

REVIEW REPORT OF INDEPENDENT AUDITOR

To the shareholders of Siam Steel International Public Company Limited

I have reviewed the accompanying consolidated statement of financial position as at 30 September 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period ended 30 September 2014, and condensed notes to financial statements of Siam Steel International Public Company Limited and its subsidiaries and joint ventures. I have also reviewed the separate statement of financial position as at 30 September 2014, and the related separate statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period ended 30 September 2014 and condensed notes to financial statements of Siam Steel International Public Company Limited. Management is responsible for the preparation and presentation of these interim financial information in accordance with Accounting Standard No. 34, "Interim financial reporting". My responsibility is to issue a concluding report on these interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Standard on Review Engagements Code 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion on the interim financial information.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim financial reporting".

Mr. Somckid Tiatragul

Certified Public Accountant

Registration No. 2785

Bangkok, Thailand

14 November 2014

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES AND JOINT VENTURES

STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		30 September 2014	30 June 2014	30 September 2014	30 June 2014
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	2	257,089	333,078	90,882	114,888
Trade accounts receivable from sales and services					
- general customers - net	4	423,933	425,490	297,946	275,311
- related companies	3, 4	13,377	22,535	12,852	24,105
Trade accounts receivable from construction work					
- related companies - net	3	2,377	2,377	4,660	4,660
Inventories - net	5	420,618	390,225	295,818	300,197
Receivables from and advances to related companies	3	2,501	3,079	3,765	4,515
Other current assets	6	15,849	18,542	13,009	13,785
Total current assets		1,135,744	1,195,326	718,932	737,461
NON - CURRENT ASSETS					
Restricted deposit with bank	7	340	325	-	-
Retentions receivable		87,936	94,822	87,936	94,822
Investments					
- Subsidiary companies - net	8	-	-	32,399	32,399
- Associated companies	8	689,035	671,914	162,627	162,627
- Other companies - net	8	54,712	53,287	49,712	48,287
- Joint ventures - net	8	-	-	16	16
Property, plant and equipment - net	9	572,088	581,475	558,058	566,695
Assets not used in operation - net	10	168,819	168,822	168,819	168,822
Refundable value added tax		3,400	1,603	-	-
Income tax withheld at sources		14,281	13,276	10,148	9,143
Deferred income tax asset - net	11	102,624	100,268	114,052	111,822
Other non - current assets - net		32,675	30,343	19,330	19,521
Total non - current assets		1,725,910	1,716,135	1,203,097	1,214,154
TOTAL ASSETS		2,861,654	2,911,461	1,922,029	1,951,615

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES AND JOINT VENTURES

STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		30 September 2014	30 June 2014	30 September 2014	30 June 2014
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short - term loans from financial institution - net	12	-	53,461	-	53,461
Trade accounts payable - general suppliers		116,228	113,905	91,850	83,105
Payables to and advances from related companies	3	47,799	70,093	23,078	31,199
Advances and deposits from customers					
- general customers		40,774	19,775	39,741	18,692
- related companies	3	5,035	5,035	5,035	5,035
Accrued income tax		3,160	2,615	-	-
Other current liabilities	13	92,346	91,748	83,425	77,081
Total current liabilities		305,342	356,632	243,129	268,573
NON - CURRENT LIABILITIES					
Liabilities under employee benefits obligation	14	22,496	21,956	19,890	19,439
Other non - current liabilities		2,085	2,491	1,704	2,051
Total non - current liabilities		24,581	24,447	21,594	21,490
TOTAL LIABILITIES		329,923	381,079	264,723	290,063
SHAREHOLDERS' EQUITY					
Share capital - common share at Baht 1 par value					
- Registered 593,125,849 shares		593,126	593,126	593,126	593,126
- Issued and paid - up 593,125,849 shares		593,126	593,126	593,126	593,126
Premium on share capital		72,404	72,404	72,404	72,404
Retained earnings					
- Appropriated for legal reserve		59,312	59,312	59,312	59,312
- Unappropriated		1,619,578	1,612,609	932,464	936,710
Total equity of the Company's shareholders		2,344,420	2,337,451	1,657,306	1,661,552
Non - controlling interests in subsidiaries		187,311	192,931	-	-
TOTAL SHAREHOLDERS' EQUITY		2,531,731	2,530,382	1,657,306	1,661,552
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,861,654	2,911,461	1,922,029	1,951,615

