



Thailand Carpet Manufacturing Public Company Limited



Annual Report 2014

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GENERAL INFORMATION / Other Reference

COMPANY PROFILE

Company Name	:	Thailand Carpet Manufacturing Public Company Limited
Chairman	:	Mr. Pimol Srivikorn
Managing Director	:	Charlie Jangvijitkul Ph.D.
Location	:	238 Vipavadee Rangsit Road, Kwang Sanambin, Khet Don Muang, Bangkok 10210 Tel. 02-533-6393-400 Fax. 02-533 6850
Type of Business	:	Manufacturer and distributor of carpets to domestic and international markets.
Registered Capital	:	Baht 564,691,446
Per Value per Share	:	Baht 1.10
Home page	:	www.royalthai.com www.taiping.co.th

Juristic person's shares of which the company holds more than 10%

Company Name	:	United Carpet Manufacturing Ltd.
Location	:	1/4 Moo.3 T.Ladsawai, A.Lumlukka, Pathumthani
Type of Business	:	Manufacturer and distributor of carpets
Registered Share Capital	:	20,000,000 baht
Par Value Per Share	:	100 baht
Paid-up Share Capital	:	20,000,000 baht
Number of Share held by the Company	:	102,000
Percentage Equity Stake	:	51%

Company Name	:	Royal Thai International Co., Ltd.
Location	:	238 Vipavadee Rangsit Road, Kwang Sanambin, Khet Don Muang, Bangkok 10210 Tel. 02-533-6393-400 Fax. 02-533 6850
Type of Business	:	Distributor of carpets and flooring covering
Registered Share Capital	:	1,000,000 baht
Par Value Per Share	:	100 baht
Paid-up Share Capital	:	1,000,000 baht

Number of Share held by
the Company : 9,997

Percentage Equity Stake : 100%

Company Name : T.C.H. SUMINOE Co., Ltd.

Location : 157 Moo 16, Bangpa-in Industrial Estate, Bangkrasam, Bangpa-in,
Phranakhonsi-Ayutthaya

Type of Business : Auto Parts Manufacturer and Distributor

Registered Share Capital : 250,000,000 baht

Par Value Per Share : 10 baht

Paid-up Share Capital : 250,000,000 baht

Number of Share held by
the Company : 12,475,000

Percentage Equity Stake : 49.90%

OTHERS REFERENCE

Share Register : Thailand Securities Depository Co., Ltd.
4th Floor, The Stock Exchange of Thailand Building,
62 Ratchadapisek Road, Klongtoey, Bangkok 10110
Tel: 02-229-2888

Auditor : Mr. Thanawut Piboonsawat
Certified Public Accountant Registration No. 6699
DHARMNITI AUDITING Co., Ltd.
267/1 Pracharaj Sai 1 Road, Bangsue, Bangkok 10800
Tel: 02-587-8080

Accounting Period : January 1st to December 31st

Legal Councilor : Bunchong and Vidhya Law Office Limited
Wall Street Tower Bldg., 9th Fl., 33/35, 33/39-40
Surawongse Road, Kweng Suriyawongse,
Khet Bangrak, Bangkok 10500, Thailand
Tel: +66 (0) 2236-2334 Ext. 3910-1
Fax: +66 (0) 2236-3916

Financial Advisory : None

Message from the Chairman

Dear Shareholders,

In 2014, the company was affected by economic problems and unstable politics, causing the decline of tourism. Many hotels have postponed their innovation projects, resulting in our failure to achieve the sales target set for domestic sales of our carpets although the situation improved in the last quarter of the year. With respect to our performance in the international markets, despite the fact that Europe and America's economy has not fully recovered, our sales surpassed the target. Thanks to our ability to effectively control the costs, our full year 2014 operating results were pretty close to the goals set. In combination with the operating results of T.C.H. Suminoe Company Limited, which is our affiliated company, it can be said that the overall performance of Thailand Carpet Manufacturing Plc. is satisfactory.

The year 2015 is another year that the company continues its proactive policy both in the domestic and international markets. As for the domestic market, our focus is not only on increasing the sales of our existing products, but also on finding the market for our new products. At the international level, although Europe's economic expansion remains low, US economy slowly returns to normal and the company continues to do well in the Middle East. Therefore, we have a policy to maintain our market share in European markets and move forward more proactively into the Middle East and US markets. It is expected the company's market shares in the international markets will be larger than those in the past year.

Furthermore, the company has a policy to continue the reorganization of its corporate structure, which has begun last year. We are looking for co-investment opportunities with other companies, either in the same or related industry, in order to expand our business and improve our diversity as, for example, shown in our collaboration with T.C.H. Suminoe Company Limited last year.

Finally, I would like to express my sincere thanks to the Board of Directors, shareholders, business partners, and customers for always trusting in the company. I would also like to thank the management and all staff for your full cooperation and hard work to achieve the perfect performance and operating results.



Pimol Srivikorn
Chairman of the Board

MANAGEMENT

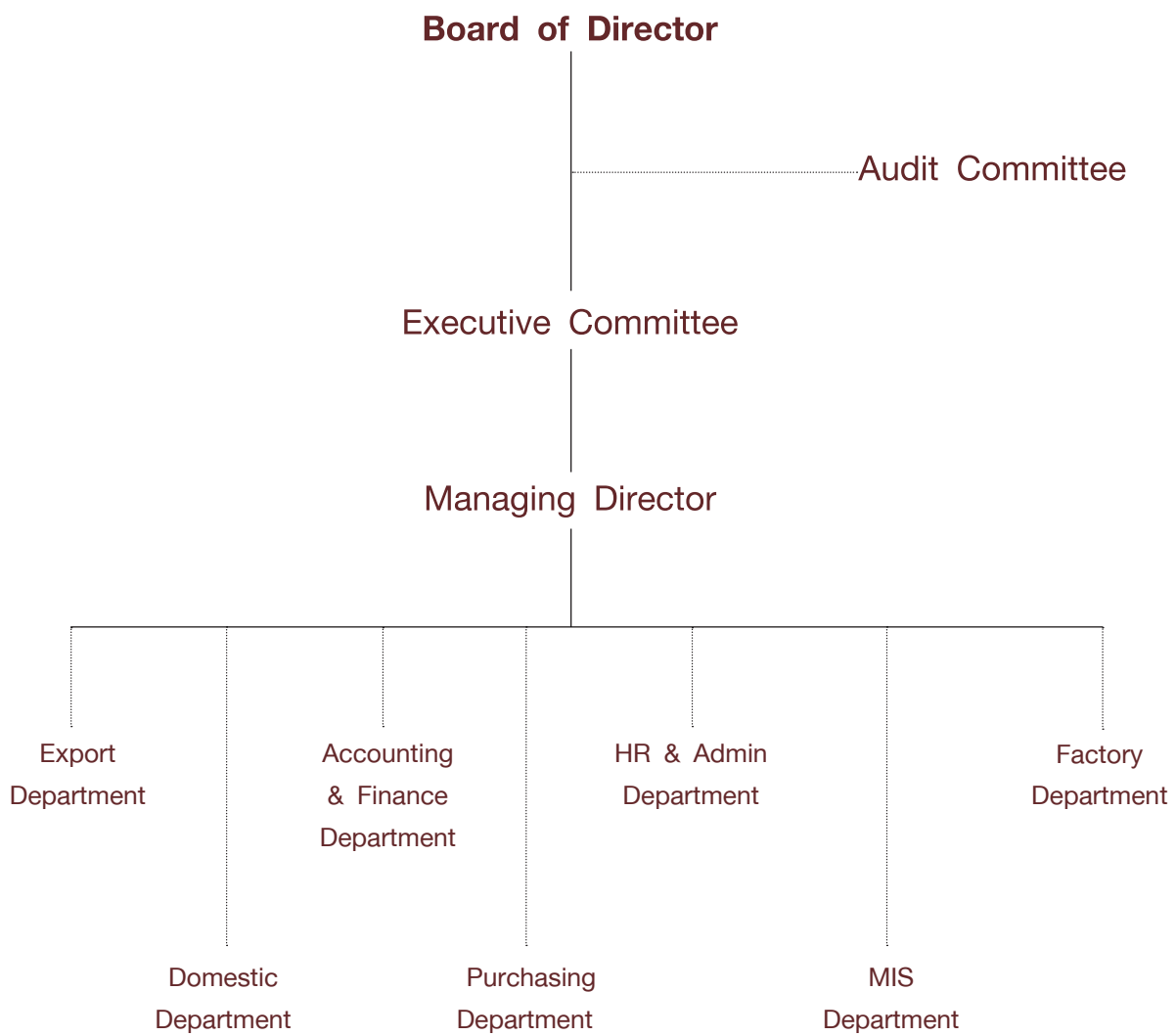
ORGANIZATIONAL STRUCTURE

The Board of Directors shall consist of not less than five and not more than twelve directors, and half of which shall have residence in The Kingdom.

In the election of directors, a shareholder shall have one vote for one share. Each shareholder shall put on of his votes for one or several directors, but he cannot divide his votes for any persons. Person who obtains highest votes shall be elected as directors in the number equivalent to the number of directors proposed for such election. In case of an equality of votes for runner-up directors in the number exceeding the number of directors proposed for such election, the Chairman of the meeting shall have a casting vote.

At every ordinary meeting, one-third of directors who stay in the office longest must retire. A retiring director is eligible for re-elections.

ORGANIZATION STRUCTURE



Board of Directors

Item	Name		Position	Training
1	Mr. Pimol	Srivikorn	Chairman of the Board	
2	Mr. Anun	Louharanoo	Chairman of the Audit Committee	DAP 1/2003
3	Mr. Soravis	Krairiksh	Member of the Audit Committee	DAP 42/2005
4	Mr. Suvitcha	Nativivat	Member of the Audit Committee	DCP188/2014
5	Mr. Uthayan	Uthayanaka	Independent Director	DAP 42/2005
6	Mr. Isareit	Chirathivat	Independent Director	
7	M.L. Walliwan	Varavarn	Director	DAP 14/2005
8	Charlie	Jangvijitkul Ph.D.	Managing Director	DAP 33/2005 DAP 66/2005
9	Mr. Sumate	Suwanvongkij	Director	

BOARD OF DIRECTORS DETAILS

1. Mr. Pimol Srivikorn

Age : 50 Years

Nationality : Thai

Education : Master Degree in Business Administration,
California University, USA

Position : Chairman of the Board

Experience : May 1993 – Present: Chairman, Thailand Carpet Manufacturing Plc.
March 2007 – Present: President, Taekwondo Association of Thailand
January 1989 – Present: Director, President Hotel and Tower Co., Ltd.
November 2013 – Present: Member of Investment Committee,
Seamico Securities Plc.
January 2010 – Present: Executive Director, Srivikorn Group
Holding Co., Ltd.

Shareholding as at : 31 December 2014 26,240,224 Shares accounted for 7.67 %

Shareholding for spouse and child in the Company: None

2. Mr. Anun Louharanoo

Age : 61 Years

Nationality : Thai

Education : Bachelor of Accounting, Thammasat University
Bachelor of Laws, Thammasat University

Position : Chairman of the Audit Committee

Experience : Independent Director/ Audit Committee Member/ Nomination and
Remuneration Committee Member
Diamond Building Products PCL

Shareholding as at : 31 December 2014 (None)

Shareholding for spouse and child in the Company: None

3. Mr. Soravis Krairiksh

Age : 42 Years

Nationality : Thai

Education : Master's Degree in Finance, London Business School

Position : Member of the Audit Committee

Experience : Senior VP., Bualuang Security PLC.

Shareholding as at : 31 December 2014 (None)

Shareholding for spouse and child in the Company: None

4. Mr. Suvitcha Nativivat

Age : 33 Years
Nationality : Thai
Education : Master's Degree, Laws, University of Pennsylvania Law School, USA
Position : Member of the Audit Committee
Experience : Associate, Bunchong and Vidhya Law Office Limited (2011-Present)
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

5. Mr. Uthayan Uthayanaka

Age : 79 Years
Nationality : Thai
Education : Bachelor Degree in Politic Science, Widener University, USA
Position : Independent Director
Experience : Inspector General
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

6. Mr. Isareit Chirathivat

Age : 36 Years
Nationality : Thai
Education : Master Degree, Marketing, Real Estate & Entrepreneurship, UCLA
Anderson School of Management USA
Position : Independent Director
Experience : Senior Business Development Manager – International, Central Pattana
Property Development & Investment Public Company Limited
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

7. M.L. Walliwan Varavarn

Age : 57 Years
Nationality : Thai
Education : Master Degree, Massachusetts Institute of Technology, USA
Position : Director
Experience : Deputy Managing Director of Bangna Central Property Company Limited
Managing Director of M Grand Hotel Company Limited
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

8. Charlie Jangvijitkul Ph.D.

Age : 55 Years
Nationality : Thai
Education : Ph.D. in Business Administration, Bangkok University
(in Corporate with University of Nebraska Lincoln, USA)
Position : Managing Director
Experience : Assistant Managing Director, Bangkok Phaisam
Textile Industry Company Limited
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

9. Mr. Sumate Suwanvongkij

Age : 55 Years
Nationality : Thai
Education : Bachelor Degree, Major Marketing, Bangkok University
Position : Domestic Sales Manager
Experience : Sales Manager, Thailand Carpet Manufacturing Public Company Limited
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

Management Committee

Item	Name		Position
1	Mr. Pimol	Srivikorn	Chairman of the Board
2	Charlie	Jangvijitkul Ph.D.	Managing Director
3	M.L. Walliwan	Varavarn	Director
4	Mrs. Noppaporn	Aphiwatthanakul	Finance & Accounting Department Manager
5	Mr. Sumate	Suwanvongkij	Domestic Sales Manager
6	Mr. Thamrongchai	Thanawutikul	Factory Manager
7	Mr. Sunya	Pojurai	Human Resource Manager
8	Mrs. Supinda	Tantiprasutr	Purchasing Manager
9	Mr. Somboon	Weeraprasertsuk	Support Product Division Manager
10	Mr. Kutchapon	Kongsitti	Export Sales Manager

MANAGEMENT COMMITTEE DETAILS

1. Mr. Pimol Srivikorn

Age : 50 Years
Nationality : Thai
Education : Master Degree in Business Administration,
California University, USA
Position : Chairman of the Board
Experience : May 1993 – Present: Chairman, Thailand Carpet Manufacturing Plc.
March 2007 – Present: President, Taekwondo Association of Thailand
January 1989 – Present: Director, President Hotel and Tower Co., Ltd.
November 2013 – Present: Member of Investment Committee,
Seamico Securities Plc.
January 2010 – Present: Executive Director, Srivikorn Group
Holding Co., Ltd.
Shareholding as at : 31 December 2014 26,240,224 Shares accounted for 7.67 %
Shareholding for spouse and child in the Company: None

2. Charlie Jangvijitkul Ph.D.

Age : 55 Years
Nationality : Thai
Education : Ph.D. in Business Administration, Bangkok University
(in Corporate with University of Nebraska Lincoln, USA)
Position : Managing Director
Experience : Assistant Managing Director, Bangkok Phaisam Textile Industry
Company Limited
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

3. M.L. Walliwan Varavarn

Age : 57 Years
Nationality : Thai
Education : Master's Degree, Massachusetts Institute of Technology, USA
Position : Director
Experience : Deputy Managing Director of Bangna Central Property Company
Limited
Managing Director of M Grand Hotel Company Limited
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

4. Mrs. Noppaporn Aphiwatthanakul

Age : 55 Years
Nationality : Thai
Education : Master Degree in Accounting, Sripatum University
Position : Finance & Accounting Department Manager
Experience : Assistant Finance & Accounting Department Manager
Thailand Carpet Manufacturing Public Company Limited
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

5. Mr. Sumate Suwanvongkij

Age : 55 Years
Nationality : Thai
Education : Bachelor Degree, Major Marketing, Bangkok University
Position : Domestic Sales Manager
Experience : Sales Manager, Thailand Carpet Manufacturing Public Company Limited
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

6. Mr. Thamrongchai Thanawutikul

Age : 39 Years
Nationality : Thai
Education : Master Degree in Business Administration, Kasetsart University
Position : Factory Manager
Experience : Industrial Engineer of Jong Stit Co., Ltd.
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

7. Mr. Sunya Pojurai

Age : 49 Years
Nationality : Thai
Education : Bachelor Degree in Public Administration, Ramkhamhaeng University
Position : Human Resource Manager
Experience : Human Resource Manager, Senso Corporation Company Limited
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

8. Mrs. Supinda Tantiprasutr

Age : 48 Years
Nationality : Thai
Education : Bachelor Degree in Business Administration Marketing, Assumption University
Position : Purchasing Manager
Experience : Purchasing & Warehouse Manager, S. Napa (Thailand) Company Limited
Shareholding as at : 31 December 2013 (None)
Shareholding for spouse and child in the Company: None

9. Mr. Somboon Weeraprasertsuk

Age : 49 Years
Nationality : Thai
Education : Diploma, Textile Chemistry, Bangkok Technical Campus
Position : Support Product Division Manager
Experience : Support Product Division Manager, Thailand Carpet Manufactory Company Limited
Shareholding as at : 31 December 2014 (None)
Shareholding for spouse and child in the Company: None

10. Mr. Kutchapon Kongsitti

Age : 43 Years
Nationality : Thai
Education : Master Degree in Business Administration; Oregon State University, USA
Position : Export Sales Manager
Experience : Export Sales Manager, Satin Textile Co., Ltd.
Shareholding as at : 31 December 2013 (None)
Shareholding for spouse and child in the Company: None

SHAREHOLDERS STRUCTURE

List of major shareholders as at the Shareholders' Meeting in 2014

No.	Major Shareholders	No. of Share	Percentage
1.	Srivikorn's Family		
	Khunying Sasima Srivikorn	19,407,130.00	5.67%
	Mr. Pimol Srivikorn	24,858,085.00	7.26%
	Mr. Vikorn Srivikorn	18,811,000.00	5.50%
	Mr. Chaiyut Srivikorn	21,721,690.00	6.35%
	Total	84,797,905.00	24.78%
2.	Teepsuwan's Family		
	Mrs. Taya Teepsuwan	20,881,390.00	6.10%
	Mr. Chatchai Teepsuwan	4,400,000.00	1.29%
	Total	25,281,390.00	7.39%
3.	Cholsaipan's Family		
	Ms. Nipa Cholsaipan	10,311,000.00	3.01%
	Mr. Nam Cholsaipan	9,057,800.00	2.65%
	Mr. Akkharin Cholsaipan	208,800.00	0.06%
	Ms. Nonthip Cholsaipan	100,000.00	0.03%
	Total	19,677,600.00	5.75%
4.	Leenabanchong's Family		
	Mr. Teerachai Leenabanchong	97,000.00	0.03%
	Mr. Chanachai Leenabanchong	13,343,000.00	3.90%
	Total	13,440,000.00	3.93%
5.	Mr. Jirawut Kuvant	8,850,000.00	2.59%
6.	Mr. Anant Tangtongwechakit	6,966,000.00	2.04%
7.	Mr. Parin Ruenpakwut	6,850,000.00	2.00%
8.	Mr. Chernporn Tengamnuay	6,712,100.00	1.96%
9.	Capital Engineering Network Public Company Limited	5,668,800.00	1.66%
10.	Cheawsakul's Family		
	Mr. Suchart Cheawsakul	2,900,000.00	0.85%
	Mr. Adit Cheawsakul	5,000.00	0.00%
	Ms. Peeraya Cheawsakul	2,680,000.00	0.78%
	Total	5,585,000.00	1.63%

FINANCIAL HIGHLIGHTS

FINANCIAL POSITION AT YEARS ENDED

(Thousand Baht)

	2014	2013	2012
Total Revenues	1,704,546	731,492	1,134,895
Sales	1,660,943	705,493	757,524
Gross Profit	383,656	194,326	212,192
Net Profit (Loss)	87,055	21,186	313,362
Total Assets	1,870,493	1,237,581	1,271,653
Total Liabilities	723,735	384,562	427,535
Equity	1,146,758	853,020	844,118
FINANCIAL RATIOS			
Earning per Share (Baht)	0.25	0.06	0.92
Dividend per Share (Baht)	-	-	-
Book Value per Share (Baht)	3.35	2.50	2.47

GOOD CORPORATE GOVERNANCE REPORT

1. POLICY ON CORPORATE GOVERNANCE

The Board of directors on Thailand Carpet Manufacturing Plc. recognized the significance of the Good Corporate Governance principles by assigned appropriate policies for the Executive Committee, Management Committee and Audit Committee to follow:

- Operate business with integrity and transparency with proper auditing and monitoring system always disclosure proper information to all stakeholders.
- Employs appropriate risk management strategies.
- Determine to add value to the operations.
- Establish moral and ethical guidelines for directors and staff to follow.

