	<u>300</u>	<u>2,227</u>	<u>5,087</u>	
Financial liabilities					
Short-term loans from financial institution	350	-	-	350	3.26 - 3.45
Trade and other payables	-	-	1,476	1,476	-
Long-term loans from related parties	-	513	-	513	0.72
	<u>350</u>	<u>513</u>	<u>1,476</u>	<u>2,339</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.)
Financial assets					
Cash and cash equivalents	3,155	612	73	3,840	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>4,345</u>	<u>8,112</u>	
Financial liabilities					
Trade and other payables	-	-	1,295	1,295	-
	<u>-</u>	<u>-</u>	<u>1,295</u>	<u>1,295</u>	

(Unit: Million Baht)

Separate financial statements					
As at 31 December 2013					
	Fixed interest rates within 1 year	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
Financial assets					
Cash and cash equivalents	2,526	143	60	2,729	0.10 - 2.75
Trade and other receivables	1	-	1,639	1,640	2.00
Long-term loans to subsidiary	-	300	-	300	5.96
Investments in subsidiaries	-	-	2,501	2,501	-
Other long-term investment	-	-	1	1	-
	<u>2,527</u>	<u>443</u>	<u>4,201</u>	<u>7,171</u>	
Financial liabilities					
Trade and other payables	-	-	1,049	1,049	-
	<u>-</u>	<u>-</u>	<u>1,049</u>	<u>1,049</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>2014</u> (Million)	<u>2013</u> (Million)	<u>2014</u> (Baht per 1 foreign currency unit)	<u>2013</u>
Euro	4	4	40.3552	45.3223
DKK	-	1	5.4248	6.0834

26.2 Fair value of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or borrowing and loan bear interest rates close to the market rate, their fair value is not expected to be materially different from the amounts presented in statements of financial position.

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

27. 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 2014, the Group's debt-to-equity ratio was 0.27:1 (2013: 0.28:1) and the Company's was 0.15:1 (2013: 0.14:1).

28. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2015.



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