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE - MONTH PERIODS ENDED 30 SEPTEMBER

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		2014	2013	2014	2013
Sales and services - net		433,022	627,391	271,050	351,756
Costs of sales and services	16	(330,433)	(559,468)	(213,592)	(331,559)
Gross income		102,589	67,923	57,458	20,197
Gain (loss) on foreign exchange rates		(13,675)	5,888	(13,951)	6,096
Dividend income	8	-	-	10,199	10,199
Other income	15	12,579	11,228	14,313	13,729
Income before expenses		101,493	85,039	68,019	50,221
Selling expenses		(38,219)	(55,704)	(37,769)	(55,629)
Administrative expenses		(69,740)	(101,192)	(37,236)	(67,031)
Reversal of allowance for doubtful debts and bad debt - net		15	41	15	41
Reversal of allowance for decline value of investment		1,425	4,811	1,425	4,811
Total expenses	16	(106,519)	(152,044)	(73,565)	(117,808)
Loss from operations		(5,026)	(67,005)	(5,546)	(67,587)
Equity in net income of associated companies - net		17,121	33,529	-	-
Income (loss) before financial costs and income tax		12,095	(33,476)	(5,546)	(67,587)
Financial costs		(969)	(360)	(930)	(360)
Income (loss) before income tax		11,126	(33,836)	(6,476)	(67,947)
Income tax benefits from timing differences	11	24	12,792	2,230	15,271
Net income (loss) for the period		11,150	(21,044)	(4,246)	(52,676)
Other comprehensive income (loss) for the period		-	-	-	-
Total comprehensive income (loss) for the period		11,150	(21,044)	(4,246)	(52,676)
Attribution of income (loss)					
Portion of the Company's shareholders		6,969	(24,981)	(4,246)	(52,676)
Portion of non - controlling interests in subsidiary		4,181	3,937	-	-
Total		11,150	(21,044)	(4,246)	(52,676)
Attribution of comprehensive income (loss)					
Portion of the Company's shareholders		6,969	(24,981)	(4,246)	(52,676)
Portion of non - controlling interests in subsidiary		4,181	3,937	-	-
Total		11,150	(21,044)	(4,246)	(52,676)
Basic earnings (loss) per share					
Income (loss) of the Company's shareholders (Baht per share)		0.02	(0.04)	(0.01)	(0.09)
Weighted average number of common shares (share)		593,125,849	593,125,849	593,125,849	593,125,849

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE - MONTH PERIODS ENDED 30 SEPTEMBER

(Unit : Thousand Baht)

	Shareholders' equity of the Company							
	Notes	Paid - up share capital	Premium on share capital	Retained earnings		Total	Non-controlling interests	Total
				Appropriated for legal reserve	Unappropriated			
Consolidated F/S								
Balance as at 1 July 2013		593,126	72,404	59,312	1,830,759	2,555,601	180,317	2,735,918
Comprehensive income (loss) for the period		-	-	-	(24,981)	(24,981)	3,937	(21,044)
Dividend payment of subsidiary company		-	-	-	-	-	(9,801)	(9,801)
Balance as at 30 September 2013		593,126	72,404	59,312	1,805,778	2,530,620	174,453	2,705,073
Balance as at 1 July 2014		593,126	72,404	59,312	1,612,609	2,337,451	192,931	2,530,382
Comprehensive income (loss) for the period		-	-	-	6,969	6,969	4,181	11,150
Dividend payment of subsidiary company	8	-	-	-	-	-	(9,801)	(9,801)
Balance as at 30 September 2014		593,126	72,404	59,312	1,619,578	2,344,420	187,311	2,531,731

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES AND JOINT VENTURES

(Unaudited but reviewed)

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE - MONTH PERIODS ENDED 30 SEPTEMBER

(Unit : Thousand Baht)

	Paid - up share capital	Premium on share capital	Retained earnings		Total
			Appropriated for legal reserve	Unappropriated	
<u>Separate F/S</u>					
Balance as at 1 July 2013	593,126	72,404	59,312	1,203,252	1,928,094
Comprehensive loss for the period	-	-	-	(52,676)	(52,676)
Balance as at 30 September 2013	593,126	72,404	59,312	1,150,576	1,875,418
Balance as at 1 July 2014	593,126	72,404	59,312	936,710	1,661,552
Comprehensive loss for the period	-	-	-	(4,246)	(4,246)
Balance as at 30 September 2014	593,126	72,404	59,312	932,464	1,657,306

The accompanying notes form an integral part of these interim financial statements.