2. RIGHTS OF SHAREHOLDERS

All shareholders shall obtain notice and details of meetings together with the Board of Directors' opinion on the matters not less than 7 days prior to the meeting date. The Shareholders' Meeting is organized in accordance to the rules and regulations with discretion treatment to all parties. The meeting and the meeting's reports were in accordance to the requirement from Stock Exchange of Thailand.

3. RIGHTS OF INTERESTED PARTIES

TCMC has emphasized and recognized the rights of all interested parties; including the shareholders, employees, customers, competitors, leaders community. TCMC strictly adhered to the laws and regulations to ensure that their rights are protected and in order to continue cooperation creating better working environment and competitiveness ensuring greater profit yield.

4. THE SHAREHOLDERS' MEETING

TCMC has organized annual general meeting of shareholders with 4 months from the end of fiscal year. The Chairman informed that all shareholders have equal rights to inspect and to monitor the operating performance of TCMC by asking questions, making comments or suggestion for future benefits of the operations. All shareholders are treated equally and in strict accordance with the legal procedures.

5. LEADERSHIP AND VISION

TCMC's Board of Directors has created a structure to monitor the operative performance of the Executive Directors in compliance with company policy and vision. This scope of authority had consider the current positioning of the company in Thailand and abroad as the respectable leader in carpet manufacturing in terms of quality, designs and services according to the international standard.

6. CONFLICT OF INTEREST

The Board of Directors has established a process to eliminate conflicts of interest amongst Board member during their office term. The Board of Directors has always complied to the company's policy not to disclose sensitive or inside company information the general public which may lead to personal benefits. TCMC has implemented rules connected transaction to the SET and the proper authorities. Directors are not permitted to vote or decide on those issues in which they may be personally involved.

7. BUSINESS ETHICS

TCMC has put strong emphasis on company's image and reputation. TCMC has adopted a written code of business ethics as a guide to its administration and operation to ensure professional business operation with accountability, responsibility, transparency and integrity. Also, TCMC has always been concerned about the responsibilities to the environment and community. TCMC encourages the directors, management and employees to honestly and diligently perform their functions for the benefit of TCMC, shareholders and the public.

8. BALANCE OF POWER (EXECUTIVE, NON-EXECUTIVE AND INDEPENDENT DIRECTORS)

The Company's Board of Director has total 9 people consist of directors follows:

- Executive Directors : 3 persons
- Non-Executive Directors : 1 persons
- Independent Directors : 5 persons

Board members who are not non-executive directors have the power to inspect and audit. Independent directors, according to SET regulation are independent from major shareholders / group and also not employ or receive regular salary and benefits.

9. AGGREGATION OR SEGREGATION OF POSITION

In all Board meeting, Directors remain without influence and not limited to the way they may wish to exercise their duties. In order to efficiency audit the company operation, Chairman of the Board of Directors and Chairman of the Audit Committee are not in the regular administrative position. They are to monitor the policies and to follow TCMC operations to reach the goals and objectives in order to maximize and to protect the asset of all stakeholders.

10. REMUNERATION FOR DIRECTORS AND EXECUTIVE OFFICERS

At the Annual General Meeting of Shareholders of the Company no. 1/2014 on 29 April 2014 it was approved for the Company to pay remuneration to the Board of Directors and the Audit Committee of the company for the year 2014 for the Chairman of the Board in the amount of 25,000 Baht per meeting and the Directors who do not receive regular salaries in the amount of 20,000 Baht per meeting per month and each of Audit Committee Members in the amount of 6,000 Baht per month.

11. BOARD OF DIRECTORS MEETING

TCMC's Board of Directors regularly meets once every quarter with specific agendas. The relevant information and documents are submitted to the Directors prior to the meeting allowing them with sufficient time, more than 7 days, to review. The Board of Directors is always informed of the operation's performance at these meeting. The minutes of every meeting has been properly recorded and kept for further reference.

12. AUDIT COMMITTEE

The Audit Committee was appointed by TCMC's Board of Directors. The committee meets with the management team every 3 months and consists of 2 independent directors and 1-Non-Executive director as follows:-

- | | | |
|-----------------|------------|---------------------------------|
| 1. Mr. Anun | Louharanoo | Chairman of the Audit Committee |
| 2. Mr. Soravis | Krairiksh | Member of the Audit Committee |
| 3. Mr. Suvitcha | Nativivat | Member of the Audit Committee |

Audit Committee's roles and responsibilities are as follows:

- To review the sufficiency and credibility of the Company's financial reports.
- To review the adequacy and efficiency of the Company's internal control and internal audit.
- To consider, select and nominate the Company's auditor and to propose his professional fees.
- To review that the Company complies with the securities and exchange law, the regulations of the Stock Exchange or the laws relations to the Company's business.
- To prepare a report of the Company's performance of supervisory role and to disclose it into the Company's annual report.
- To perform any other acts as may be assigned by the Company's board of directors with the approval of the Audit Committee.
- To consider compliance with all connected transaction disclosures or the conflict-of-interests disclosures.

13. INTERNAL AUDIT SYSTEM AND RISK MANAGEMENT

TCMC has recognized the important of proper controlling system at the administrator level and high efficiency in operator level. The internal control reviews the duties and responsibilities of the executive with check and balance system.

14. MANAGEMENT REPORT

TCMC's Board of Directors is responsible for the presentation of the financial reports according to consistently applied generally accepted accounting standards which has been audited by authorized financial auditor. The Board of Directors have emphasized on accurate, reliable, regular and punctual disclosure of financial reports.

15. INVESTOR RELATIONS

The Board of Directors recognized the need to have access to information whether financial or non financial from the prospective investors or other interested parties in relation to company performance. The Board of Directors confirms that the relevant information are adequately revealed and distributed through appropriate channels. Investors may get access to the information relating to TCMC at the Regular Set information Management System (RSIMS) or at Ms. Noppaporn Aphiwatthanakul at 0-2533-6393 to 2400

16. Anti Corruption Policy

Thailand Carpet Manufacturing Plc identified making a stand against corruption as an important commitment. As our reputation is greatly valued the highest standard needs to be constantly applied throughout the entire organization. Due to this commitment Thailand Carpet Manufacturing Plc has set up a policy outlining its views and stands regarding anti corruption which should be strictly adhered to resulting in ethical corporate governance practices.

The policy applies to all officers, employees and directors as well as any agents, consultants, contractors, business partners, suppliers and to any other people or organizations associated direct or indirect in any manner with the Thailand Carpet Manufacturing Plc group of companies, within all regions, areas and functions.

The company has announced its intention to follow the alignment of the Collective Action Coalition Against Corruption Council with Thai Institute of Director Association (IOD) since September 7, 2014 in order to standardize their business to reassure stakeholders.

Thailand Carpet Manufacturing Plc Board of Directors, management team and staff members as well as stakeholders can leave a comment or question directly at the "Anti-Corruption Department" as the following:

Email: anticop@royalthai.com

By phone: +662-533-6393 ext 2104

Mail: Anti - Corruption Department Thailand Carpet Manufacturing Plc.

238 Vipavadee Rangsit Road Kwang Sanambin, Khet Donmuang Bangkok 10210

NATURE OF BUSINESS

For over 40 years, Thailand Carpet Manufacturing Public Company Limited (TCMC) has been manufacturing and distributing customized carpets under the brand “Tai Ping” for the domestic and “Royal Thai” for international market respectively. In addition to the custom carpets, the company also imported variety of carpets lines complimenting to the company’s existing line. The company has previously involved in Property Development.

The company no longer has interested in the fields other than our core business. The company divided the domestic and international distribution as follow:

	2014		2013		2012	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic Sales Revenue	301.20	47.42	325.92	51.23	326.17	47.83
Export Sales Revenue	334.02	52.58	310.22	48.77	355.74	52.17
TOTAL	635.22		636.14		681.91	

Nature of Products or Services

Company Product Category

1. Hand Tufted Carpet
2. Axminster Woven Pattern Carpets
3. Machine Tufted Carpets
 - Broadloom tufted (rolls)
 - Pass-tufted (as plan)
4. Carpet Underlay

SEASONING EFFECTS

TCMC always plan to distribute carpet evenly throughout the year. However, 4th quarter sales has always been our best quarters. Requirement for renovations and grand-opening of projects usually coincide with the year-end celebration. Thus, it leads to sluggish sales in the first quarter. In the past few years, TCMC has pushed the promotion program to increase the first quarter target. It has shown to be quite successful. We are confident with our marketing program the seasonal effects will be minimized.

In the export market, long holidays in Europe (Mid July-August) and Middle-East’s Ramadan have considerable effect on our capacity/target plan.

IMPACT TO ENVIRONMENT

As a manufacturing facility, TCMC has the responsibility to the environment and society to perform safety and environmental duty to ensure proper treatment of our waste. All of our raw materials are carefully reviewed and evaluate to determine possible negative impact to the

environment. In 2006, we have not found any raw materials to be dangerous to the environment or society. With our dye facility, we recognize the importance of its water treatment. We have installed program to always update the treatment system and to assure proper environment protection. We have authorized personnel to monitor, analyzed and control water quality in accordance to the industry standard waste treatment is properly disposed at specified location.

Market and Competition

Domestic Market

Due to the difficulties faced by a political crisis in late 2013 to early 2014 the country's overall economy was in a downturn. The hotel industries, being collectively Royal Thai's main customer segment, have seen a significant drop of travelers. As a result of decreased revenue these clients are putting investments on hold.

The inability to have means other than operational expenditure for Royal Thai's main domestic customer base was felt in an order and sales drop for the first quarter of 2014.

After the political and economical stability from May 2014 onwards a better outlook was seen in the hotel industries.

However, with some travelers coming from regions facing financial difficulties and the impact of the political unrest still felt, growth is slow in the industry. Royal Thai's base clientele are momentarily unable to invest in carpet products which caused an overall sales decrease for the year of 2014.

Export Market

Inter year 2014, Thailand Carpet Manufacturing Plc, under brand Royal Thai had higher sales income than expected throughout the global export market.

In Asia however where the demand for lower cost carpet products remains significantly greater compared to higher quality, the Chinese and Indian products take in the lion share of the market with low prices.

For the second year in row Royal Thai has expanded its customer base in the US market where the demand for high – end quality and service is increasingly growing.

In the Middle East the premium quality finish of Royal Thai products is acknowledged and regarded with a solid stream of orders as a result.

This accumulates in increases global export, with a consecutive strong last quarter and overall actual sales income of the year 2014 resulting close to sales target.

DISTRIBUTION AND CHANNEL

Domestic: In order to support the requirement for quality customized carpet for large projects such as hotel, Cineplex or condominium, TCMC concentrates its direct selling efforts by

having corporate salesman. They are joined into 4 groups; with 3 out of 4 divisions concentrate their selling in Bangkok and suburban areas. This strategy is aimed to serve the customers that are considered to be “contract sale”. TCMC has organized the team to support the documentation, contract agreement and payment terms. Our other distribution channels are agents / representative and showroom.

Domestic Distribution Channel

Direct sales	93 %
Sales through distributors	7 %

Type of Customers

Higher percentages of customers are hotels, government bureau, commercial buildings and residential buildings while the remaining are private residence and small commercial offices.

	2014	2013	2012
% of sales of the major 10 customers are as follows	30.25	45.64	44.07

Export: TCMC has reduced the numbers of international agents and representative over the past year. The communications via Internet has changed the approach for international distribution. Customers prefer to deal directly with the factory. The Company has continued its expansion plan in the area of customer service, design assistance, planning estimation and collections. The human resources needed are higher profile in background and experience. They are capable of handling the communications directly with the customers. This direct approach has opened the doors to countries that we have not approach in the past.

International Distribution Channel

Direct sales	80 %
Distributors / Agents	20 %

UNDILIVERED JOBS

The undelivered jobs, which are the projects, are valued up to 10% of total revenues according to the latest financial statement.

(None)

PRIVILEGES AND BUSINESS RESTRICTION

1. Promotional privilege	(None)
2. Other privilege	(None)
3. Business restriction	(None)

RISK MANAGEMENT

RECEIVABLE RISKS

TCMC continues to have a strict policy on terms of payment and receivables. However, TCMC has various customer bases in order to diversity the risks and exposure. In addition, TCMC has efficiently managed potential bad debts and as a result the outstanding balance has gradually reduced.

INTEREST RATE FLUCTUATION

This year is the tenth year that TCMC has paid continuously for interest and principle for a long term financing since 2005. The payment of interest rate for the first 3 years is fixed; however, for the remaining years, the rate is floated in relation to the 1 year fixed saving rate plus premium. There is a potential that the interest rate will be higher in the future as a result of inflation; nevertheless, the company is still able to repay the loan on time.

EXCHANGE RATE FLUCTUATIONS

TCMC does not have foreign currency loan nor trade financial derivative products. Therefore, there is no risk from such transactions. TCMC has committed to forward purchase to reduce exchange rate risk from exporting carpets and importing raw materials, machineries and equipment, etc.

However, the continuous increasing of Baht Value has a major influence on the export sales revenues which is the potential goal of the company.

OIL PRICE AND RAW MATERIALS

Increasing in raw material especially nylon which is the synthetic fiber and also transportation cost due to the continuous rising of oil price. In 2013, TCMC puts an effort to negotiate with major suppliers to hold the price. This is rather difficult as oil price is an uncontrollable factor that our suppliers also have to absorb the cost.

EXPLANATION AND ANALYSIS OF FINANCIAL STATUS AND PERFORMANCE

27 February 2015

Thailand Carpet Manufacturing Public Company Limited (“the Company”) would like to inform the operating results and financial position of the Company and its subsidiaries for the year ended 31 December 2014, comparing to the year ended 31 December 2013, as follows:

Overall the operating results

January 2, 2014 the company has acquired the shares of T.C.H. Suminoe Co.,Ltd. which represents 49.90% of the total issued shares of such company. The acquisition of such shares is based on the resolution of the extraordinary general meeting of shareholders no.2/2013 dated November 14, 2013. The objective is to invest in competitive business as T.C.H. Suminoe Co., Ltd. is one of the manufacturers and distributors of textiles and carpets for major and well-known automotive industry. The company has appointed the company’s director and the management into administration and has the preparation of consolidated financial statements of the company’s group.

For the year ended 31 December 2014, the Company had the operating profit 30.13 million baht, comparing to the year ended 31 December 2013 had the operating profit 23.54 million baht that changed over 20%. The consolidated financial statements for the year ended 31 December 2014 had the operating profit 87.06 million baht, comparing to the year ended 31 December 2013 had the operating profit 21.19 million baht that changed over 20%, with the reasons as follows:-

1. Revenues

In 2014, the Company had sales and services amount 635.22 million baht was lower than year 2013 amount 0.92 million baht was at 0.14%, because the third quarter of 2013 until the first quarter of 2014, many new building as well as renovation projects had been decelerated due to political turbulence. The consolidated financial statements in 2014 had sales and services amount 1,660.94 million baht was higher than year 2013 amount 954.90 million baht was at 135.25 %, due to the company has acquired the shares of T.C.H. Suminoe Co.,Ltd.

2. Sales and Services Cost

In 2014, the Company had sales and services cost amount 495.54 million baht was at 78.01% of revenues, comparing to 2013, the Company had sales and services amount 491.76 million baht was at 77.30% of revenues due to average sales prices of year 2014 were lower than year 2013, and the main raw materials which were mostly imported the cost increased from the bath value had weakened. The consolidated financial statements in 2014 had sales and services cost amount 1,277.29 million baht was at 76.90% of revenues, comparing to 2013 which had 511.40 million baht was at 72.43% of revenues.

3. Other Incomes

In 2014, the Company had other incomes amount 18.72 million baht, comparing to 2013 which had 26.69 million baht, because there was income from the rental and services from

Royal Thai International Co.,Ltd for year 2014 amount 10.45 million baht and for year 2013 amount 9.04 million baht. The Company had recognized the penalty income from Couristan's machinery account payable in the amount of 2.99 million baht for year 2014 and in the amount 11.56 million baht for year 2013, due to the lower quantity specified in the agreement. The consolidated financial statements had other incomes in 2014 amount 25.22 million baht and in 2013 amount 25.45 million baht. In addition, the Company had gain on bargain purchase business due to the company has acquired the shares of T.C.H. Suminoe Co.,Ltd.

4. Dividend Income

The Company received dividend from Royal Thai International Co, Ltd., which declared interim dividend amount 3 million baht.

5. Selling & Administrative Expenses and Other Expenses

In 2014, the Company had selling expenses and administrative expenses amount 120.66 million baht, comparing to 2013 was at 144.41 million baht, decreased amount 23.75 million baht was at 16.45% due to year 2013, there was extra expense due to the Company had filed for VAT refundable for the tax month of January 2009 was 27.37 million baht. After passing the checking process in accordance with the criteria of the Revenue Department, the Company received the tax refund at the amount of 14.07 million baht. The remaining amount of 13.30 million baht was the amount that the Company had not received. Therefore, the Company had recorded as loss from VAT write-off in the statement of income for the quarter 3/2013. The consolidated financial statements for 2014 had selling expenses and administrative expenses amount 259.18 million baht, comparing to 2013 amount 179.46 million baht, increased 79.72 million baht was at 44.42%.

In 2014, the Company had gain on exchange rate amount 2.42 million baht, while in 2013, there was loss on exchange rate amount 1.89 million baht. The consolidated financial statements in 2014 had gain on exchange rate amount 2.38 million baht, while in 2013, there was loss on exchange rate amount 2.55 million baht.

6. Financial Cost

In 2014, the Company had financial cost amount 5.91 million baht, comparing to 2013 amount 5.87 million baht increased 0.04 million baht was at 0.68% The consolidated financial statements in 2014 had financial cost 18.24 million baht, comparing to 2013 amount 7.29 million baht.

7. Net Profit

In 2014, the Company had net profit 30.13 million baht, comparing to 2013 amount 23.54 million baht. The consolidated financial statements for year 2014 had net profit 87.06 million baht, and year 2013 had net profit 21.19 million baht due to the company has acquired the shares of T.C.H. Suminoe Co.,Ltd.

Financial Position

Total Assets

As at 31 December 2014, the Company had total assets 1,197.40 million baht, comparing to statements of financial position as at 31 December 2013(reclassified) was at 1,206.52 million baht, which was the mainly increase of investments in subsidiaries. The consolidated financial statements at 31 December 2014 had total assets 1,870.49 million baht, and year 2013 (reclassified) had total assets was at 1,237.58 million baht.

Total Liabilities

As at 31 December 2014, the Company had total liabilities 325.85 million baht, comparing to at 31 December 2013(reclassified) was at 351.43 million bah, decreased amount 25.58 million baht was at 7.28% due to long-term loan decreaded. The consolidated financial statements at 31 December 2014 had total liabilities 723.74 million baht, comparing to at 31 December 2013 (reclassified) was at 384.56 million bah, increased amount 339.18 million baht was at 88.20% due to the company has acquired the shares of T.C.H. Suminoe Co.,Ltd.

Shareholders' Equity

As at 31 December 2014, the Company had shareholders's equity amount 871.56 million baht, increased from at 31 December 2013(reclassified) was at 855.09 million baht. The consolidated financial statements at 31 December 2014 had shareholders'equity amount 1,146.76 million baht, increased from at 31 December 2013(reclassified) was at 853.02 million baht due to the company has acquired the shares of T.C.H. Suminoe Co.,Ltd.

TRANSACTION WITH RELATED PARTIES

TCMC had transactions with related parties or shareholders of the Company as follows:

Buying Raw Materials

There is no transaction in this year.

Selling Goods:

In 2014, TCMC had sold the carpets to our shareholder at normal price and standard trade agreement, as follows:

(Unit: Thousand Baht)

Name	Relationship	Account Receivable	Sales Value
United Carpet Manufacturing Ltd.	Business Subsidiary	3,479	13,618
Royal Thai International Ltd.	Business Subsidiary	61,545	252,840

REPORT FROM THE AUDIT COMMITTEE

The Audit Committee of Thailand Carpet Manufacturing Public Company Limited was appointed by the Board of Directors of the Company, which comprises three independent directors with Mr. Anun Louharanoo as the Chairman of the Audit Committee, Mr. Soravis Krairiksh and Mr. Suvitcha Nativivat as the Members of the Audit Committee.

The Audit Committee has performed the duties and responsibilities as assigned by the Board of Directors of the Company by conferring with the executives and the auditor, including reporting to The Board of Directors of the Company for acknowledgement and consideration once per quarter. We hereby report the performance results for the fiscal year 2014 with the summary of important content as follows:

(1) reviewed the financial statements quarterly and annually for the fiscal year 2014 by conferring with the auditor and executives in order to verify the correctness of the financial statements and adequacy of information disclosure, including to acknowledge the observations and comments of the auditor for the fiscal year 2014, which the Audit Committee is of the opinion that the said financial statements are appropriately correct under the accounting standard as required under generally accepted accounting principles.