STATEMENTS OF CASH FLOWS

FOR THE THREE - MONTH PERIODS ENDED 30 SEPTEMBER

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2014	2013	2014	2013
Cash flows from operating activities				
Income (loss) before tax	11,126	(33,836)	(6,476)	(67,947)
Adjustments to reconcile income (loss) before tax to net cash provided from (used in) operating activities:				
Depreciation	11,350	13,841	10,568	12,976
Reversal of allowance for doubtful debts and bad debt - net	(15)	(41)	(15)	(41)
Reversal of allowance (provision) for decline value of inventories - net	13,167	(684)	13,167	(684)
Reversal of allowance for decline value of investment	(1,425)	(4,811)	(1,425)	(4,811)
Gain on sales of property, plant and equipment	(176)	(91)	(176)	(91)
Unrealized loss (gain) on foreign exchange	13,848	(2,987)	13,849	(2,987)
Financial costs	969	472	930	360
Equity in net income of associated companies - net	(17,121)	(33,529)	-	-
Employee benefits obligation expenses	291	626	230	439
Cash provided from (used in) operations before changes in operating assets and liabilities	32,014	(61,040)	30,652	(62,786)
Decrease (increase) in operating assets;				
Trade accounts receivable from sales and services				
- general customers	1,532	118,140	(22,660)	101,762
- related companies	9,158	2,893	11,253	2,274
Inventories	(43,560)	51,752	(8,788)	68,895
Receivables from and advances to related companies	578	(140)	750	(450)
Other current assets	2,693	(2,173)	776	(2,204)
Retentions receivable	(7,888)	2,191	(7,888)	2,191
Other non - current assets	(6,917)	3,318	(811)	1,465
Increase (decrease) in operating liabilities;				
Trade accounts payable - general suppliers	2,323	(53,325)	8,745	(57,778)
Payables to and advances from related companies	(22,294)	11,059	(8,121)	(14,263)
Advances and deposits from customers	21,179	(7,207)	21,229	(4,391)
Other current liabilities	1,366	(35,947)	7,112	(29,084)
Employee benefits obligation	-	(155)	-	(155)
Other non - current liabilities	(406)	(1,017)	(347)	(932)
Cash provided from (used in) operating activities	(10,222)	28,349	31,902	4,544
Interest payment	(702)	(7)	(691)	(7)
Income tax payment	-	(3,460)	-	-
Net cash provided from (used in) operating activities	(10,924)	24,882	31,211	4,537

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES AND JOINT VENTURES (Unaudited but reviewed)
 STATEMENTS OF CASH FLOWS (CONTINUED)
 FOR THE THREE - MONTH PERIODS ENDED 30 SEPTEMBER

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2014	2013	2014	2013
Cash flows from investing activities				
Decrease (increase) in restricted deposits with banks	(15)	184	-	-
Acquisition of property, plant and equipment	(2,274)	(1,870)	(2,242)	(1,648)
Proceeds from sales of property, plant and equipment	486	170	486	170
Net cash used in investing activities	(1,803)	(1,516)	(1,756)	(1,478)
Cash flows from financing activities				
Decrease in short - term loan from financial institution	(53,461)	(1,076)	(53,461)	(1,076)
Dividend paid to non - controlling interests by subsidiary	(9,801)	(9,801)	-	-
Net cash used in financing activities	(63,262)	(10,877)	(53,461)	(1,076)
Increase (decrease) in cash and cash equivalents - net	(75,989)	12,489	(24,006)	1,983
Cash and cash equivalents at beginning of period	333,078	450,931	114,888	281,451
Cash and cash equivalents at end of period	257,089	463,420	90,882	283,434

**SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
AND JOINT VENTURES**

CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS

AS AT 30 SEPTEMBER 2014 (Unaudited but reviewed)

(With comparative information for 2013/2014 (Audited))

1. BASIS OF FINANCIAL STATEMENT PREPARATION AND PRINCIPLE OF CONSOLIDATION

1.1 Basis for interim financial statements preparation

These interim financial statements are prepared in accordance with Accounting Standards No. 34 “Interim financial reporting”, whereby the Company chooses to present condensed interim financial statements. However, additional line items are presented in the financial statements to bring them into the full format similar to the annual financial statements which are prepared in accordance with Accounting Standards Pronouncement No. 1 “Presentation of financial statements”.