(2) reviewed the adequacy of the internal control system for the fiscal year 2014 whereby the Company has engaged P & L Internal Audit Company Limited to audit the important work system and the internal control system of the Company which no significant mistakes were found by recommending the executives to adjust and change any work system to be more careful and appropriate.

(3) reviewed the performance under the laws related to the Securities and Exchange, the regulations of the Stock Exchange of Thailand and other laws relevant to the Company's businesses for the fiscal year 2014 by recommending the executives to completely comply as prescribed by such laws.

(4) reviewed the connected transactions or the transactions with potential conflicts of interest and disclosed the information of such transactions in accordance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission which the Audit Committee is of the opinion that the important transactions have been disclosed and showed the particulars adequately in the financial statements and the notes of the financial statements for the fiscal year 2014.

(5) The Board of Directors of the Company and the Audit Committee have jointly considered to select, appoint and fix the remuneration of the auditor to request for the approval from the Annual General Meeting of Shareholders by considering the performance result, independence and appropriateness of remuneration, and hereby deems appropriate to appoint Mr. Pichai Datchanapirom, Certified Public Accountant No. 2421 or Mr. Poj Asavasatichai, Certified Public Accountant No. 4891, or Mr. Thanawut Piboonsawat, Certified Public Accountant No. 6699 the auditors of Dharmniti Auditing Co., Ltd., acting singly, as the Company's auditors for the fiscal year 2015 and fix the remuneration of the Auditors in the amount not exceeding 1,000,000 baht.

(6) During the fiscal year 2014, the Audit Committee Meeting was held 4 times in total, whereby Mr. Anun Louharanoo, the Chairman of the Audit Committee, attended 4 of 4 times; Mr. Soravis Krairiksh, Member of the Audit Committee attended 3 of 4 times; and Mr. Suvitcha Nativivat, Member of the Audit Committee attended 4 of 4 times.

The Audit Committee has the independence in the performance of the work as assigned by the Board of Directors of the Company by conferring with the relevant executives from time to time and meeting with the auditor every quarter in order to acknowledge the observations in relation to the financial statements and the internal control of accounting, which no significant abnormalities were found.

5 March 2015

On behalf of the Audit Committee

A handwritten signature in black ink, appearing to be in Thai script, with a large, sweeping flourish extending from the bottom right.

Mr. Anun Louharanoo
Chairman of the Audit Committee

Report of the Board Directors' Responsibilities for Financial Reports

The consolidated financial statements Year 2014 of Thailand Carpet Manufacturing Public company Limited and its subsidiaries have been prepared in accordance with the Notification of the Department of Business Development, regarding to the condensed transactions of the financial statements, effective under the Accounting Act B.E. 2543 (2000) and in compliance with the accounting standard established in the Accounting Profession Act B.E. 2547 (2004).

The Board of Directors is responsible for the preparation of the financial report of Thailand Carpet Manufacturing Public company Limited and its subsidiaries, assuring that the report of the financial status, operating results, and cash flows are presented in truth and fairness by having established a correct and complete keeping of the financial records. These financial statements have been prepared in accordance to the generally accepted accounting standard by using accounting policies that are appropriate and corresponding to the business operation, which are undertaken on a regular basis. The Company also considers and maintains adequate provisions for uncertainty items or items that may have significant effect on future operation, by disclosing important information in the Notes to Financial Statement with certified accountant's opinions in the Report of Independent Auditor.

Accordingly, the Board of Directors has appointed the Audit Committee, comprising of independent and non-executive directors with complete qualifications as established by the Securities and Exchange Commission (SEC), to review the financial statements for compliance with the accounting standard; to review the internal control and internal audit system for appropriateness and efficiency; to review that the business operation has been conducted in accordance with the Company's regulations and relevant laws and regulations; and to oversee that there are no conflict of interest; as well as to consider the propose for the appointment of the Company's auditors. The opinions of the Audit Committee are expressed in the Report of the Audit Committee which has been included within the Annual Report 2014.

16 March 2014

On behalf of the Board of Director ofThailand Carpet Manufacturing Public company Limited



(Mr. Pimol Srivikorn)
Chairman



(Mr. Charlie Jangvijitkul)
Managing Director

Report from Independent Certified Public Accounts

To The Shareholders and Board of Directors of
Thailand Carpet Manufacturing Public Company Limited

I have audited the accompanying financial statements of Thailand Carpet Manufacturing Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at December 31, 2014, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and the separate financial statements of Thailand Carpet Manufacturing Public Company Limited which comprise the statement of financial position as at December 31, 2014, and the statement of comprehensive income statement of changes in shareholders' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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 the Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements of Thailand Carpet Manufacturing Public Company Limited and its subsidiaries and the separate financial statements of Thailand Carpet Manufacturing Public Company Limited referred to above present fairly, in all material respects, the financial position as at December 31, 2014, and the financial performance and the cash flows for the year then ended in accordance with the Financial Reporting Standards.



(Mr. Thanawut Piboonsawat)
Certified Public Accountant
Registration No. 6699

Dharmniti Auditing Company Limited
Bangkok, Thailand
February 27, 2015
2015/102/0278

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014

ASSETS

		Baht					
		Consolidated financial statements			Separate financial statements		
		As at December	As at December	As at January	As at December	As at December	As at January
		31, 2014	31, 2013	1, 2013	31, 2014	31, 2013	1, 2013
Note		(Restated)			(Restated)		
Current assets							
Cash and cash equivalents	4	33,578,658.27	191,682,092.97	115,436,483.50	12,897,596.90	184,903,480.02	101,406,112.21
Trade and other receivables	5						
Related parties	24	16,028,924.77	6,139,767.79	13,112,831.84	73,033,624.06	54,251,643.16	50,612,252.69
Other companies		373,102,016.76	137,722,053.14	205,898,302.66	89,502,619.90	68,835,025.20	155,911,406.68
		389,130,941.53	143,861,820.93	219,011,134.50	162,536,243.96	123,086,668.36	206,523,659.37
Short-term loan to subsidiary	7, 24	-	-	-	2,550,000.00	2,550,000.00	2,550,000.00
Inventories	6	281,818,540.07	214,151,032.67	236,349,243.67	182,043,914.46	199,073,793.95	217,970,562.24
Other current assets	8	14,001,741.65	24,982,582.94	53,783,647.01	15,218,840.50	36,430,885.21	53,654,896.08
Total current assets		718,529,881.52	574,677,529.51	624,580,508.68	375,246,595.82	546,044,827.54	582,105,229.90
Non-current assets							
Bill of exchange and fixed deposit used for guarantee	13	1,640,000.00	1,640,000.00	1,640,000.00	-	-	-
Investments in subsidiaries	9	-	-	-	173,374,690.00	11,199,700.00	11,199,700.00
“Property, plant and equipment”	10	1,106,701,041.03	654,590,507.48	613,089,905.38	644,839,003.03	646,055,106.55	602,838,760.19
Goodwill		845,505.77	845,505.77	845,505.77	-	-	-
Intangible asset	11	37,173,517.47	3,175,175.56	3,987,767.47	2,970,401.65	3,175,173.56	3,982,383.66
Deferred tax assets	12	1,009,162.66	855,862.00	876,395.50	-	-	-
Other non-current assets	14	4,594,328.43	1,797,220.18	1,774,382.06	971,385.09	50,000.00	-
Total non-current assets		1,151,963,555.36	662,904,270.99	622,213,956.18	822,155,479.77	660,479,980.11	618,020,843.85
TOTAL ASSETS		1,870,493,436.88	1,237,581,800.50	1,246,794,464.86	1,197,402,075.59	1,206,524,807.65	1,200,126,073.75

Notes to the financial statements form an integral part of these statements.

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2014

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht					
		Consolidated financial statements			Separate financial statements		
		As at December	As at December	As at January	As at December	As at December	As at January
		31, 2014	31, 2013	1, 2013	31, 2014	31, 2013	1, 2013
Note			(Restated)			(Restated)	
Current liabilities							
Bank overdraft and short-term loans							
from financial institutions	15	213,128,398.56	64,872,361.71	15,676,550.67	35,916,234.57	47,686,625.27	-
Trade and other payables	16						
Related parties	24	7,093,040.64	715,029.35	35,560.88	14,379,625.64	8,912,501.18	15,059,472.66
Other companies		215,059,271.82	101,228,518.82	132,990,324.38	86,436,394.66	82,880,044.14	96,195,636.39
		222,152,312.46	101,943,548.17	133,025,885.26	100,816,020.30	91,792,545.32	111,255,109.05
Current portion of long-term liabilities							
Long-term loan from financial institution	17	21,899,923.02	27,922,500.00	34,750,000.00	21,899,923.02	27,922,500.00	34,750,000.00
Liabilities under finance lease agreements		-	-	3,000,000.00	-	-	-
Short-term loans from related parties	18	28,168,848.88	6,132,647.28	13,985,124.47	6,642,330.88	6,132,647.28	13,985,124.47
Income tax payable		2,450,000.00	2,450,000.00	2,450,000.00	-	-	-
Other current liabilities		11,046,319.02	720,701.99	1,146,212.73	6,526,098.02	470,559.87	-
Total current liabilities		1,810,074.00	-	-	-	-	-
Non-current liabilities							
Long-term loan from financial institutions	17	7,500,000.00	31,399,923.02	59,322,423.02	7,500,000.00	31,399,923.02	59,322,423.02
Liabilities under finance lease agreements	18	60,313,421.16	30,185,068.53	27,471,624.83	25,931,402.16	30,185,068.53	27,471,624.83
Deferred tax liabilities	12	81,601,987.51	63,889,865.39	62,016,709.99	62,465,934.51	63,889,865.39	62,016,709.99
Employee benefit obligation	19	73,664,124.68	55,044,980.36	52,082,754.99	58,148,106.72	51,953,305.36	48,978,890.99
Total non-current liabilities		223,079,533.35	180,519,837.30	200,893,512.83	154,045,443.39	177,428,162.30	197,789,648.83
TOTAL LIABILITIES		723,735,409.29	384,561,596.45	404,927,285.96	325,846,050.18	351,433,040.04	357,779,882.35

Notes to the financial statements form an integral part of these statements.

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2014

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Note	Baht					
		Consolidated financial statements			Separate financial statements		
		As at December	As at December	As at January	As at December	As at December	As at January
		31, 2014	31, 2013 (Restated)	1, 2013	31, 2014	31, 2013 (Restated)	1, 2013
Shareholders' equity							
Share capital							
Authorized share capital							
513,355,860 ordinary shares, Baht 1.10 each ²¹		564,691,446.00	564,691,446.00		564,691,446.00	564,691,446.00	
68,447,448 ordinary shares, Baht 5.50 each ²¹				376,460,964.00			376,460,964.00
Issued and fully paid-up share capital							
342,249,797 ordinary shares, Baht 1.10 each ²¹			376,474,776.70		376,474,776.70		
342,237,240 ordinary shares, Baht 1.10 each ²¹					376,460,964.00		376,460,964.00
68,447,448 ordinary shares, Baht 5.50 each			376,460,964.00				376,460,964.00
Premium on share capital	21	11,301.30	-	-	11,301.30	-	-
Retained earnings (deficits)							
Appropriated							
Legal reserve		11,611,291.75	10,434,307.75	3,121,801.75	11,611,291.75	10,434,307.75	3,121,801.75
Unappropriated		221,864,556.00	149,675,652.80	155,811,379.41	169,784,533.26	154,522,373.46	158,689,303.25
Other components of equity		313,674,122.40	313,674,122.40	304,074,122.40	313,674,122.40	313,674,122.40	304,074,122.40
TOTAL EQUITY ATTRIBUTABLE TO OWNERS							
OF THE PARENT		923,636,048.15	850,245,046.95	839,468,267.56	871,556,025.41	855,091,767.61	842,346,191.40
NON-CONTROLLING INTERESTS		223,121,979.44	2,775,157.10	2,398,911.34	-	-	-
TOTAL SHAREHOLDERS' EQUITY		1,146,758,027.59	853,020,204.05	841,867,178.90	871,556,025.41	855,091,767.61	842,346,191.40
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,870,493,436.88	1,237,581,800.50	1,246,794,464.86	1,197,402,075.59	1,206,524,807.65	1,200,126,073.75

Notes to the financial statements form an integral part of these statements.

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2014

		Baht			
		Consolidated financial statements		Separate financial statements	
		2014	2013 (Restated)	2014	2013 (Restated)
	Note				
Revenues					
Sales	23, 24	1,660,942,608.32	705,492,523.02	630,502,243.29	631,096,699.31
Service incomes	23, 24	-	547,822.00	4,716,376.40	5,040,365.90
Gain on exchange rate		2,384,628.10	-	2,424,134.46	-
Dividend income		-	-	3,000,000.00	12,000,000.00
Gain from bargain purchase business	9	16,001,786.00	-	-	-
Other incomes	18.1, 24	25,216,815.83	25,451,312.13	18,723,758.14	26,691,138.63
Total revenues		1,704,545,838.25	731,491,657.15	659,366,512.29	674,828,203.84
Expenses					
Cost of sales	24	1,277,287,442.30	510,920,284.74	491,743,168.38	487,898,474.04
Cost of service	24	-	484,055.43	3,798,928.33	3,865,852.89
Selling expenses	24	121,823,377.50	96,962,235.61	78,714,739.53	84,075,421.14
Administrative expenses	24	137,357,832.91	82,495,034.23	41,947,702.42	60,331,021.49
Loss on exchange rate		-	2,552,059.77	-	1,886,718.48
Finance costs	24	18,243,034.61	7,288,377.99	5,907,528.76	5,865,342.67
Total expenses		1,554,711,687.32	700,702,047.77	622,112,067.42	643,922,830.71
Profit (loss) before income tax expenses		149,834,150.93	30,789,609.38	37,254,444.87	30,905,373.13
Income tax expenses	26	21,323,146.79	9,598,113.42	7,126,095.47	7,365,702.11
Profit for the year		128,511,004.14	21,191,495.96	30,128,349.40	23,539,671.02
Other comprehensive income					
Gain on land revaluation	10	-	12,000,000.00	-	12,000,000.00
Actuarial gain (losses) on defined employee benefit plans	19	-	1,118,166.99	-	173,636.99
Income tax relating to component of other comprehensive income	26	-	(2,623,633.40)	-	(2,434,727.40)
Other comprehensive income for the year, net of tax		-	10,494,533.59	-	9,738,909.59
Total comprehensive income for the year		128,511,004.14	31,686,029.55	30,128,349.40	33,278,580.61
Profit attributable to					
Owners of the parent		87,055,092.80	21,185,505.96	30,128,349.40	23,539,671.02
Non-controlling interests		41,455,911.34	5,990.00	-	-
		128,511,004.14	21,191,495.96	30,128,349.40	23,539,671.02
Total comprehensive income attributable to					
Owners of the parent		87,055,092.80	31,315,773.79	30,128,349.40	33,278,580.61
Non-controlling interests		41,455,911.34	370,255.76	-	-
		128,511,004.14	31,686,029.55	30,128,349.40	33,278,580.61
Basic earnings per share					
Attributable to owners of the parent	27	0.2544	0.0619	0.0880	0.0688
Diluted earning per share					
Attributable to owners of parent	27	0.2287	0.0500	0.0792	0.0555

Notes to financial statements form an integral part of these statements.

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2014

		Consolidated financial statements					
		Equity attributable to owners of the parent				Total	Non-controlling interest
		Ordinary shares, issued and paid-up	Premium on share capital	Retained earnings (deficits)	Other components of equity	Total	Total
				Appropriated legal reserve	Unappropriated	Capital surplus from land revaluation net of tax	
Beginning balance, as at January 1, 2013		376,460,964.00	-	3,121,801.75	155,811,379.41	304,074,122.40	839,468,267.56
Legal reserve	22	-	-	7,312,506.00	(7,312,506.00)	-	-
Dividend	22	-	-	-	(20,533,004.40)	-	(20,533,004.40)
Total comprehensive income for the year		-	-	-	21,185,505.96	-	21,185,505.96
Profit for the period		-	-	-	-	-	5,990.00
Other comprehensive income - net of tax		-	-	-	-	-	-
Gain on land revaluation	10	-	-	-	-	9,600,000.00	9,600,000.00
Actuarial gain	19	-	-	-	524,277.83	-	370,255.76
"Ending balance, as at December 31, 2013"		376,460,964.00	-	10,434,307.75	149,675,652.80	313,674,122.40	850,245,046.95
non-controlling interest on purchase business	9	-	-	-	-	-	2,775,157.10
Increase in share capital	21	13,812.70	11,301.30	-	-	-	178,890,911.00
Legal reserve	22	-	-	1,176,984.00	(1,176,984.00)	-	25,114.00
Dividend	22	-	-	-	(13,689,205.60)	-	-
Total comprehensive income for the year		-	-	-	87,055,092.80	-	(13,689,205.60)
"Ending balance, as at December 31, 2014"		376,474,776.70	11,301.30	11,611,291.75	221,864,556.00	313,674,122.40	1,146,758,027.59

Notes to the financial statements form an integral part of these statements.

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2014

Baht

	Separate financial statements					Total
	Ordinary shares, issued and paid-up	Premium on share capital	Retained earnings (deficits)		Other components of equity Capital surplus from land revaluation	
			Appropriated	Unappropriated legal reserve -net of tax		
Beginning balance, as at January 1, 2013	376,460,964.00	-	3,121,801.75	158,689,303.25	304,074,122.40	842,346,191.40
Legal reserve	-	-	7,312,506.00	(7,312,506.00)	-	-
Dividend	-	-	-	(20,533,004.40)	-	(20,533,004.40)
Total comprehensive income for the year						
Profit for the period	-	-	-	23,539,671.02	-	23,539,671.02
Other comprehensive income - net of tax						
Gain on land revaluation	-	-	-	-	9,600,000.00	9,600,000.00
Actuarial gain	-	-	-	138,909.59	-	138,909.59
Ending balance, as at December 31, 2013	376,460,964.00	-	10,434,307.75	154,522,373.46	313,674,122.40	855,091,767.61
Increase in share capital	13,812.70	1,301.30	-	-	-	25,114.00
Legal reserve	-	-	1,176,984.00	(1,176,984.00)	-	-
Dividend	-	-	-	(13,689,205.60)	-	(13,689,205.60)
Total comprehensive income for the year	-	-	-	30,128,349.40	-	30,128,349.40
Ending balance, as at December 31, 2014	376,474,776.70	11,301.30	11,611,291.75	169,784,533.26	313,674,122.40	871,556,025.41

Notes to the financial statements form an integral part of these statements.

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit for the year	128,511,004.14	21,191,495.96	30,128,349.40	23,539,671.02
Reconciliations of profit for the year to net cash provided by (used in) operating activities:				
Increase (decrease) in allowance for doubtful accounts	(204,316.93)	2,478,390.60	(84,738.39)	2,076,397.62
Increase (decrease) in allowance for obsolete inventories	6,008,188.20	(490,399.88)	1,274,136.23	(541,774.37)
Loss on write-off of value add tax	-	13,302,599.55	-	13,302,599.55
Depreciation	73,755,472.20	24,325,186.74	26,718,876.36	22,085,795.22
Amortization of intangible asset	6,762,628.89	812,591.91	769,001.91	807,210.10
(Gains) loss on disposal of fixed assets	(1,761,794.54)	(344,854.50)	(280,372.83)	(347,068.95)
Unrealized (gain) loss on exchange rate	(1,218,174.73)	1,832,565.94	(901,057.32)	1,834,147.06
(Gain) loss on sale of available-for-sale investment	-	(2,636,485.42)	-	(2,636,485.42)
(Gain) loss on exchange rate from paid liabilities under finance lease agreements	(29,913.05)	(558,714.01)	(29,913.05)	(558,714.01)
Gain on bargain purchase business	(16,001,786.00)	-	-	-
Interest income	(308,667.20)	(551,279.22)	(267,688.52)	(485,720.19)
Dividend income	-	-	(3,000,000.00)	(12,000,000.00)
Expense for employee benefit obligation	10,296,439.96	7,522,433.00	6,858,804.00	6,755,381.00
Interest expense	18,243,034.61	7,288,377.99	5,907,528.76	5,865,342.67
Income tax expense	21,323,146.79	9,598,113.42	7,126,095.47	7,365,702.11
Profit provided by operating activities before changes in operating assets and liabilities	245,375,262.34	83,770,022.08	74,219,022.02	67,062,483.41
(Increase) decrease in operating assets				
Trade and other receivable	(61,287,807.54)	73,814,806.74	(39,270,774.25)	82,386,578.79
Inventories	45,108,554.83	22,688,610.88	2,926,364.69	19,438,542.66
Other current assets	50,601,968.74	15,572,575.64	12,212,044.71	15,921,411.32
Other non-current assets	(952,253.25)	22,838.12)	(921,385.09)	(50,000.00)
Increase (decrease) in operating liabilities				
Trade and other payable	(8,938,581.16)	(32,828,763.76)	8,179,522.79	(20,274,888.73)
Other current liabilities	450,968.00	-	-	-
Employee benefit obligation	(664,002.64)	(3,442,040.64)	(664,002.64)	(3,607,329.64)
Cash received (paid) from operations	269,694,109.32	159,552,372.82	56,680,792.23	160,876,797.81
Income tax expense paid	(8,722,988.44)	(10,005,720.29)	(2,494,488.20)	(7,456,714.24)
Net cash provided by (used in) operating activities	260,971,120.88	149,546,652.53	54,186,304.03	153,420,083.57

Notes to financial statements form an integral part of these statements.

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2014

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Cash payment for investment in subsidiary				
(net from cash purchase)	(112,973,666.00)	-	(162,174,990.00)	-
Cash receipts from sale of available-for-sale investment	-	2,636,485.42	-	2,636,485.42
Cash payments for purchase of fixed assets	(22,445,080.42)	(47,329,859.69)	(8,583,395.27)	(46,729,231.62)
Cash receipts from disposal of fixed assets	1,873,980.78	764,485.99	280,373.83	689,719.63
Cash payments for purchase of intangible asset	(1,344,706.80)	-	(564,230.00)	-
Dividend received	-	-	12,000,000.00	-
Interest income received	312,226.79	569,111.60	271,083.86	492,898.60
Net cash provided by (used in) investing activities	(134,577,245.65)	(43,359,776.68)	(158,771,157.58)	(42,910,127.97)
Cash flows from financing activities				
Increase (decrease) in bank overdraft and short-term loan from financial institution	(171,763,094.34)	49,523,013.51	(11,772,836.53)	48,064,428.27
Cash repayment of short-term loan from related party	(23,720,297.00)	-	-	-
Cash repayment of long-term loan from related person	-	(3,000,000.00)	-	-
Cash repayment of long-term loan from financial institution	(29,922,500.00)	(34,750,000.00)	(29,922,500.00)	(34,750,000.00)
Cash repayment of liabilities under finance lease agreements	(26,942,116.25)	(12,389,777.39)	(6,526,613.25)	(12,389,777.39)
Cash receipts from subscription	25,114.00	-	25,114.00	-
Dividend paid	(13,689,205.60)	(20,533,004.40)	(13,689,205.60)	(20,533,004.40)
Interest expense paid	(18,485,210.74)	(8,791,498.10)	(5,534,988.19)	(7,404,234.27)
Net cash provided by (used in) financing activities	(284,497,309.93)	(29,941,266.38)	(67,421,029.57)	(27,012,587.79)
Net increase (decrease) in cash and cash equivalents	(158,103,434.70)	76,245,609.47	(172,005,883.12)	83,497,367.81
Cash and cash equivalents - beginning of year	191,682,092.97	115,436,483.50	184,903,480.02	101,406,112.21
Cash and cash equivalents - ending of year	33,578,658.27	191,682,092.97	12,897,596.90	184,903,480.02
Supplemental disclosure for cash flows information:-				
Non-Cash transactions				
Transfer inventories to be used as fixed assets				
(Increase) decrease in property, plant and equipment	(12,829,378.57)	(6,386,797.20)	(12,829,378.57)	(6,187,343.02)
(Increase) decrease in inventories	12,829,378.57	6,386,797.20	12,829,378.57	6,187,343.02
During the year, the Company acquired fixed asset by mean of liabilities under finance lease agreements	7,983,458.00	6,915,560.64	4,090,000.00	6,915,560.64
Increase (decrease) in account payable of fixed asset	(3,604,130.00)	-	-	-

Notes to financial statements form an integral part of these statements.

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

1. GENERAL INFORMATION

(a) Legal status and address

The Company had registered to be a limited company on April 10, 1967. The Company's status had been changed to be the public company limited and registered with the Ministry of Commerce on March 31, 1994.

The three of its subsidiaries which consisted of United Carpet Manufacturing Co., Ltd. and Royal Thai International and T.C.H. Suminoe Co., Ltd. were registered to be a limited company on January 29, 2008, September 14, 2011 and December 22, 1994 respectively.

The address of its registered office is as follows:

238 Viphavadee - Rangsit Road, Sanambin Subdistrict, Donmuang District, Bangkok, 10210 Thailand.

The address of two of its subsidiaries registered office is as follows:

(1) United Carpet Manufacturing Co., Ltd.

1/4 Moo 3 Phaholyothin Road, Ladsawai, Lamlukka, Pathumthani, 12150, Thailand.

(2) Royal Thai International Co., Ltd.

238 Viphavadee - Rangsit Road, Sanambin Subdistrict, Donmuang District, Bangkok, 10210 Thailand.

(3) T.C.H Suminoe Co., Ltd

157 Moo 16 Bangpa-in Industrial Estate, Bangkasun, Bangpa-in Ayutthaya 13160, Thailand

(b) Nature of the Company's operations

The principal business operations of the Company and its subsidiaries No. 1 and No. 2 are manufacturing, distributing and selling various types of rugs and carpeting including the Axminster carpet and hand carpet to decorate hotel, theatre, airport, house, palace, including selling of flooring products.

The business operation of subsidiary No. 3 is manufacturing and distributing carpets for internal flooring of the vehicles and upholstery fabrics for vehicles, manufacturing fabrics and carpets for furniture industry and interior decoration the buildings.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for the preparation of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards for Publicly Accountable Entities. The presentation of the financial statements has been made in compliance with the Notification of the Department

of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

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

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 such financial statements in Thai language.

2.2 Basis for the preparation of consolidated financial statements

2.2.1 The consolidated financial statements have included the financial statements of Thailand Carpet Manufacturing Public Company Limited and its subsidiaries as follows;

Company name	Type of business	Percentage of holding % of share capital		Head office
		2013	2012	location
Direct subsidiaries held by the Company				
United Carpet Manufacturing Co.,Ltd.	Manufacturing and selling of carpet	51.00	51.00	Pathumthani
Royal Thai international Public Co., Ltd.	Selling of carpet	99.99	99.99	Bangkok
T.C.H. Suminoe Co., Ltd.	Manufacturing and selling of carpet	49.90	-	Ayuthaya

The Company had purchased the investment in TCH Suminoe Co., Ltd. at 49.90% of total number of shared issued from such company and the Company has consolidated the financial statements in the preparation of consolidated financial statements of the group of the company from January 2, 2014, onwards.

2.2.2 Accounting policy for subsidiary companies will utilize the same policy as Thailand Carpet Manufacturing Public Company Limited.

2.2.3 Outstanding balances and significant transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

2.2.4 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 from the portion of owners of the parent.

2.3 Accounting standards effective for using in current year

The Federation of Accounting Professions (FAP) has issued Notifications to mandate the use of the accounting standards and financial reporting standards revised 2012, and the new issued of accounting standards interpretations and financial reporting standards interpretations of which they are effective for using in the periods beginning on or after January 1, 2014, as follows.

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 Rate
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Venture
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible assets
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
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics
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
TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosure
TSIC 32	Intangible Assets - Web Site Costs

The management of the Company has assessed the effects of the above and believes that these accounting standards do not have any significant impact on the financial statements for the current year.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue and expenses recognition

The Company and its subsidiaries recognizes the revenues on sales when significant risks and rewards of ownership of the goods are transferred to the buyer. The revenues on sales are recorded on invoicing price net of output tax, rebate and discounts.

The Company recognizes the revenues from rendering services when the services are rendered.

The Company and its subsidiaries recognized the interest income on the period and accrual basis.

The Company and its subsidiaries recognized other income and expenses on the accrual basis.

3.2 Cash and cash equivalents

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

3.3 Trade accounts receivable and others receivable

Trade and other accounts receivable (including balances with related parties) are initially recognized by the invoice amount and subsequently measured at the remaining amount less an allowance for doubtful accounts (if any) based on a review of all outstanding amounts at year end. The allowance for doubtful accounts is the difference between the carrying amount of trade accounts receivable and the amount expected to be collectible. Bad debts are immediately recognized in the income statement as part of administrative expenses.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Allowances made are based on historical write-off patterns and the aging of accounts receivable. Bad debts are written off when incurred.

Ages of accounts	Rate of allowance for doubtful accounts
Over due 61 - 90 days	5%
Over due 91 - 180 days	20%
Over due 181 - 365 days	70%
Over due 366 - 730 days	100%
Over due more than 731 days	100%

3.4 Inventories

Inventories are presented at the lower of cost or net realizable value, cost being determined as follow :

Finished goods manufactured by other parties	FIFO
Finished good manufactured by the company	Average cost
Work in process	Average cost
Raw material	Average cost

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of conversion above include an appropriate share of production overheads based on normal production capacity.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties, transportation charges and other direct costs incurred in acquiring the inventories less all trade discounts, allowances or rebates.

The net realizable value of inventory is estimated from the selling price in the ordinary course of business less the estimated costs to complete production and the estimated costs to complete the sale.

Allowance for obsolete stocks is set up based on the outstanding inventories balance at the end of year which estimated from consideration of states and quality of inventories by the management.

3.5 Investment in subsidiaries and goodwill

Subsidiaries are entities over which the Company has the power to control their financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The financial statements of the subsidiaries are consolidated from the date the Company exercises control over the subsidiaries until the date that control power ceases.

Investment in subsidiaries in separate financial statement

Investment in subsidiary is accounted for under the cost method less allowance for impairment loss on the investment, (if any). The Company recognizes impairment loss (if any) on the investment in the statement of comprehensive income.

Goodwill in consolidated financial statement

Goodwill represents the excess of the cost of investment over the fair value of investment, which the Company shares in the net identifiable assets of the subsidiary at the date of acquisition. Goodwill on acquisition of a subsidiary is presented as a separate line in the consolidated financial statement.

The goodwill recognized is tested annually for impairment and carried at cost less accumulated impairment losses. The impairment of goodwill is determined by calculating the realizable value based on the value-in-use calculation. Such calculation requires the use of estimates made by management. The allowance for impairment loss on goodwill is not reversed.

As for the cost of acquiring an investment that is lower than the fair value of the share of net assets of the subsidiary, the difference is negative goodwill and will be recognized immediately in the statement of comprehensive income.

3.6 Property, plant and equipment and depreciation

Land is stated at cost and adjusted by appraisal values of assets.

Plant and equipment are stated at cost less accumulated depreciation and impairment loss (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company.

Allowance for impairment loss of assets will be made when there is any event or circumstance indicating that the recoverable values of these assets are less than their carrying values.

Expenditure incurred in addition, renewal or betterment are recorded add in involve fixed asset, if it is certainly probable the future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Repair and maintenance costs are recognized as an expense when incurred.

For appraisal of land, reappraised value is the fair market value, which is revalued by the independent appraiser, using the market approach. The Company has a policy to revalue land on a regular basis of five years to ensure that their carrying amounts do not differ materially from their fair values at the statement of financial position date. When an asset's carrying amount is increased as a result of a revaluation, the increase should be recorded as "capital surplus from land revaluation" under "other components of equity" in the statement of financial position.

Any increase in value of land, on revaluation, is credited to the revaluation reserve unless it offsets a pervious decrease in value recognized in the statement of comprehensive income. A decrease in value of land is recognized in the statement of comprehensive income to the extent that it exceeds the increase previously recognized in the revaluation reserve. Upon disposal of previously appraised assets, the revaluation surplus of the fixed asset is transferred directly to the retained earnings, not to the statement of comprehensive income to close off the surplus account of that fixed asset.

Depreciation is calculated by cost less residual value on the straight-line method over the estimated useful life of the assets as follows:

Land improvements	5 - 10	years
Leasehold improvement	10 - 20	years
Building	5 - 30	years
Machinery and equipment	3 - 40	years
Furniture, fixture and office equipment	5 - 10	years
Vehicles	5 - 10	years

The Company and its subsidiaries has reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and equipment under installation.

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

3.7 Borrowing costs

Borrowing costs directly attributed to the acquisition or construction of an asset that necessarily takes long time to put in ready to use or available for sale state are capitalized as part of the cost of the respective asset until that asset condition is ready for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs arising from such borrowing.

3.8 Intangible asset

Intangible assets are stated at cost less accumulated amortization and allowance on impairment (if any). Amortization is calculated by cost on a straight-line method over their estimated useful life. The estimated useful life are as follows:

Software license	5 - 10	years
Software for digitalization and archives of carpet	10	years
Customer base	7	years

3.9 Impairment of assets

As at the statement of financial position date, the Company and its subsidiaries assesses whether there is an indication of asset impairment. If any such indication exists, the Company and its subsidiaries will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have

been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell.

3.10 Trade accounts payable and others payable

Trade and other accounts payable (including balances with related parties) are stated at cost.

3.11 Financial leased contract

The contract of leased asset carried the risk and owner remuneration is mainly transferred to lessors will be classified as financial leased contract. The contract of financial lease is recorded as capital expenditure by fair value of leased asset or present value of minimum amount which has to repay in accordance with the leased contract whichever amount is lower. The amount which has to repay in each time is divided as liability portion and financial expenditure so that fixed interest rate over outstanding liability obligation burden in accordance with the financial leased contract will be recorded as long term liability. Interest payable will be recorded in the statement of income throughout the leased contract life.

3.12 Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3.13 Financial instruments

The Company and its subsidiaries have no policy to speculate in and or engage in the trading of any financial derivative instruments.

Details of significant accounting policies and methods adopted, including criteria for recognition of revenues and expenses relating to financial assets and financial liabilities are disclosed in note 29.

3.14 Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates would affect to the amount relating to incomes, expenses, assets, liabilities

and disclosures of data relating to contingent assets and liabilities. The actual results may differ from amounts already estimated. Significant judgments and estimates are as follows:

3.14.1 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.

3.14.2 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 financial position of each client.

3.14.3 Impairment of investments in securities and equity investments

The Company treats investments as impaired when the management judges that 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 judgment.

3.14.4 Property plant and equipment / Depreciation

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

In addition, the management is required to review property, plant and equipment 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.

3.14.5 Intangible assets

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

3.15 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or

indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

3.16 Foreign currency transactions

Transactions in foreign currencies throughout the years are recorded in Baht at prevailing Bank of Thailand rates at the transaction dates. Outstanding monetary assets and liabilities denominated in foreign currencies at the statement of financial position dates are translated into Baht at the prevailing rates at those dates. Gain or loss arising from translation are credited or charged against current operations.

3.17 Employee benefits

Short-term employment benefits

The Company and its subsidiaries recognizes salary, wage, bonus and contributions to social security fund as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company and its subsidiaries have obligations in respect of the severance payments that it must pay to the employees upon retirement under the Company's and its subsidiaries's article and the labor law and other employee benefit plans. The Company and its subsidiaries treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees will be recognized immediately in other comprehensive income as a part of retained earnings.

3.18 Operating Lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under an operating lease are recognized as expense on a straight-line basis over the lease term.

3.19 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company and its subsidiaries records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates 20% of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company and its subsidiaries will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that the Company and its subsidiaries expect to apply to the period when the deferred tax assets are realised or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company and its subsidiaries will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

Thus, the Company and its subsidiaries offset deferred tax assets and deferred tax liabilities for presentation in the statement of financial position, rather than presenting them separately. The Company and its subsidiaries reclassified deferred tax assets and deferred tax liabilities items in the financial statements for the year ended December 31, 2013 in order to conform to the presentation in the financial statements for the year 2014.

3.20 Earning per share

Basis earnings per share is determined by dividing profit for the year by the weighted average number of ordinary shares held by outsiders and outstanding during the year.

Diluted earnings per share is computed by dividing profit for the year the aggregate amount of the weighted average number of ordinary shares issued during the year and the weighted average number of ordinary shares which the Company may has to issue for conversion of warrants to ordinary shares.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of:-

		Baht	
		Consolidated financial statements	Separate financial statements
		2014	2013
		2014	2013
Cash and deposits at financial institutions			
Cash on hand	335,510.63	291,819.00	270,510.63
Deposits at financial institutions - current accounts	1,709,487.96	2,311,372.34	1,446,928.96
- savings accounts	31,533,659.68	189,078,901.63	11,180,157.31
Total	33,578,658.27	191,682,092.97	12,897,596.90
			184,903,480.02

5. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable consisted of:-

		Baht	
		Consolidated financial statements	Separate financial statements
		2014	2013
		2014	2013
Note receivable	2,133,415.96	6,463,871.94	-
Trade accounts receivable (Note 5.1)	359,780,915.61	105,808,406.70	136,025,327.97
Other receivable (Note 5.2)	31,714,074.09	35,263,660.35	29,439,201.90
Less allowance for doubtful accounts	(4,497,464.13)	(3,674,118.06)	(2,928,285.91)
Net	389,130,941.53	143,861,820.93	162,536,243.96
			123,086,668.36

Movement of the change in the allowance for doubtful accounts for the years ended December 31, 2014 and 2013 were summarized as follows :-

Baht

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Beginning balance of the year	3,674,118.06	1,195,727.46	3,013,024.30	936,626.68
Allowance for doubtful from purchase business	1,027,663.00	-	-	-
Additional during the year	-	3,361,010.33	-	2,634,838.96
Deduction during the year	(204,316.93)	(882,619.73)	(84,738.39)	(558,441.34)
Ending balance at end of year	4,497,464.13	3,674,118.06	2,928,285.91	3,013,024.30

5.1 Trade account receivable

Trade accounts receivable classified by currency consisted of:-

	Consolidated financial statements			
	Foreign currencies		Baht	
	Consolidated financial statements	Separate financial statements		
	2014	2013	2014	2013
Trade accounts receivable, domestic;				
Baht			229,792,197.07	71,709,965.03
Trade accounts receivable, oversea;				
Baht			8,859,103.00	140,299.00
U.S. Dollars	3,668,673.75	960,427.35	120,379,459.13	31,384,654.39
Euro	18,353.75	57,545.41	729,574.41	2,573,488.28
Yen	75,900.00	-	20,582.00	-
			359,780,915.61	105,808,406.70

	Separate financial statements			
	Foreign currencies		Baht	
	Consolidated financial statements	Separate financial statements		
	2014	2013	2014	2013
Trade accounts receivable, domestic;				
Baht			70,328,375.48	61,401,457.69
Trade accounts receivable, oversea;				
Baht			-	140,299.00
U.S. Dollars	1,979,940.04	796,645.31	64,967,378.08	26,032,617.65
Euro	18,353.75	57,545.41	729,574.41	2,573,488.28
			136,025,327.97	90,147,862.62

Trade accounts receivable classified by ages of accounts consisted of:-

Trade accounts receivable classified by ages of accounts consisted of:-

Baht				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Not over due	250,694,759.76	66,661,861.98	108,584,089.03	66,728,778.69
Over due not over 1 month	88,650,681.65	17,254,911.30	24,225,678.94	12,207,509.06
Over due 1 months to 2 months	15,932,659.54	14,415,638.48	287,274.09	5,181,394.29
Over due 2 months to 3 months	473,361.86	1,515,957.07	-	997,285.84
Over due 3 months to 6 months	1,045,550.25	1,475,494.06	-	1,310,413.89
Over due 6 months to 12 months	194,207.54	4,106,358.47	199,617.54	3,344,295.51
Over due 12 months to 24 months	2,348,564.03	378,185.34	2,350,483.03	378,185.34
Over due more than 24 months	441,130.98	-	378,185.34	-
Total	359,780,915.61	105,808,406.70	136,025,327.97	90,147,862.62

5.2 Other receivables

Other receivables consisted of :-

Baht				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Prepaid expenses	21,907,413.78	17,631,912.24	20,524,901.10	17,462,815.07
Deposits	1,200,727.55	2,681,352.34	1,200,727.55	2,661,066.49
Advance payment	2,128,430.15	355,069.00	441,910.15	355,069.00
Others	6,477,502.61	14,595,326.77	7,271,663.10	15,472,879.48
Total	31,714,074.09	35,263,660.35	29,439,201.90	35,951,830.04

On November 26, 2013 and April 11, 2014 the Company paid to a related company overseas amounting to USD 56,130.39 and USD 274,372.75 or approximately Baht 1.81 million and Baht 8.84 million, respectively for related company to issue cheque as collateral the bank guarantee in selling product to oversea customer and already returned upon delivery of goods during the year 2014.

6. INVENTORIES

Inventories consisted of:-

Baht				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Finished goods	106,359,590.81	59,090,790.97	62,084,387.94	55,827,809.04
Raw materials	132,483,853.24	110,765,117.58	85,830,327.30	102,882,263.89
Work in process	29,962,796.01	11,482,901.47	15,951,164.37	10,370,301.75
Maintenance and factory supplies	26,787,077.81	32,907,945.58	16,154,640.70	28,992,985.22
Goods in transit	15,702,625.77	11,192,251.44	13,489,347.77	11,192,251.44
	311,295,943.64	225,439,007.04	193,509,868.08	209,265,611.34
Less allowance for obsolete stock	(29,477,403.57)	(11,287,974.37)	(11,465,953.62)	(10,191,817.39)
Net	281,818,540.07	214,151,032.67	182,043,914.46	199,073,793.95

Movement of the change in the allowance for obsolete stock for the years 2014 and 2013 were as follows :-

Baht				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Beginning balance of the year	11,287,974.37	11,778,374.25	10,191,817.39	10,733,591.76
Allowance for obsolete stock				
from purchase business	12,181,241.00	-	-	-
Additional during the year	9,829,380.99	-	2,829,380.99	-
Deduction during the year	(3,821,192.79)	(490,399.88)	(1,555,244.76)	(541,774.37)
Ending balance at end of year	29,477,403.57	11,287,974.37	11,465,953.62	10,191,817.39

Baht				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Decline in value of inventory recognized as cost of goods sold for the year	9,829,380.29	-	2,829,380.99	-
Reversal of the decline in values of inventory for the year	(3,821,192.79)	(490,399.88)	(1,555,244.76)	(541,774.37)

7. SHORT-TERM LOAN TO SUBSIDIARY

The movement of short-term loan to subsidiary during the year were as follow : -

		Baht	
		Consolidated financial statements	Separate financial statements
		2014	2013
Beginning balance	-	-	2,550,000.00
Addition lending during the year	-	-	-
Less Receipt of loan during the year	-	-	-
Ending balance	-	-	2,550,000.00

As at December 31, 2014 and 2013, short-term loan to a subsidiary in promissory note had matured on September 15, 2014 with the interest rate of 2.00% per annum and renewed which will be matures September 15, 2015 with the interest of 1.55% per annum (reference to six-month fixed deposit interest rate).

8. OTHER CURRENT ASSETS

Other current assets consisted of :-

		Baht	
		Consolidated financial statements	Separate financial statements
		2014	2013
Value add tax refundable	11,269,401.01	22,894,443.92	10,453,487.57
Corporate income tax withheld at source and prepaid income tax	627,268.63	-	-
Accrued dividend incomes	-	-	3,000,000.00
Others	2,105,072.01	2,088,139.02	1,956,752.23
	14,001,741.65	24,982,582.94	15,218,840.50

VAT refundable for the tax month of January 2009, January 2010 and March 2013 is Baht 27,784,390.39 which has passed the checking process in accordance with the criteria of the Revenue Department. The Company received the tax refund at the total amount of Baht 14,481,790.84 on September 2, 2013. The remaining amount of Baht 13,302,599.55 is the amount that the Company has not received. Therefore, the Company has recorded as loss from VAT write-off in profit or loss for the year ended December 31, 2013.

For the tax month from June 2012 to December 2014, value added tax cash refundable is of Baht 10,453,487.57 which is in a step of preparing to refund from Revenue Department.

9. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries consisted of :-

The Company's financial statement only

		Percentage of ownership (%)		Paid up shares		At cost method		At equity method	
		As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013	As at December 31, 2014	As at December 31, 2013
Type of business	Type of relationship								
Subsidiary Companies United Carpet Manufacturing Co., Ltd.	Manufacturing and Shareholder	51.00	51.00	20,000	20,000	10,200	10,200	2,966	2,229
Royal Thai International Co., Ltd.	Sale of carpet Shareholder	100.00	100.00	1,000	1,000	1,000	1,000	2,781	3,374
T.C.H Sumincoe Co., Ltd.	Manufacturing and Sale of carpet Shareholder	49.90	-	25,000	-	162,175	-	202,968	-
						173,375	11,200	208,715	5,603

Dividend income consisted of :-

	Baht	
	Separate financial statements	
	For the year ended December 31,	
	2014	2013
United Carpet Manufacturing Co., Ltd	-	-
Royal Thai International Co., Ltd	3,000,000.00	12,000,000.00
T.C.H. Suminoe Co., Ltd.	-	-
	3,000,000.00	12,000,000.00

The Company has taken share certificate on investment in United Carpet Manufacturing Co., Ltd. of 76,500 shares to guarantee a subsidiary's credit line and described in Note 15 to the financial statements.

January 2, 2014, the Company has acquired the shares of T.C.H. Suminoe Co.,Ltd. from the former shareholders (who are directors or have co-directors with the Company, related to the directors of the Company and are shareholders or have co-shareholders with the Company) at the amount of 12,475,000 shares which represents 49.90% of the total issued shares of such company at Baht 13 per share totaling Baht 162,175,000. In addition, the Company has appointed the Company's director and the management into administration and has the power to control such company. Therefore, T.C.H. Suminoe Co.,Ltd. is a subsidiary and includes in the preparation of consolidated financial statements of the Company's group from January 2, 2014 onwards. The acquisition of such shares is based on the resolution of the extraordinary general meeting of shareholders no. 2/2013 dated November 14, 2013. The objective is to invest in competitive business as T.C.H. Suminoe Co., Ltd. is one of the manufacturers and distributors of textiles and carpets for major and well-known automotive industry.

The fair value amounts of assets and liabilities acquired of T.C.H. Suminoe Co., Ltd. as at December 31, 2013, which is the closest to the acquisition date and has been included in the consolidated financial statements of the Company's group as follows:

	Baht		
	Book value	Adjust fair value	Fair value
Assets			
Cash and cash equivalents	49,201,324	-	49,201,324
Trade and other receivables	182,611,515	-	182,611,515
Inventories	131,613,631	-	131,613,631
Valued added tax	42,229,954	-	42,229,954
Other current assets	453,239	-	453,239
Property, plant and equipment	432,453,663	53,870,743	486,324,406
Intangible assets	15,575,241	23,841,023	39,416,264
Deferred tax assets	1,611,544	-	1,611,544
Other non-current assets	1,844,855	-	1,844,855

	Baht		
	Book value	Adjust fair value	Fair value
Liabilities			
Bank overdraft and short-term loan from financial institutions	320,000,000	-	320,000,000
Trade and other payable	133,420,623	-	133,420,623
Loan from related parties	23,720,297	-	23,720,297
Other current liabilities	1,359,107	-	1,359,107
Liabilities under finance lease agreements	72,430,582	-	72,430,582
Deferred tax liabilities	2,779,376	15,542,353	18,321,729
Employee benefit obligation	8,986,707	-	8,986,707
Net assets	294,898,274	62,169,413	357,067,687
Less non-controlling interest			(178,890,911)
Share of net assets acquired			178,176,776
Gain on bargain purchase business			16,001,786
Total purchase consideration - cash			162,174,990
Less cash and cash equivalents in subsidiary acquired			(49,201,324)
Cash outflow on acquisition of investment, net of cash and cash equivalents acquired			112,973,666

10. PROPERTY PLANT AND EQUIPMENT

Property plant and equipment consisted of:-

	Baht				
	Consolidated financial statements				
	2014				
	Balance per book as at Dec. 31, 2013	Property plant and equipment from purchase business (Note 9)	Movement during the year		Balance per book as at Dec. 31, 2014
			Additions	Deduction in (out)	Transferred as
At cost / revaluation					
Land (at revaluation)	410,000,000.00	41,373,100.00	-	-	-
Land improvement	15,087,664.39	-	-	-	-
Building	125,454,915.99	85,806,700.00	240,193.00	-	10,000,394.70
Building improvement	8,894,613.51	31,285,575.00	374,320.00	(449,193.00)	-
Machinery and equipment	315,059,302.27	664,321,085.00	7,367,702.96	(1,959,359.06)	16,735,816.51
Furniture, fixtures and office equipment	51,316,160.75	14,373,820.00	1,641,395.72	(450,583.00)	1,050,000.00
Vehicles	17,778,738.31	11,059,492.00	8,975,535.50	(8,934,804.00)	-
Machinery in progress	44,954,420.62	705,367.00	21,054,638.81	-	(27,786,211.21)
Total	988,545,815.84	848,925,139.00	39,653,785.99	(11,793,939.06)	-
Accumulated depreciation					
Land improvement	(12,577,984.72)	-	(347,971.94)	-	-
Building	(101,629,447.56)	(55,052,231.00)	(8,202,432.44)	354,863.00	-
Building improvement	(6,062,367.65)	(11,850,151.00)	(4,209,559.99)	-	-
Machinery and equipment	(160,961,927.53)	(277,177,440.00)	(53,375,083.98)	1,951,644.82	-
Furniture, fixtures and office equipment	(43,020,524.33)	(7,725,929.00)	(4,768,205.84)	440,449.00	-
Vehicles	(9,703,056.57)	(10,794,982.00)	(2,852,218.01)	8,934,796.00	-
Total	(333,955,308.36)	(362,600,733.00)	(73,755,472.20)	11,681,752.82	-
Property plant and equipment, net	654,590,507.48	486,324,406.00			1,106,701,041.03

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONT.) DECEMBER 31, 2014

Baht Consolidated financial statements 2014

	Balance per book as at Dec. 31, 2012	Movement during the year			Balance per book as at Dec. 31, 2013
		Additions	Deduction	Transferred in (out)	
At cost / revaluation					
Land (at revaluation)	398,000,000.00	12,000,000.00	-	-	410,000,000.00
Land improvement	13,544,234.89	425,000.00	-	1,118,429.50	15,087,664.39
Building	112,012,196.76	731,240.00	-	12,711,479.23	125,454,915.99
Building improvement	9,062,738.51	-	(168,125.00)	-	8,894,613.51
Machinery and equipment	284,312,288.47	8,601,269.16	(4,611,613.43)	26,757,358.07	315,059,302.27
Furniture, fixtures and office equipment	49,125,838.42	1,601,085.34	(81,020.01)	670,257.00	51,316,160.75
Vehicles	10,578,177.57	7,200,560.74	-	-	17,778,738.31
Machinery in progress	50,525,679.33	35,686,265.09	-	(41,257,523.80)	44,954,420.62
Total	927,161,153.95	66,245,420.33	(4,860,758.44)	-	988,545,815.84
Accumulated depreciation					
Land improvement	(12,300,218.66)	(277,766.06)	-	-	(12,577,984.72)
Building	(97,440,534.90)	(4,188,912.66)	-	-	(101,629,447.56)
Building improvement	(5,605,761.54)	(547,750.30)	91,144.19	-	(6,062,367.65)
Machinery and equipment	(149,768,691.15)	(15,494,320.17)	4,301,083.79	-	(160,961,927.53)
Furniture, fixtures and office equipment	(40,185,519.76)	(2,883,903.54)	48,898.97	-	(43,020,524.33)
Vehicles	(8,770,522.56)	(932,534.01)	-	-	(9,703,056.57)
Total	(314,071,248.57)	(24,325,186.74)	4,441,126.95	-	(333,955,308.36)
Property plant and equipment, net	613,089,905.38				654,590,507.48

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONT.) DECEMBER 31, 2014

Baht Consolidated financial statements 2014

	Balance per book as at Dec. 31, 2012	Movement during the year			Balance per book as at Dec. 31, 2013
		Additions	Deduction	Transferred in (out)	
At cost / revaluation					
Land (at revaluation)	410,000,000.00	-	-	-	410,000,000.00
Land improvement	15,087,664.39	-	-	-	15,087,664.39
Building	125,454,915.99	240,193.00	-	10,000,394.70	135,695,503.69
Building improvement	5,634,306.11	-	-	-	5,634,306.11
Machinery and equipment	304,954,745.69	2,218,772.81	-	14,927,951.52	322,101,470.02
Furniture, fixtures and office equipment	47,669,392.43	1,023,171.72	-	1,050,000.00	49,742,564.15
Vehicles	14,984,140.18	4,837,678.50	(3,850,000.00)	-	15,971,818.68
Machinery in progress	44,869,619.63	17,182,957.81	-	(25,978,346.22)	36,074,231.22
Total	968,654,784.42	25,502,773.84	(3,850,000.00)	-	990,307,558.26
Accumulated depreciation					
Land improvement	(12,577,984.72)	(347,971.94)	-	-	(12,925,956.66)
Building	(101,629,447.56)	(5,114,487.44)	-	-	(106,743,935.00)
Building improvement	(5,149,145.87)	(145,873.27)	-	-	(5,295,019.14)
Machinery and equipment	(155,657,422.81)	(16,625,353.17)	-	-	(172,282,775.98)
Furniture, fixtures and office equipment	(39,857,766.62)	(2,675,395.93)	-	-	(42,533,162.55)
Vehicles	(7,727,910.29)	(1,809,794.61)	3,849,999.00	-	(5,687,705.90)
Total	(322,599,677.87)	(26,718,876.36)	3,849,999.00	-	(345,468,555.23)
Property plant and equipment, net	646,055,106.55				644,839,003.03

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONT.) DECEMBER 31, 2014

Baht Consolidated financial statements 2013

	Balance per book as at Dec. 31, 2012 (Restated)	Movement during the year			Balance per book as at Dec 31, 2013 (Restated)
		Additions (Restated)	Deduction	Transferred in (out)	
At cost / revaluation					
Land (at revaluation)	398,000,000.00	12,000,000.00	-	-	410,000,000.00
Land improvement	13,544,234.89	425,000.00	-	1,118,429.50	15,087,664.39
Building	112,012,196.76	731,240.00	-	12,711,479.23	125,454,915.99
Building improvement	5,634,306.11	-	-	-	5,634,306.11
Machinery and equipment	274,292,977.01	8,516,024.04	(4,611,613.43)	26,757,358.07	304,954,745.69
Furniture, fixtures and office equipment	45,794,998.89	1,285,156.55	(81,020.01)	670,257.00	47,669,392.43
Vehicles	7,783,579.44	7,200,560.74	-	-	14,984,140.18
Machinery in progress	50,640,332.50	35,486,810.93	-	(41,257,523.80)	44,869,619.63
Total	907,702,625.60	65,644,792.26	(4,692,633.44)	-	968,654,784.42
Accumulated depreciation					
Land improvement	(12,300,218.66)	(277,766.06)	-	-	(12,577,984.72)
Building	(97,440,534.90)	(4,188,912.66)	-	-	(101,629,447.56)
Building improvement	(4,999,284.87)	(149,861.00)	-	-	(5,149,145.87)
Machinery and equipment	(145,552,070.78)	(14,406,435.82)	4,301,083.79	-	(155,657,422.81)
Furniture, fixtures and office equipment	(37,400,312.35)	(2,506,353.24)	48,898.97	-	(39,857,766.62)
Vehicles	(7,171,443.85)	(556,466.44)	-	-	(7,727,910.29)
Total	(304,863,865.41)	(22,085,795.22)	4,349,982.76	-	(322,599,677.87)
Property plant and equipment, net	602,838,760.19				646,055,106.55

Baht

	Consolidated financial statement		Separate financial statement	
	2014	2013	2014	2013
Depreciation for the year				
Cost of sales	66,786,991.63	18,940,337.02	24,273,099.65	17,877,569.13
Selling and administrative expenses	6,968,480.57	5,384,849.72	2,445,776.71	4,208,226.09
	73,755,472.20	24,325,186.74	26,718,876.36	22,085,795.22
Gain (loss) from sale of assets	1,761,794.54	344,854.50	280,372.83	347,068.95

As at December 31, 2014 and 2013, the Company and the subsidiaries had machine and equipment, furniture fixture and office equipment and vehicle, which were the fully depreciated but they are still in use with cost price of Baht 209.49 million and Baht 136.48 million, respectively (for the Company's only amounting to Baht 136.80 million and Baht 131.98 million, respectively).

As at December 31, 2014 and 2013, the Company and its subsidiaries had machinery and vehicles under the finance lease has the net book value of Baht 131.28 million and Baht 51.94 million respectively (for the Company's only amount to Baht 51.70 million and Baht 51.94 million, respectively).

The Company pledged its land together with the construction and machinery total amount of Baht 311.92 million to a financial institution for the guarantee of credit facilities as referred to note 15 and 19 and the expectational assets which are not pledged as guaranteed above shall be provided by (Negative Pledge) of credit facilities as discussed in note 15 and 17.

On May 27, 2013, the Company hired a local independent appraiser namely; American Appraisal (Thailand) Co., Ltd. to appraise the value of land again based on fair market value by using the market approach. The land has cost amounting to Baht 17.91 million and the reappraisal value amounting to Baht 410.00 million, which the value is higher than the previously appraised fair value of Baht 12 million. The Company has recognized the gain from land revaluation in other comprehensive income for year ended December 31, 2013. The increment on land valuation in the amount of Baht 392.09 million is presented as land revaluation surplus under the shareholders' equity amounting to Baht 313.67 million net of deferred tax liabilities of Baht 78.42 million.

11. INTANGIBLE ASSETS

Intangible assets consisted of :-

Baht
Consolidated financial statement
2014

	Balance per book as at Dec. 31, 2013	Intangible asset from purchase business (Note 9)	Movement during the year Additions Deduction	Balance per book as at Dec. 31, 2014
At cost				
Software	6,311,053.80	25,064,659.00	1,344,706.80	- 32,720,419.60
Software for digitalization and archives of carpet	9,155,961.36	-	-	- 9,155,961.36
Customer base	-	23,841,023.00	-	- 23,841,023.00
Total	15,467,015.16	48,905,682.00	1,344,706.80	- 65,717,403.96
Amortization				
Software	(3,135,878.24)	(9,489,418.00)	(3,356,768.89)	- (15,982,065.13)
Software for digitalization and archives of carpet	(915,596.16)	-	-	- (915,596.16)
Customer base	-	-	(3,405,860.00)	- (3,405,860.00)
Total	(4,051,474.40)	(9,489,418.00)	(6,762,628.89)	- 20,303,521.29
Intangible assets	11,415,540.76			45,413,882.67
Less : Allowance for impairment	(8,240,365.20)		-	(8,240,365.20)
Intangible assets - net	3,175,175.56		39,416,264.00	37,173,517.47

Baht
Consolidated financial statement
2013

	Balance per book as at Dec. 31, 2012	Movement during the year Additions Deduction	Balance per book as at Dec. 31, 2013
At cost			
Software	6,311,053.80	-	- 6,311,053.80
Software for digitalization and archives of carpet	9,155,961.36	-	- 9,155,961.36
Total	15,467,015.16	-	- 15,467,015.16
Amortization			
Software	(2,323,286.33)	(812,591.91)	- (3,135,878.24)
Software for digitalization and archives of carpet	(915,596.16)	-	- (915,596.16)
Total	3,238,882.49	(812,591.91)	- (4,051,474.40)
Intangible assets	12,228,132.67		11,415,540.76
Less : Allowance for impairment	(8,240,365.20)		(8,240,365.20)
Intangible assets - net	3,987,767.47		3,175,175.56

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONT.) DECEMBER 31, 2014

Baht				
Consolidated financial statement				
2014				
	Balance per book as at Dec. 31, 2013	Movement during the year Additions	Deduction	Balance per book as at Dec. 31, 2014
At cost				
Software	6,244,053.80	564,230.00	-	6,808,283.80
Software for digitalization and archives of carpet	9,155,961.36	-	-	9,155,961.36
Total	15,400,015.16	564,230.00	-	15,964,245.16
Amortization				
Software	(3,068,880.24)	(769,001.91)	-	(3,837,882.15)
Software for digitalization and archives of carpet	(915,596.16)	-	-	(915,596.16)
Total	(3,984,476.40)	(769,001.91)	-	(4,753,478.31)
Intangible assets	11,415,538.76			11,210,766.85
Less : Allowance for impairment	(8,240,365.20)			(8,240,365.20)
Intangible assets - net	3,175,173.56			2,970,401.65

Baht				
Consolidated financial statement				
2013				
	Balance per book as at Dec. 31, 2012	Movement during the year Additions	Deduction	Balance per book as at Dec. 31, 2013
At cost				
Software	6,244,053.80	-	-	6,244,053.80
Software for digitalization and archives of carpet	9,155,961.36	-	-	9,155,961.36
Total	15,400,015.16	-	-	15,400,015.16
Amortization				
Software	(2,261,670.14)	(807,210.10)	-	(3,068,880.24)
Software for digitalization and archives of carpet	(915,596.16)	-	-	(915,596.16)
Total	(3,177,266.30)	(807,210.10)	-	(3,984,476.40)
Intangible assets	12,222,748.86			11,415,538.76
Less : Allowance for impairment	(8,240,365.20)			(8,240,365.20)
Intangible assets - net	3,982,383.66			3,175,173.56

Baht			
	Consolidated financial statement 2014	2013	Separate financial statement 2014
Amortization for the year	6,762,628.89	812,591.91	769,001.91
			807,210.10

Software for digitalization and archives of carpet is system development for the digitalization and archives of rug and carpet and delivery of digitized files to the Company's server.

12. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax asset and deferred tax liabilities as follows :

	Baht			
	Consolidated financial statement		Separate financial statement	
	2014	2013	2014	2013
Deferred tax assets	1,009,162.66	855,862.00	16,005,642.59	14,571,575.21
Deferred tax liabilities	(81,601,987.51)	(63,889,865.39)	(78,471,577.10)	(78,461,440.60)
	(80,592,824.85)	(63,034,003.39)	(62,465,934.51)	(63,889,865.39)

Changes in deferred tax assets and deferred tax liabilities for the year 2014 and 2013 were summarized as follows :

	Baht				
	Consolidated financial statement				
	2014				
	Balance per book as at Dec. 31, 2013	Deferred tax from purchase	Income(expense)during the year business (Note 9)	In profit or loss other	Balance per book as at Dec. 31, 2014
Deferred tax assets :					
Allowance for doubtful	-	205,533.00	(83,085.92)	-	122,447.08
Allowance for decline in value of obsolete stocks	2,257,594.88	2,436,248.00	1,201,638.24	-	5,895,481.12
Allowance for impairment of intangible asset	1,648,073.04	-	-	-	1,648,073.04
Accrued expenses	551,143.02	-	(99,720.94)	-	451,422.08
Employee benefit obligation	10,970,626.27	1,797,341.00	1,931,799.66	-	14,699,766.93
Total	15,427,437.21	4,439,122.00	2,950,631.04	-	22,817,190.25
Deferred tax liabilities :					
Finance Lease	42,910.00	2,827,578.00	(1,915,951.50)	-	4,786,439.50
Capital surplus from land revaluation	78,418,530.60	-	-	-	78,418,530.60
The difference from the fair value adjustment of assets from business combination	-	15,542,353.00	1,757,666.00	-	13,784,687.00
Accumulated depreciation	-	2,779,376.00	(3,640,982.00)	-	6,420,358.00
Total	78,461,440.60	21,149,307.00	(3,799,267.50)	-	103,410,015.10
Deferred tax assets (liabilities) , net	(63,034,003.39)	(16,710,185.00)			(80,592,824.85)

THAILAND CARPET MANUFACTURING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS (CONT.) DECEMBER 31, 2014

Baht				
Consolidated financial statements				
2013				
	Balance per book as at Dec. 31, 2012	Income(expense)during the year In profit or loss	In other comprehensive income	Balance per book as at Dec. 31, 2013
Deferred tax assets :				
Allowance for decline in value of obsolete stocks	2,355,674.87	(98,079.99)	-	2,257,594.88
Allowance for impairment of intangible asset	1,648,073.04	-	-	1,648,073.04
Accrued expenses	457,917.20	93,225.82	-	551,143.02
Employee benefit obligation	10,416,551.00	777,708.67	(223,633.40)	10,970,626.27
Loss on damage of assets from flooding pending the claim from insurer	6,667,176.88	(6,667,176.88)	-	-
Total	21,545,392.99	(5,894,322.38)	(223,633.40)	15,427,437.21
Deferred tax liabilities :				
Finance lease	-	(42,910.00)	-	42,910.00
Accrued compensation from insurance	6,667,176.88	6,667,176.88	-	-
Capital surplus from land revaluation	76,018,530.60	-	(2,400,000.00)	78,418,530.60
Total	82,685,707.48	6,624,266.88	(2,400,000.00)	78,461,440.60
Deferred tax assets (liability) , net	(61,140,314.49)			(63,034,003.39)

Baht				
Consolidated financial statements				
2014				
	Balance per book as at Dec. 31, 2013	Income(expense)during the year In profit or loss	In other comprehensive income	Balance per book as at Dec. 31, 2014
Deferred tax assets :				
Allowance for decline in value of obsolete stocks	2,038,363.48	254,827.25	-	2,293,190.73
Allowance for impairment of intangible asset	1,648,073.04	-	-	1,648,073.04
Accrued expenses	494,477.62	(59,720.14)	-	434,757.48
Employee benefit obligation	10,390,661.07	1,238,960.27	-	11,629,621.34
Total	14,571,575.21	1,434,067.38	-	16,005,642.59
Deferred tax liabilities :				
Finance Lease	42,910.00	(10,136.50)	-	53,046.50
Capital surplus from land revaluation	78,418,530.60	-	-	78,418,530.60
Total	78,461,440.60	(10,136.50)	-	78,471,577.10
Deferred tax assets (liabilities), net	(63,889,865.39)			(62,465,934.51)

Baht
Consolidated financial statements

2014

	Balance per book as at Dec. 31, 2013	Income(expense)during the year In profit or loss	In other comprehensive income	Balance per book as at Dec. 31, 2014
Deferred tax assets :				
Allowance for decline in value of obsolete stocks	2,146,718.37	(108,354.89)	-	2,038,363.48
Allowance for impairment of intangible asset	1,648,073.04	-	-	1,648,073.04
Accrued expenses	411,251.00	83,226.62	-	494,477.62
Employee benefit obligation	9,795,778.20	629,610.27	(34,727.40)	10,390,661.07
Loss on damage of assets from flooding pending the claim from insurer	6,667,176.88	(6,667,176.88)	-	-
Total	20,668,997.49	(6,062,694.88)	(34,727.40)	14,571,575.21
Deferred tax liabilities :				
Finance lease		(42,910.00)	-	42,910.00
Accrued compensation from insurance	6,667,176.88	6,667,176.88	-	-
Capital surplus from land revaluation	76,018,530.60	-	2,400,000.00	78,418,530.60
Total	82,685,707.48	6,624,266.88	2,400,000.00	78,461,440.60
Deferred tax assets (liability), net	(62,016,709.99)			(63,889,865.39)

13. BILL OF EXCHANGE USED FOR GUARANTEE

As at December 31, 2014 and 2013, fixed deposit one year of a subsidiary was used to secure bank overdrafts and short-term loans that are under credit facilities with a bank (see Note 15).

14. OTHER NON-CURRENT ASSETS

Other non-current assets consisted of:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Deposits	2,930,090.09	70,000.00	971,385.09	50,000.00
Guarantee	353,000.00	353,000.00	-	-
Retention	45,125.65	45,125.65	-	-
Corporate income tax with held at source	1,266,112.69	1,329,094.53	-	-
	4,594,328.43	1,797,220.18	971,385.09	50,000.00

15. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions consisted of:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Packing credit	42,490,560.00	30,787,000.00	26,490,560.00	14,687,000.00
Trust receipts	10,637,838.56	10,372,218.48	9,425,674.57	9,286,482.04
Promissory note	160,000,000.00	10,000,000.00	-	10,000,000.00
Discount export bill	-	13,713,143.23	-	13,713,143.23
Total	213,128,398.56	64,872,361.71	35,916,234.57	47,686,625.27

Trust receipts classified by currency consisted of:-

	Consolidated financial statements			
	Foreign currencies		Baht	
	2013	2012	2013	2012
Baht		16,000,000.00		30,787,000.00
U.S. Dollars	800,000.00	-	26,490,560.00	-
		42,490,560.00		30,787,000.00

	Separate financial statement			
	Foreign currencies		Baht	
	2014	2013	2014	2013
Baht			-	14,687,000.00
U.S. Dollars	800,000.00	-	26,490,560.00	-
		26,490,560.00		14,687,000.00

Trust receipts classified by currency consisted of:-

	Consolidated financial statements			
	Foreign currencies		Baht	
	2014	2013	2014	2013
Euro	105,058.72	89,993.10	4,239,665.66	4,078,694.28
U.S. Dollars	193,221.22	191,005.73	6,398,172.91	6,293,524.20
		10,637,838.57		10,372,218.48

	Separate financial statement			
	Foreign currencies		Baht	
	2014	2013	2014	2013
Euro	105,058.72	89,993.10	4,239,665.66	4,078,694.28
U.S. Dollars	156,614.55	158,054.10	5,186,008.91	5,207,787.76
		9,425,674.57		9,286,482.04

Discount export bill classified by currency consisted of:-

	Consolidated/Separate financial statements			
	Foreign currencies		Baht	
	2014	2013	2014	2013
Euro	105,058.72	89,993.10	4,239,665.66	4,078,694.28
U.S. Dollars	156,614.55	158,054.10	5,186,008.91	5,207,787.76
		9,425,674.57		9,286,482.04

As at December 31, 2014, the Company and its subsidiaries has short-term credit facilities, in total amount of Baht 901.00 million, USD 18.75 million (Separate financial statements : in total amount of Baht 243 million, USD 3 million) (As at December 31, 2013 : 307 million, USD 0.71 million (for the Company only in total Baht 270 million)) as follows:-

• The Company only

The Company has short-term credit facilities from three local commercial banks in the total amount of Baht 243 million and USD 3.00 million, which consisted of :-

Type of short-term	credit facilities (% per annum)	Interest rate Credit amount (million Baht)
- The first bank (Total credit amount of Baht 210 million)		
(1) Overdrafts	MOR	20
(2) Short-term loan	MMR	10
(3) Letter of credit / Trust receipt / Packing credit / Discounted export bill	LIBOR + 2.00 - 2.25 and MOR	120
(4) Letter of guarantee	1.25 - 1.75	60
(5) Forward foreign exchange contract		(Million USD) 3
- The second bank (Total credit amount of Baht 33 million)		(million USD)
(1) Short – term loan	MMR	
(2) Letter of credit / Trust receipt/ Packing credit	MMR	30
(3) Letter of guarantee	1.50 - 1.75	
(4) Forward foreign exchange contract		3

The credit facilities from the first and third banks above are guaranteed by the Company's land.

In case, the credit facilities from the second bank, the credit facilities has no guarantee.

• A subsidiary

The subsidiary has short-term credit facilities from a local commercial bank in the total amount of Baht 37 million and USD 0.75 million, which consisted of :-

Type of short-term credit facilities	Interest rate (% per annum)	Credit amount (million Baht)
(1) Overdrafts	MOR	2
(2) Letter of credit / Trust receipt / Packing credit / Discounted export bill	LIBOR+2.00 and MOR	25
(3) Letter of guarantee	1.75	10 (million USD)
(4) Forward foreign exchange contract		0.75

The credit facilities from the bank above are guaranteed by the subsidiary's machineries and shareholders and the subsidiary's shares certificate for 76,500 shares (Note 9). From this agreement, Thailand Carpet Manufacturing Co., Ltd. and Erawan Holding L.L.C. will retain their shareholding in the subsidiary 's capital not less than 51% and 19%, respectively, and guaranteed by the 1 year fixed deposit.

• Another subsidiary

The subsidiary has short-term credit facilities from local commercial bank in the total amount of Baht 621.00 million and USD 15.00 million, which consisted of :-

Type of short-term credit facilities	Interest rate (% per annum)	Credit amount (million Baht)
(1) Overdrafts		46.00
(2) Short-term loan		433.00
(3) Letter of credit / Trust receipt / Packing credit / Discounted export bill		103.00
(4) Letter of guarantee		18.00
(5) Forward foreign exchange contract		6.00 (million USD)
(6) Forward foreign exchange contract		15.00

The credit line from the bank of a subsidiary specifies a condition that throughout the agreement term the company will not mortgage the existing and future land, building and machinery to guarantee with other creditor before receiving consent from the financial institution and to maintain the shareholders of the subsidiary. If there is a change of shareholders and structure of the operation of the subsidiary, the subsidiary has to inform the bank and receive consent from the bank first.

16. TRADE ACCOUNT PAYABLE

Trade account payable classified by currency consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade accounts payable	136,606,066.18	35,191,454.26	45,497,811.37	41,142,577.55
Other payable (Note 16.2)	57,574,142.64	33,437,778.14	31,163,228.29	26,945,952.11
Customers' domestic (Note 16.3)	27,972,103.64	33,314,315.77	24,154,980.64	23,704,015.66
	222,152,312.46	101,943,548.17	100,816,020.30	91,792,545.32

16.1 Trade and other account payable

Trade and other payable classified by currency consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade accounts payable, domestic; Baht			62,064,983.32	51,803,768.08
Trade accounts payable, oversea; U.S. Dollars	854,512.66	1,001,485.42	28,295,340.13	32,997,687.24
Euro	234,070.64	132,033.70	9,445,967.65	5,984,071.03
Pound Seriting	19,605.06	18,560.10	1,009,729.20	1,007,018.97
			100,816,020.30	91,792,545.32

16.2 Other payable

Other payable consisted of :-

	Consolidated financial statements			
	Foreign currencies		Baht	
	2014	2013	2014	2013
Accrued expenses	41,415,920.27	14,047,602.64	16,072,963.64	11,867,365.15
Other payable	16,158,222.37	19,390,175.50	15,090,264.65	15,078,586.96
Total	57,574,142.64	33,437,778.14	31,163,228.29	26,945,952.11

16.3 Customers' deposit

Customers' deposit consisted of :-

		Seaparate financial statements			
		Foreign currencies		Baht	
		2014	2013	2014	2013
Customers' deposit					
Domestic		13,155,303.45	11,734,567.76	9,534,057.95	2,889,517.47
Oversea		14,816,800.19	21,579,748.01	14,620,922.69	20,814,498.19
Total		27,972,103.64	33,314,315.77	24,154,980.64	23,704,015.66

17. LONG-TERM LOAN FROM FINANCIAL INSTITUTION

Long-term loan from financial institution consisted of :-

		Baht			
		Consolidated financial statements		Seaparate financial statements	
		2014	2013	2014	2013
Beginning balance		59,322,423.02	94,072,423.02	59,322,423.02	94,072,423.02
Add from borrowing during the year		-	-	-	-
Less from payment during the year		(29,922,500.00)	(34,750,000.00)	(29,922,500.00)	(34,750,000.00)
Ending balance		29,399,923.02	59,322,423.02	29,399,923.02	59,322,423.02
Less current portion due within 1 year		(21,899,923.02)	(27,922,500.00)	(21,899,923.02)	(27,922,500.00)
Long-term loan, net		7,500,000.00	31,399,923.02	7,500,000.00	31,399,923.02

The Company has 3 long-term credit facilities with a local commercial bank consisted of :-

			Consolidated financial statements/ Seaparate financial statements	
			Ending balance (Baht)	
Loan (Million Baht)	Interest rate (%)	Installment /amount	2014	2013
300	MLR - 1	- 3 months installment, each installment not less than Baht 5.00 million and final installment in December 2014 pay the outstanding amount.	11,899,923.02	31,899,923.02
35	MLR - 1	- 3 months installment, each installment not less than Baht 2.19 million.	-	1,922,500.00
47	MLR - 1	- 3 months installment as follows: - Installment in December 2012 - June 2014 each installment not less than Baht 1.50 million. - Installment in September 2014 - June 2016 each installment not less than Baht 2.50 million. Final installment in September 2016 pay the outstanding amount.	17,500,000.00	25,500,000.00
Total			29,399,923.02	59,322,423.02

Such long-term loans are guaranteed by land and building and machinery of the Company.

Under the credit facilities loan agreement, the Company must comply with the terms and conditions in these agreements, such as 1) not to commit and guarantee any obligation, or not to take out cash or income or the Company's asset and lend to director, management, or anyone, 2) not to invest in other fixed asset over credit limit of Baht 10 million unless approved by the bank, 3) to maintain a proper financial ratio, 4) Distribution of dividend to the shareholders shall have no event of default and/or obtain prior approval from the bank, and 5) not to take assets given as collaterals for the loan to guarantee any obligation or additional loan unless approved by the bank.

18. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Liabilities under finance lease agreements consisted of:-

		Baht			
		Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Liabilities under finance lease agreements					
- Axmister and Latex Shearing Machine					
(Note 18.1)		24,979,197.50	31,577,690.40	24,979,197.50	31,577,690.40
- Other machine (Note 18.2)		55,789,821.00	-	-	-
- Vehicle (Note 18.3)		13,806,246.53	7,653,888.88	9,735,965.53	7,653,888.88
Total		94,575,265.03	39,231,579.28	34,715,163.03	39,231,579.28
Less Deferred interest		(5,783,858.97)	(2,513,950.09)	(1,832,293.97)	(2,513,950.09)
Undue value added tax		(309,136.02)	(399,913.38)	(309,136.02)	(399,913.38)
		88,482,270.04	36,317,715.81	32,573,733.04	36,317,715.81
Less Portion due within one year		(28,168,848.88)	(6,132,647.28)	(6,642,330.88)	(6,132,647.28)
Net		60,313,421.16	30,185,068.53	25,931,402.16	30,185,068.53

		Baht							
		Consolidated financial statements							
		2014				2013			
Due		Principal	Deferred interest	Undue value Added tax	Net	Principal	Deferred interest	Undue value Added tax	Net
Over 1 year but									
not over 5 years		60,313,421.16	2,706,759.73	218,358.66	63,238,539.55	24,999,897.83	1,607,532.62	309,136.03	26,916,566.48
Over 5 years		-	-	-	-	5,185,170.70	77,777.70	-	5,262,948.40
Total		60,313,421.16	2,706,759.73	218,358.66	63,238,539.55	30,185,068.53	1,685,310.32	309,136.03	32,179,514.88

Due	Baht Consolidated financial statements							
	2014				2013			
	Principal	Deferred interest	Undue value Added tax	Net	Principal	Deferred interest	Undue value Added tax	Net
Over 1 year but not								
over 5 years	25,931,402.16	1,102,446.73	218,358.66	27,252,207.55	24,999,897.83	1,607,532.62	309,136.03	26,916,566.48
Over 5 years	-	-	-	-	5,185,170.70	77,777.70	-	5,262,948.40
Total	25,931,402.16	1,102,446.73	218,358.66	27,252,207.55	30,185,068.53	1,685,310.32	309,136.03	32,179,514.88

The Company and its subsidiary has finance lease agreements with various leasing companies to rent machines and vehicles for use in their operations, as follows :-

18.1 Long-term lease of machine

On September 25, 2008, the Company entered into an agreement with an overseas company to purchase machineries including installation work. Acquiring of Axminster 14 units and Latex shearing 1 unit, in totalling of 15 units are in the net price of Baht 50.16 million (or converted to Pound Sterling 970,000). The repayment term and some substantial obligations to conform under this agreement are as follow. The seller shall divided to deliver the machines and installation works including in-house training to local staff to the Company into 2 batches. The ownership of machineries shall be automatically transferred to the Company when completing of payment and delivery and installation works including in-house training at the Company's premises. The Company shall provide all accommodation and transportation to the seller's technicians, whilst in Thailand and working at the Company's plant with no additional cost to seller. In addition, the seller shall purchase of Axminster Carpet at least in the minimum amount in each calendar year during the term of this agreement (commencing from January 31, 2009, at the agreed price of each time). Reasonable endeavour to purchase in the amount higher than the minimum amount shall be taken by seller to fulfil the capacity of the machineries run and/or kept on stand by to the Company. Selling carpet in the same territory of the seller is restricted but selling carpet outside the territory is unfettered. In the event of the seller fail to comply with its obligation to purchase the minimum purchase amount during any calendar year, making rebate by seller shall pay to the Company at the fixed rate under this agreement. The Company shall to conform to other terms and conditions under this agreement such as manufacture and orders, carpet standards, materials, price and profit margin, payment of buying carpet, delivery point and duration etc. The agreement has repayment term of 10 years long since the second transfer date, or March 31, 2009, whichever is earlier. The Company shall repay at agreed instalment on yearly basic, from the date of January 20th of each year which is starting from January 20, 2009 and terminating on January 20, 2019. The instalment shall not be settled with the money receipts from selling carpet to the seller. The agreement duration may be extended by written agreement, for each period of five years, such agreement to be reached at least one year prior to expiration of each term. As at December 31, 2014, the Company recorded the transferred Axminster amount of 15 units as machinery in progress totaling amount of GBP 970,000.00. The number of machineries of 15 units were completely received as agreement.

Movement of Administer and Latex Shearing machinery account payable were as follow :

	Consolidated / Separate financial statements			
	Foreign currency (GBP)		Baht	
	2014	2013	2014	2013
Balance, beginning of the year	582,000.00	873,000.00	31,577,690.40	43,395,660.01
Additional during the year	-	-	-	-
Deduction during the year	(97,000.00)	(291,000.00)	(5,262,948.40)	(14,468,514.01)
Conversion (gain) loss on exchange rate	-	-	(1,335,544.50)	2,650,544.40
Balance, ending of the year	485,000.00	582,000.00	24,979,197.50	31,577,690.40
less current portion due within 1 year	(97,000.00)	(97,000.00)	(4,995,839.50)	(5,262,948.40)
Net	388,000.00	485,000.00	19,983,358.00	26,314,742.00

For the year ended December 31, 2014 and 2013, the Company has recognized the penalty income from its machinery account payable in the amount of 58,822.99 Pounds, or Baht 2.99 million and 233,425.42 Pounds, or Baht 11.56 million, respectively, due to the lower quantity specified in the agreement. The Company has presented it as other income in the statement of income for the year.

18.2 Long-term lease of other machine

A subsidiary entered in machinery lease agreements in the form of financial lease with several local companies. The rental payment is monthly and quarterly and the agreement term is 5 years.

For the year ended December 31, 2014, a subsidiary has paid the liabilities under the financial-other machinery lease in the amount of Baht 23,083,788.00.

18.3 Vehicle leases

In 2014 and 2013, the Company entered into various finance lease agreements of rental vehicles with domestic leasing companies in the total lease amount of Baht 4.36 million and Baht 8.42 million, respectively. Installments are due on a monthly basis over 47 months in monthly of Baht 0.06 million and Baht 0.15 million, respectively. Under the term of the lease agreements, the Company shall have the right to purchase the assets in total of Baht 0.97 million and Baht 1.49 million, respectively, upon the expiry date of the lease agreement and the Company shall have to comply with certain conditions and restrictions as specified in the lease agreements.

During the year 2014, the subsidiary entered into finance lease agreement of rental vehicles with a Domestic leasing company in the total lease amount of Baht 5.06 million (include VAT). Installments are due on a monthly basis over 60 month in monthly of Baht 0.07 million (include VAT). Under the term of the lease agreements, the Company shall have the right to purchase the assets in the total

of Baht 0.83 million (include VAT) upon the expiry date of the lease agreement and the company shall have to comply with cerfair condition and restrictions as specified in the lease agreement.

For the year ended December 31, 2014, the Company and its subsidiary have paid the liabilities under the financial - vehicle lease agreement in the amount of Baht 2,279,298.34

19. EMPLOYEE BENEFIT OBLIGATIONS

The statements of financial position

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Beginning balance	55,044,980.36	52,082,754.99	51,953,305.36	48,978,890.99
Employee benefit obligations from purchase business (Note 9)	8,986,707.00	-	-	-
Benefits paid by the plan during the year	(664,002.64)	(3,442,040.64)	(664,002.64)	(3,442,040.64)
Current service costs and interest during the year	10,296,439.96	7,522,433.00	6,858,804.00	6,755,381.00
Actuarial gain (losses)	-	(1,118,166.99)	-	(173,636.99)
Transfer to subsidiary	-	-	-	(165,289.00)
Ending balance	73,664,124.68	55,044,980.36	58,148,106.72	51,953,305.36

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current service costs				
Cost of sales	3,010,307.14	4,291,193.89	3,779,679.00	3,919,358.00
Administrative expenses	5,701,174.65	1,449,289.11	1,541,985.00	1,123,299.00
Management and directors' benefit expenses	1,584,958.17	1,781,950.00	1,537,140.00	1,712,724.00
Total	10,296,439.96	7,522,433.00	6,858,804.00	6,755,381.00

Principal actuarial assumptions at the reporting date

	Percentage	
	Consolidated financial statements	Separate financial statements
Discount rate	3.43 - 4.34	3.43
Salary increase rate	3.00 - 5.00	4.00
Employee turnover rate	1.00 - 80.00	0.00 - 36.00
Disability	5.00	5.00

20. CAPITAL MANAGEMENT

The primary objective of capital management of the Company and its subsidiaries is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern. According to the statement of financial position as at December 31, 2014, the Group's debt-to-equity ratio was 0.63 :1 (as at December 31, 2013 was 0.45 : 1) and the Company's was 0.37 : 1 (as at December 31, 2013 was 0.41 : 1).

21. SHARE CAPITAL

21.1 Change of the par value of the company's shares

At the Annual General Meeting of Shareholders of the Company No.1/2013, held on April 29, 2013, the shareholders approved the change of the par value of the Company's shares from the existing par value of 5.50 Baht per share to 1.10 Baht per share by splitting 1 ordinary share with the par value of 5.50 Baht per share, into 5 ordinary shares with the par value of 1.10 Baht per share and the change of the Company's registered share capital and issue and paid-up share capital being in the amount of baht 376,460,964 which divided into 342,237,240 shares with a par value of 1.10 Baht. The Company registered the Change of the par value and the registered share capital of the Company's shares with the Department of Business Development, Ministry of Commerce on May 2, 2013.

21.2 Issuance of the warrants to purchase new ordinary shares of the Company No.1 to the Company's existing shareholders (TCMC-W1)

At the Extraordinary Meeting of Shareholders of the Company, held on August 9, 2013, the shareholders approved the issuance of registered and transferable warrants to purchase new ordinary shares of the Company No.1 to the Company's existing shareholders (TCMC-W1) in a ratio of 2 warrants for every 1 existing ordinary share, without specifying the offering price. The warrant details are as follows:

Date of grant	August 26, 2013
Date registered	September 17, 2013
Number of grant	171,110,775 units
Warrant maturity of the warrants	3 years from the issuance and offering date
Exercise period	Last business day of March and September. The first exercise date is the last business

day of March 2014, which is March 31, 2014 and the last exercise date is 3 years maturity date of the warrants from the date of issuance and offering the warrant, which is August 26, 2016.

Exercise price	2 Baht per ordinary share
Exercise ratio	1:1

The number of warrants offered originally were 171,118,620 units. Later, the cancellation were 7,845 units, therefore, the remaining of warrants to the existing shareholders were 171,110,775 units.

Changes in the Company's warrants for the year ended December 31, 2014 were summarized as follows :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Beginning balance	55,044,980.36	52,082,754.99	51,953,305.36	48,978,890.99
Employee benefit obligations from purchase business (Note 9)	8,986,707.00	-	-	-
Benefits paid by the plan during the year	(664,002.64)	(3,442,040.64)	(664,002.64)	(3,442,040.64)
Current service costs and interest during the year	10,296,439.96	7,522,433.00	6,858,804.00	6,755,381.00
Actuarial gain (losses)	-	(1,118,166.99)	-	(173,636.99)
Transfer to subsidiary	-	-	-	(165,289.00)
Ending balance	73,664,124.68	55,044,980.36	58,148,106.72	51,953,305.36

	Units			
	Number of warrants outstanding as at December 31, 2013	Number of warrants exercised during the year	Number of warrants exercised during the year	Number of warrants outstanding as at December 31, 2014
Warrant				
TCMC-W1	171,110,775	12,557	-	171,098,218
Total	171,110,775	12,557	-	171,098,218

The exercises warrants for the year ended December 30, 2014 and registration of share increasing for exercised warrants were summarized as follows:

Exerise date	Registration of share increasing date	Number of exercised warrant	Baht		
			Share capital increase	Share premium	account Amount
March 31, 2014	April 10, 2014	12,557	13,812.70	11,301.30	25,114.00
Total		12,557	13,812.70	11,301.30	25,114.00

21.3 Increase in the Company's registered capital

At the Extraordinary Meeting of Shareholders of the Company No. 1/2013, held on August 9, 2013, the shareholders approved the increase of registered capital of the Company from Baht 376,460,964 to Baht 564,691,446 by issuing 171,118,620 ordinary shares at Baht 1.10 per share to reserve for the exercise of warrants issued and offered to the Company's existing shareholders as described in Note 21.2 to the interim financial statements. On August 22, 2013, the Company registered its increase in authorized share capital with the Ministry of commerce.

22. APPROPRIATION OF RETAINED EARNING

Legal reserve

Under the provision to the Public Limited Companies, the Company is required to set aside as statutory reserve at least 5% of its net income after deduction accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The legal reserve is not available for dividend distribution.

Payment of dividends and the appropriation of profits for the performance results of the fiscal year 2013

At the Annual General Meeting of Shareholders of the Company No.1/2014, held on April 29, 2014, the shareholders approved the dividend payment to the shareholders for the performance results of the fiscal year 2013, at the rate of 0.04 Baht per share, totaling Baht 13,689,489.60 and the appropriation of profits as a legal reserve in the total amount of Baht 1,176,984.00. The Company fixed the names of shareholders who are entitled to receive dividends, whose names appear in the Register of Shareholders on April 9, 2014, The Company has paid the dividends on May 16, 2014.

Payment of dividends and the appropriation of profits for the performance results of the fiscal year 2012

At the Annual General Meeting of Shareholders of the Company No.1/2013, held on April 29, 2013, the shareholders approved the dividend payment to the shareholders for the performance results of the fiscal year 2012, at the rate of 0.30 Baht per share, totaling Baht 20,534,234.40 and the appropriation of profits

as a legal reserve in the total amount of Baht 7,312,506. The Company fixed the names of shareholders who are entitled to receive dividends, whose names appear in the Register of Shareholders on April 10, 2013, The Company has paid the dividends on May 17, 2013.

23. OPERATING SEGMENT

The Company and its subsidiaries operate in 2 main report by products operating segments in main geographical area, Thailand as follows :

Type of operating segment	Nature of operating segment
- Production segments of carpet with hand-woven and machine-woven	- Carpet with hand-woven and machine-woven for indoor decoration including carpet pad materials
- Production segment of carpet and upholstery fabrics	- Carpet for the floors inside vehicles, vehicles upholstery fabrics, fabrics and carpets used in making a furniture and decoration

The operating segment's performance is regularly reviewed by the chief operating decision maker who is the Executive Directors in order to make decisions about the allocation of resources to the segment and assess its performance. The Company and its subsidiaries assess the performance of the operating segment by using the operating profit or loss as the same basis to assess operating profit or loss in the financial statements.

Details of financial information by segment operations for the year ended December 31, 2014 and 2013 were as follows :

The operating segment's performance is regularly reviewed by the chief operating decision maker who is the Executive Directors in order to make decisions about the allocation of resources to the segment and assess its performance. The Company and its subsidiaries assess the performance of the operating segment by using the operating profit or loss as the same basis to assess operating profit or loss in the financial statements.

Details of financial information by segment operations for the year ended December 31, 2014 and 2013 were as follows :

	Baht					
	Consolidated financial statements					
	Carpets with hand-woven and machine-woven		Carpet and upholstery fabrics		Total	
	2014	2013	2014	2013	2014	2013
Revenue from sales	692,809,587.32	706,040,345.02	968,133,021.00	-	1,660,942,608.32	706,040,345.02
Cost of sales	508,718,071.30	511,404,340.17	768,569,371.00	-	1,277,287,442.30	511,404,340.17
Gross profit	184,091,516.02	194,636,004.85	199,563,650.00	-	383,655,166.02	194,636,004.85
Other income	18,223,921.93	25,451,312.13	9,377,522.00	-	27,601,443.93	25,451,312.13
Gain from bargain purchase business	-	-	-	-	16,001,786.00	-
Selling expense	90,327,377.50	96,962,235.61	31,496,000.00	-	121,823,377.50	96,962,235.61
Administrative expenses	66,278,017.91	85,047,094.00	71,079,815.00	-	137,357,832.91	85,047,094.00
Finance cost	7,173,361.61	7,288,377.99	11,069,673.00	-	18,243,034.61	7,288,377.99
Income tax expenses	7,776,403.79	9,598,113.42	13,546,743.00	-	21,323,146.79	9,598,113.42
Profit for the year	30,760,277.14	21,191,495.96	81,748,941.00	-	128,511,004.14	21,191,495.96

Information about geographical areas

The Company and its subsidiaries' revenue from sales separated by geographical area for the year ended December 31, 2014 and 2013, were summarized as follows :

	Baht	
	Consolidated financial statements	
	2014	2013
Thailand	1,043,561,783.11	349,181,237.54
United Kingdom	119,704,410.13	102,415,508.63
United Arab Emirates	108,095,763.58	47,391,607.13
The United States of America	59,046,757.51	68,185,397.18
Indonesia	116,567,434.66	-
Malaysia	1,140,115.90	-
Others	212,826,343.43	138,866,594.54
Total	1,660,942,608.32	706,040,345.02

Non-current assets of the Company and its subsidiaries separated by geographical area were all of the assets that are located in Thailand, as at December 31, 2014 and 2013 were as follows :

	Baht			
	Consolidated financial statements		Carpets with hand-woven and	
	machine-woven		Carpet and upholstery fabrics	
	2014	2013	2014	2013
Property, plant and equipment	651,679,748.03	654,590,507.48	455,021,293.00	-
Intangible assets	3,067,624.47	3,175,175.56	34,105,893.00	-
	654,747,372.50	657,765,683.04	489,127,186.00	-

Information about major customers

The Company and its subsidiaries' revenue from sales and services from their major customers that has the value from 10 percent of the revenue from sale and service of each Company's Group for the year ended December 31, 2014 and 2013, were summarized as follows :

Type of customers	Baht	
	Consolidated financial statements	
	2014	2013
- Carpet and upholstery fabrics		
Automobile	389,334,077.00	-
- Carpet with hand - woven and machine - woven		
Manufacturing	82,472,693.59	54,438,488.68

24. RELATED PARTIES TRANSACTION

Such transactions comply with commercial terms and based on the agreed upon between the Company and related parties as an ordinary course of business.

The nature of relationship with related parties can be summarized as follows:

Name of related parties	Type of business	Nature of relationship
Subsidiaries		
United Carpet Manufacturing Co.,Ltd.	Manufacturing and selling of carpet	The same director
Royal Thai International Co.,Ltd.	Selling of carpet	
T C H Suminoe Co.,Ltd.	Manufacturing and selling of automotive textile	The same director
Related companies		
President Hotel and Tower Co.,Ltd.	Hotel	The Company's Shareholder and Co-director
Philippines Carpet Manufacturing Corp.,	Manufacturing and selling of yarn	The Company's Shareholder
Royal Thai L.L.C. (UAE)	Selling of carpet	The Company's Shareholder
Depa Interiors L.L.C.	Hotel, real estate, transportation and other	The Company's Shareholder and Co-director
(until March 11, 2013)		
Depa Ltd. (UAE)	Hotel, real estate, transportation and other	The subsidiary Company's Depa Interiors L.L.C.

Depa Dubai	Hotel, real estate, transportation and other	The subsidiary Company's Depa Interiors L.L.C.
Dragoni International L.L.C.	Hotel, real estate, transportation and other	The subsidiary Company's Depa Interiors L.L.C.
Decorative Carpet, Inc. (USA)	Interior	Co-shareholder with the subsidiary
Erawan Holding L.L.C. (USA)	Interior	Shareholder in the subsidiary
Suminoe Textile Co., Ltd. (Japan)	Manufacturing and selling of automotive textile and interior material for train, bus, ship and aircraft	Shareholder in the subsidiary
Thai Lee Hong Trading Co.,Ltd.	Trading	Director (advisor) of subsidiary
Suminoe Textile Shanghai Co.,Ltd.	Manufacturing and selling of automotive textile	Co-shareholder with the subsidiary
SPM Automotive Textile Co., Ltd.	Manufacturing and selling of automotive textile	Co-shareholder with the subsidiary
Related persons		
Key management personnel		Persons having authority and responsibility for management
Shareholder		Shareholder of the Company

The Company and its subsidiaries have the policy in pricing for transaction with related parties as follows:

Transactions	Pricing policies
Revenue from sales of goods	According to general trade practice and approximate to market price
Revenue from hiring and service	According to agree upon rate
Cost of purchase goods	According to general trade practice and approximate to market price
Service cost	According to agree upon rate
Marketing expense	According to agree upon rate
Technical assistance fee	According to agree upon rate
Interest	According to market interest rate
Compensation to director	According to be approved by director and/ or shareholders

Balances as at December 31, 2014 and 2013 with the related parties consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Assets				
Trade and other receivable				
Subsidiaries				
United Carpet Manufacturing Co., Ltd.	-	-	3,479,326.81	7,035,976.12
Royal Thai International Co., Ltd.	-	-	61,544,763.56	44,920,213.35
	-	-	65,024,090.37	51,956,189.47
Related parties				
Decorative Carpet Inc.	5,733,346.08		3,844,314.10	-
Suminoe Textile Co., Ltd.	2,270,295.00		-	-
Royal Thai LLC.	8,009,533.69	2,295,453.69	8,009,533.69	2,295,453.69
SPM Automotive Textile Co., Ltd.	15,750.00	-	-	-
	16,028,924.77	6,139,767.79	8,009,533.69	2,295,453.69
	16,028,094.77	6,139,767.79	73,033,624.06	54,251,643.16
Short-term loans				
Subsidiary				
United Carpet Manufacturing Co., Ltd.	-	-	2,550,000.00*	2,550,000.00*
Other current asst				
Subsidiary				
Royal Thai International Co., Ltd.	-	-	3,000,000.00	12,000,000.00
Liabilities				
Trade and other payable				
Subsidiaries				
United Carpet Manufacturing Co., Ltd.	-	-	4,105,979.50	6,541,091.87
Royal Thai International Co., Ltd.	-	-	10,273,646.14	2,371,409.21
	-	-	14,379,625.64	8,912,501.08
Related parties				
Suminoe Textile Co., Ltd.	6,411,612.00	-	-	-
Suminoe Textile Shanghai Co., Ltd.	417,580.00	-	-	-
SPM Automotive Textile Co., Ltd.	211,422.00	-	-	-
Erawan Holding LLC.	45,629.48	27,694.41	-	-
Thai Lee Hong Trading Co., Ltd.	-	678,540.50	-	-
Other shareholders	6,797.16	8,794.44	-	-
	7,093,040.64	715,029.35	-	-
	7,093,040.64	715,029.35	14,367,625.64	8,912,501.08

Balances as at December 31, 2014 and 2013 with the related parties consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Short-term loans				
Related parties				
Erawan Holding L.L.C.	950,000.00*	950,000.00*	-	-
Other shareholders	1,500,000.00*	1,500,000.00*	-	-
	2,450,000.00	2,450,000.00	-	-

* The subsidiary company has a short-term loan from shareholders in promissory note and had matured on September 15, 2014, with the interest rate of 2.00% per annum and renewed which will be matured September 15, 2015 with the interest of 1.55% per annum (reference for six-month fixed deposit interest rate).

Revenue and expense transactions with related parties for the years ended December 31, 2014 and 2013 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Sale of goods				
Subsidiaries				
United Carpet Manufacturing Co., Ltd.	-	-	13,618,393.45	14,777,749.40
Royal Thai International Co., Ltd.	-	-	252,840,346.77	273,275,887.82
	-	-	266,458,740.22	288,053,637.22
Related parties				
Decorative Carpet Inc.	25,032,092.19	20,417,197.52	-	-
Depa Ltd.	-	4,595,708.49	-	4,595,708.49
Dragoni International L.L.C.	-	5,587,409.71	-	5,587,409.71
Suminoe Textile Co.Ltd	606,528.00	-	-	-
SPM Automotive Textile Co., Ltd.	15,717.00	-	-	-
	25,654,337.19	30,600,315.72	-	10,183,118.20
	25,654,337.19	30,600,315.72	266,458,740.22	298,236,755.42
Service incomes				
Subsidiary				
United Carpet Manufacturing Co., Ltd.	-	-	4,716,376.40	5,040,365.90

Baht				
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Other incomes				
Subsidiaries				
United Carpet Manufacturing Co., Ltd.	-	-	46,604.66	57,144.46
Royal Thai International Co., Ltd.	-	-	10,451,153.70	9,035,176.35
	-	-	10,497,758.36	9,092,320.81
Related parties				
Decorative Carpet Inc.	5,003,012.65	5,060,846.39	-	-
	5,003,012.65	5,060,846.39	10,497,758.36	9,092,320.81
Cost of sale (purchase of goods and service)				
Subsidiary				
United Carpet Manufacturing Co., Ltd.	-	-	18,006,466.46	17,578,649.01
Related parties				
Suminoe Textiles Co., Ltd.	1,116,010.00	-	-	-
Suminoe Textile Shanghai Co. Ltd.	417,580.00	-	-	-
SPM Automotive Textile Co., Ltd.	1,014,415.00	-	-	-
	2,548,005.00	-	-	-
	2,548,005.00	-	18,006,466.46	17,578,649.00
Selling and administrative expenses				
Other related parties				
Royal Thai L.L.C.	11,723,078.36	9,177,927.32	11,723,078.36	9,177,927.32
Suminoe Textile	38,633,573.00	-	-	-
	50,356,651.36	9,177,927.32	11,723,078.36	9,177,927.32
Management benefit expenses ***				
Short-term employee benefits	22,526,995.56	23,033,318.33	19,459,635.56	21,385,958.33
Post-term employee benefits	1,192,834.17	1,108,299.00	1,145,016.00	1,039,073.00
Other long-term benefits	392,124.00	673,651.00	392,124.00	673,651.00
	24,111,953.73	24,815,268.33	20,996,775.56	23,098,682.33
Interest expenses				
Other related parties				
Erawan Holding L.L.C.	17,735.07	21,288.66	-	-
Suminoe Textile Co., Ltd.	980,893.00	-	-	-
Other shareholders	28,002.72	170,987.19	-	-
	1,026,630.79	192,275.85	-	-
Purchase of assets				
Subsidiary				
United Carpet Manufacturing Co., Ltd.	-	-	-	329,000.00

*** MANAGEMENT BENEFIT EXPENSES

Management benefit expenses represents the benefits paid to the Company's management and directors such as salaries, related benefit and directors' remuneration, including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act. The management is comprised managing director or the managements who have the top position at the management level from the four lists following by the manager level.

The Company and its subsidiaries have the policy on pricing for its related transactions as follows:

Sales of goods

Sales of goods to related party are made in accordance with conditions and terms of general trade practice, with pricing approximate the market.

Service

Service to related parties are calculated at the rate as agreement.

Rental and service

Rental and service to related parties are calculated at the rate as agreement.

Interest income/Interest expenses

Interest income and interest expenses are calculated at market price.

Purchases inventories

Purchase of inventories form related party are made in accordance with conditions and terms of general trade practice, with pricing approximate the market.

Selling and administrative expenses

Payment of Selling and administrative expenses to related persons for the purpose of operating the Company's business activities are made in accordance with condition and terms of general operation practice

Balances as at December 31, 2013 and 2012 with the related parties consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Assets				
Trade account receivable				
Subsidiaries				
United Carpet Manufacturing Co., Ltd.	-	-	7,021,025.43	7,595,272.09
Royal Thai International Co., Ltd.	-	-	43,980,189.72	32,424,512.95
	-	-	51,001,215.15	40,019,785.04
Related parties				
Decorative Carpet Inc.	3,844,314.10	3,227,362.55	-	-
Depa Ltd. (UAE)	-	8,580,031.98	-	8,580,031.98
Dragoni International L.L.C.	-	1,305,437.31	-	1,305,437.31
	3,844,314.10	13,112,831.84	-	9,885,469.29
	3,844,314.10	13,112,831.84	51,001,215.15	49,905,254.33

	Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Short-term loans				
Subsidiary				
United Carpet Manufacturing Co., Ltd.	-	-	2,550,000.00*	2,550,000.00*
Other current assets				
Subsidiaries				
United Carpet Manufacturing Co., Ltd.	-	-	14,950.69	17,731.23
Royal Thai International Co., Ltd.	-	-	940,023.63	689,267.13
Royal Thai L.L.C.	2,295,453.69	-	2,295,453.69	-
	2,295,453.69	-	3,250,428.01	706,998.36

	Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Liabilities				
Trade account payable				
Subsidiary				
United Carpet Manufacturing Co., Ltd.	-	-	6,541,091.87	217,926.90
Customer deposit for goods				
Subsidiary				
Royal Thai International Co., Ltd.	-	-	2,178,447.21	14,800,354.81
Short-term loans				
Related parties				
Erawan Holding L.L.C.	950,000.00	950,000.00	-	-
Other shareholders	1,500,000.00	1,500,000.00	-	-
	2,450,000.00	2,450,000.00	-	-
Other account payable				
Related parties				
Royal Thai International Co., Ltd.	-	-	192,962.00	41,190.95
Erawan Holding L.L.C.	27,694.41	25,130.75	-	-
Other shareholders	8,794.44	10,430.13	-	-
	36,488.85	35,560.88	192,962.00	41,190.95
Long-term loan				
Related parties				
Director	-	3,000,000.00**	-	-
Less current portion due within one year	-	(3,000,000.00)	-	-
Net	-	-	-	-

25. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2014 and 2013 were as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Changed in inventories of finished goods and work in process	(4,684,957.75)	15,427,325.49	(11,837,441.52)	16,211,735.46
Raw materials and consumables used	406,395,056.20	250,727,268.06	317,152,434.23	226,175,406.17
Depreciation and amortization charges	80,518,101.09	25,137,778.65	27,487,878.27	22,893,005.32
Staff cost	264,567,564.91	180,197,21.96	150,595,039.20	146,442,350.44
Management benefit and director's remuneration	24,111,953.73	24,815,268.33	20,996,775.56	23,098,682.33
Loss from write-off of valued added tax (Note 8)	-	13,302,599.55	-	13,302,599.55

26. TAX EXPENSE (INCOME)

26.1 Major component of tax expense (income)

Major components of tax expense (income) for the years ended December 31, 2014 and 2013 included :

Income tax expense (income) shown in profit or loss :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Current tax expense:				
Income tax expense for the year	20,474,510.33	10,328,057.92	8,550,026.35	7,927,274.11
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	848,636.46	(729,944.50)	(1,423,930.88)	(561,572.00)
Total	21,323,146.79	9,598,113.42	7,126,095.47	7,365,702.11
Income tax relating to components of other comprehensive income:				
Deferred tax relating to:				
Actuarial gain (losses)	-	223,633.40	-	34,727.40
Revaluation of land	-	2,400,000.00	-	2,400,000.00
Total	-	2,623,633.40	-	2,434,727.40

26.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate

A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate for the years ended December 31, 2014 and 2013 which were summarized as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Accounting profit (loss) for the year	149,834,150.93	30,789,609.38	37,254,444.87	30,905,373.10
The applicable tax rate (%)	20%	20%	20%	20%
Tax expense (income) at the applicable tax rate	29,966,830.19	6,157,921.88	7,450,888.97	6,181,074.63
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				- Expenses not allowed
as expenses in determining taxable profit	969,005.75	3,575,624.33	275,206.50	3,515,579.40
Tax effect of income that are not required in determining taxable profit:				
- Exemption of non - taxable dividend income	-	-	(600,000.00)	(2,400,000.00)
- Tax exemption of profit of the promoted For business (BOI)	(799,446.00)	-	-	-
The amount of previously unrecognized tax losses for a prior period that is used to reduce current tax expense	(5,024,175.21)	(106,802.78)	-	-
Others	(3,789,067.94)	(28,630.01)	-	69,048.08
Total reconciliation items	(8,643,683.40)	3,440,191.54	(324,793.50)	1,184,627.48
Total tax expense (income)	21,323,146.79	9,598,113.42	7,126,095.47	7,365,702.11

As at December 31, 2014, a subsidiary had an accumulated loss (in tax) from 2010 - 2011 that was still unused of approximately Baht 6.54 million. The subsidiary above did not record deferred tax assets from such loss because there was an uncertainty whether the subsidiary would have enough profit to utilize the benefits from deferred tax assets or not.

26.3 A numerical reconciliation between tax average effective tax rate and the application tax rate

A numerical reconciliation between the average effective tax rate and the applicable tax rate for the years ended December 31, 2014 and 2013 were summarized as follows:

	Consolidated financial statements			
	2014		2013	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	149,834,150.93		30,789,609.38	
Tax expense (income) at the applicable tax rate	29,966,830.19	20.00	6,157,921.88	20.00
Reconciliation items	(8,643,683.40)	(5.77)	3,440,191.54	11.17
Tax expense (income) at the average effective tax rate	21,323,146.79	14.23	9,598,113.42	31.17

	Separate financial statements			
	2014		2013	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	37,254,444.87			30,905,373.13
Tax expense (income) at the applicable tax rate	7,450,888.97	20.00	6,181,074.63	20.00
Reconciliation items	(324,793.51)	0.87	1,184,627.48	5.83
Tax expense (income) at the average effective tax rate	7,126,095.46	19.13	7,365,702.11	23.83

27. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the parent company for the period by the weighted average number of ordinary shares which are issued during the period and held by outside party.

Diluted earnings per share is computed by dividing profit for the year the aggregate amount of the weighted average number of ordinary shares issued during the year and the weighted average number of ordinary shares which the Company may has to issue for conversion of warrants to ordinary shares for the year ended December 30, 2014 and 2013 as follows :

Baht				
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Profit for the year of ordinary share (Baht)				
Profit for the year attributable to equity holders				
of the parent company	87,055,092.80	21,185,505.96	30,128,349.40	23,539,671.02
Weighted average number of ordinary shares (shares)	342,246,391.00	342,237,240.00	342,246,391.00	342,237,240.00
Weighted average number of ordinary shares under warrants (shares)				
- TCMC-W1	171,101,280.00	171,110,775.00	171,101,280.00	171,110,775.00
Number of ordinary shares that would have been issued at fair value (shares)				
- TCMC-W1	(132,772,003.00)	(89,487,954.00)	(132,772,003.00)	(89,487,954.00)
Weighted average number of ordinary shares plus effect of assumed conversion (shares)	380,575,668.00	423,860,061.00	380,575,668.00	423,860,061.00
Basic earnings per share of the parent company				
Profit for the year (Baht per share)	0.2544	0.0619	0.0880	0.0688
Diluted earnings per share of the parent company				
Profit for the year (Baht per share)	0.2287	0.0500	0.0792	0.0555

28. FINANCIAL INSTRUMENTS

28.1 Risk management

The Company and its subsidiaries manage their financial risk exposure on financial assets and financial liabilities in the normal business by its internal management and control system, and the Company and its subsidiaries do not hold or issue derivative financial instruments for speculative or trading purposes.

28.2 Interest rate risk

The Company and its subsidiaries are exposed to interest rate risk relates primarily to its cash at banks, bank overdrafts, short-term loans and long-term and machine payable. However, most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market. However, the management believed that the future fluctuation on market interest rate would not provided significant effect to their operations and cash flows, therefore; no financial derivative was adopted to manage such risks.

As at December 2014, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

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NOTES TO THE FINANCIAL STATEMENTS (CONT.) DECEMBER 31, 2014

Baht

Consolidated financial statements

	As at December 31, 2014			Total
	Floating interest rate	Fixed interest rate	Interest - free	
Financial assets				
Cash and cash equivalents	31,533,659.68	-	2,044,998.59	33,578,658.27
Trade and other accounts receivable	-	-	389,130,941.53	389,130,941.53
Bank deposit for using guarantee	1,640,000.00	-	-	1,640,000.00
Financial liabilities				
Bank overdrafts and short-term loan from financial institutions	213,128,398.56	-	-	213,128,398.56
Trade and other accounts payable	-	-	22,152,312.46	222,152,312.46
Long-term loan from financial institutions	29,399,923.02	-	-	29,399,923.02
Liabilities under finance lease agreements	-	88,482,270.04	-	88,482,270.04

Baht

Consolidated financial statements

	As at December 31, 2014			Total
	Floating interest rate	Fixed interest rate	Interest - free	
Financial assets				
Cash and cash equivalents	11,180,157.31	-	1,717,439.59	12,897,596.90
Trade and other accounts receivable	-	-	162,536,243.96	162,536,243.96
Financial liabilities				
Bank overdrafts and short-term loan				
From financial institution	35,916,234.57	-	-	35,916,234.57
Trade and other accounts payable	-	-	100,816,020.30	100,816,020.30
Long-term loan from financial institutions	29,399,923.02	-	-	29,399,923.02
Liabilities under finance lease agreement	-	32,573,733.04	-	32,573,733.04

28.3 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily relating to trade accounts receivable. The management of the Company and its subsidiaries manage this risk by establishing appropriate credit control policies and procedures. Therefore, it does not expect to incur material losses from debt collection more than the amount already provided in the allowance for doubtful accounts.

28.4 Foreign currency risk

The Company and its subsidiary's exposure to foreign currency risk relates to its export sale in US dollars. For the period, the Company and its subsidiary's primarily utilize forward exchange contracts to hedge exchange rate risk relating to the receiving of the export sale.

As at December 31, 2014, the forward contract was amount to be received and contractual exchange rates of the outstanding contracts as follows:

Foreign currency	Maturity date	Amount	Exchange rates Baht / USD	Amount (Baht)
Subsidiary				
US Dollar	March 19, 2015	15,531.72	32.4353	503,776.00
	May 7, 2015	50,000.00	32.8810	1,644,050.00
	June 11, 2015	50,000.00	33.2684	1,663,420.00
				3,811,246.00

As at December 31, 2013, the forward contract was amount to be received and contractual exchange rates of the outstanding contracts as follows:

Foreign currency	Maturity date	Amount	Exchange rates Baht / USD	Amount (Baht)
Subsidiary				
US Dollar	January 10, 2014	73,406.82	31.600240	2,319,673.13
	January 27, 2014	100,000.00	31.190100	3,119,010.00
	February 24, 2014	50,000.00	32.017500	1,600,875.00
	February 26, 2014	50,000.00	32.276000	1,613,800.00
	March 12, 2014	29,361.40	32.349645	949,830.87
	June 6, 2014	50,000.00	32.400978	1,620,048.90
	June 20, 2014	24,872.96	32.710260	813,600.99
	June 23, 2014	100,000.00	32.954800	3,295,480.00
				15,332,318.89

28.5 Liquidity risk

The Company manages its liquidity risk by maintaining adequate level of cash and cash equivalents to support the Company's operations as well as securing short-term credit facilities from financial institutions for reserve as necessary and to reduce the impact of fluctuations in cash flow.

28.6 Fair value

The carrying amount of financial assets and financial liabilities as presented in the statement of financial position are mostly bear floating interest rates or fixed interest rates which are close to market rate. The management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying amount.

29. COMMITMENTS

29.1 Commitments on the long-term service agreement

29.1.1 The Company entered into services agreement with the foreign related company, namely Royal Thai L.L.C. The such related company has to provide service of marketing management in Middle East zone to the Company, as follows :-

- (1) To provide on request reports on the investment potentials.
- (2) To review and report on the identification of potential sale opportunities.
- (3) To arrange for staffs to attend any meeting as the representatives of the Company at meetings on the matters concerning the potential sale opportunities.
- (4) To visit customer and potential customer.

The Company has to pay monthly services fee to the such related company in the amount of USD 18,250.00. Term of agreement since January 1, 2012 and it has been renewed automatically once a year.

29.1.2 On April 25, 2008, a subsidiary entered into a technical assistance agreement with a foreign related company. The above subsidiary has to pay the technical assistance fee every 3 months at the agreed percentage of net sales of fabric products and carpet products The calculation starts from sale since June 1, 2008 and the agreement ends on May 31, 2009 with the option to automatically renew the agreement every year until there is a termination notice.

29.2 Commitments on capital expenditure

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
West water treatment system improvement	519,034.46	-	519,034.46	4,284,775.69
Machinery and equipment purchase	5,422,565.00	-	-	-
Building construction	100,000.00	-	-	-
	6,041,599.46	-	519,034.46	4,284,775.69

On September 12, 2014, the Company entered into an agreement for the water treatment system improvement project with another company. The project value totaled Baht 10.38 million (including VAT). As at December 31, 2014, the Company has already paid for the installments in the total amount of Baht 9.86 million and outstanding obligations amount of Baht 0.52 million.

29.3 Commitments on operating lease - as a lessee

The Company and its subsidiary have minimum future rental payments under the lease and service agreements as follow:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Within 1 year	14,407,956.44	5,915,866.44	815,866.44	815,866.44
Over 1 year but less than 5 year	5,148,182.87	3,170,639.31	229,772.87	1,045,639.31
Over 5 year	-	-	-	-
	19,556,139.31	9,086,505.75	1,045,639.31	1,861,505.75

29.3.1 On April 19, 2012, the Company had entered into the building leasing agreement with a company, for 3 years contract, since June 1, 2012 until the end of contract on May 31, 2015. The Company had to pay the rental fee in the first year with the amount of Baht 375,000 monthly, for the second and third year at the amount of Baht 425,000.00 monthly.

29.3.2 Another subsidiary has entered into an operating lease agreement relating to the lease of land, building space, vehicle and equipment, with the agreement term of 1 - 4years.

30. CONTINGENT LIABILITIES

30.1 As at December 31, 2014, 2013, the Company and its subsidiaries had contingent liabilities from letter of guarantee issued by several commercial banks to guarantee of product selling and rental agreement amounting to Baht 18.00 million and Baht 10.18 million, USD 0.23 million, respectively (for the Company only amounting to Baht 4.64 million and Baht 2.95 million, USD 0.23 million, respectively)

30.2 As at December 31, 2014 and 2013, the Company had the unused letters of approximately Baht 1.44 million and Baht 1.92 million , respectively.

31. RECLASSIFICATION

The Company and its subsidiaries have reclassified certain accounts in the statement of financial position as at December 31, 2013 to conform with the presentation of the financial statements of this year without any effect to the previously reported profit (loss) or shareholder's equity.

	Baht					
	Consolidated financial statements			Separate financial statements		
	Previous report	Adjustment	Restated	Previous report	Adjustment	Restated
	increase			increase		
	(decrease)			(decrease)		
Statement of financial position						
Deferred tax assets	15,427,437.21	(14,571,575.21)	855,862.00	14,571,575.21	(14,571,575.21)	-
Deferred tax liabilities	78,461,440.60	(14,571,575.21)	63,889,865.39	78,461,440.60	(14,571,575.21)	63,889,865.39
Trade and other receivable	-	143,861,820.93	143,861,820.93	-	123,086,668.36	123,086,668.36
Trade account receivable	108,598,160.58	(108,598,160.58)	-	87,134,838.32	(87,134,838.32)	-
Other receivable	35,263,660.35	(35,263,660.35)	-	35,951,830.04	(35,951,830.04)	-
Trade and other payable	-	101,943,548.17	101,943,548.17	-	91,792,545.32	91,792,545.32
Trade account payable	35,191,454.26	(35,191,454.26)	-	41,142,577.55	(41,142,577.55)	-
Other payable	33,437,778.14	(33,437,778.14)	-	26,945,952.11	(26,945,952.11)	-
Customers' deposit for goods	33,314,315.77	(33,314,315.77)	-	23,704,015.66	(23,704,015.66)	-

32. The new and revised accounting standards are not yet effective in the current year

The Federation of Accounting Professions (FAP) has issued Notifications to mandate the new and revised accounting standards, financial reporting standards, and interpretations of accounting and financial reporting standards.

These new and revised accounting standards which are effective for the fiscal year beginning on or after January 1, 2015 are as follows:

TAS 1 (revised 2014)	Presentation of Financial Statements
TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of Cash Flows
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2014)	Events After the Reporting Period
TAS 11 (revised 2014)	Construction Contracts
TAS 12 (revised 2014)	Income Taxes
TAS 16 (revised 2014)	Property, Plant and Equipment
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 19 (revised 2014)	Employee Benefits
TAS 20 (revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2014)	Borrowing Costs
TAS 24 (revised 2014)	Related Party Disclosures
TAS 26 (revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2014)	Separate Financial Statements
TAS 28 (revised 2014)	Investments in Associates And Joint Ventures
TAS 29 (revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2014)	Earnings Per Share
TAS 34 (revised 2014)	Interim Financial Reporting
TAS 36 (revised 2014)	Impairment of Assets
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2014)	Intangible assets
TAS 40 (revised 2014)	Investment Property
TFRS 2 (revised 2014)	Share-based Payment
TFRS 3 (revised 2014)	Business Combinations
TFRS 5 (revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2014)	Exploration for and Evaluation of Mineral Assets

TFRS 8 (revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement
TSIC 10 (revised 2014)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2014)	Operating Leases - Incentives
TSIC 25 (revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (revised 2014)	Service Concession Arrangements: Disclosure
TSIC 31 (revised 2014)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (revised 2014)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2014)	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2014)	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2014)	Service Concession Arrangements
TFRIC 13 (revised 2014)	Customer Loyalty Programmes
TFRIC 14 (revised 2014)	IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2014)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2014)	Transfers of Assets from Customers
TFRIC 20 (revised 2014)	Stripping Costs in the Production Phase of a Surface Mine

The new accounting standard which is effective for the fiscal year beginning on or after January 1, 2016 is as follows:

TFRS 4	Insurance Contracts
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The management of the Company is evaluating the impact of these new and revised accounting standards when they are initially applied.

33. INVESTMENT PROMOTION

The subsidiary has received the tax privileges under Investment Promotion Act B.E. 2520 issued by the Board of Investment as follows:

- According to the promotion certificate No. 1759/2001 given on December 6, 2001 for car seat cover manufacturing business, the subsidiary has received various privileges and benefits from tax exemption from the date on which the income is first derived from operation.

- According to the promotion certificate No. 1728(2)/2005 given on August 16, 2005 for carpet manufacturing business, the subsidiary has received various privileges and benefits from tax exemption, including corporate income tax exemption on net profit for 7 years from the date on which the income is first derived from the operation.

As a promoted business, the subsidiary has to comply with the terms and conditions as specified in the investment promotional certificate.

34. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's director on February 27, 2015