The interim financial statements are prepared to provide information in addition to those included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances to avoid repetition of information previously reported. These interim financial statements should therefore be read in conjunction with the financial statements for the year ended 30 June 2014.

These interim financial statements are officially prepared in Thai language in accordance with statutory requirement with accounting standards enumerated under the Accounting Profession Act B.E. 2547. The translation of these statutory financial statements to other language should conform to the Thai financial report.

1.2 Basis of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries for which the Company owns shares more than 50% of voting right, and joint ventures which the Company can proportionately exercise control as follows:

Company	Percentage of shareholding		Type of business
	30 September 2014	30 June 2014	
<u>Subsidiaries</u>			
Siam Okamura International Co., Ltd.	51	51	Distribution of office furniture and furniture used for public
Sri Chareon International Co., Ltd.	99.99	99.99	Distribution of office furniture and furniture parts
Siam Steel OC Co., Ltd.	51	51	Distribution of finished buildings, wall and relating products
<u>Joint ventures</u>			
Siam Steel – Kanok Furniture	49	49	Interior decoration service
Siam Steel – Thai Service	80	80	Interior decoration service

- 1.3 Significant intercompany transactions with subsidiaries and joint ventures included in the consolidated financial statements have been eliminated.
- 1.4 The consolidated financial statements have been prepared with the same accounting policy for the same accounting transactions or accounting events used by the Company, subsidiaries and joint ventures.
- 1.5 As of 30 September 2014 and 30 June 2014, the total assets of subsidiaries represent 16.33 percent and 17.30 percent, respectively, of the total assets in the consolidated financial statements, and total revenues of subsidiaries for the three-month periods ended 30 September 2014 and 2013, represent 37.58 percent and 41.45 percent, respectively, of the total revenues in the consolidated financial statements.
- 1.6 The consolidated financial statements as at 30 September 2014 and 30 June 2014, and for the three-month periods ended 30 September 2014 and 2013 included the proportion of the assets, liabilities, revenues and expenses of the joint ventures as follows:

	In Thousand Baht	
	Joint Venture financial information	
	30 September 2014	30 June 2014
Current assets	11	295
Non-current assets	2,500	2,501
Current liabilities	2,744	2,757

	In Thousand Baht	
	Consolidated F/S	
	For the three-month periods ended	
	30 September	
	2014	2013
Expenses	271	-

The construction work with Siam Steel-Wangsingcome Joint Venture and Siam Steel-Kanok Furniture Joint Venture was 100% completed since the 1st quarter of year 2010/2011. Consequently, starting the 2nd quarter of year 2010/2011, there have been no revenues from construction work of both Joint Ventures.

1.7 Significant accounting policies

These interim financial statements have been prepared by using the same accounting policies and methods of computation as were used in the preparation of the financial statements for the year ended 30 June 2014.

The Federation of Accounting Professions has announced the new accounting standards and amendments to some Thai accounting standards, Thai financial reporting standards, and accounting standard and financial reporting standards interpretations, which are effective for the preparation of financial statements with accounting period beginning or after 1 January 2014. The Company's management assessed that those standards and interpretations do not have material effect to the Company's financial statements.

1.8 Estimates and judgments

When preparing the interim financial statements, management undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

The judgments, estimates and assumptions, including the key sources of information applied for the preparation of interim financial statements are the same as those applied in the preparation of annual financial statements for the year ended 30 June 2014.

2. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2014	30 June 2014	30 September 2014	30 June 2014
Cash	294	295	189	185
Deposits with financial institutions				
- Current accounts	448	370	448	579
- Savings accounts	251,347	322,413	90,245	114,123
- Certificate of deposits	5,000	-	-	-
Total	<u>257,089</u>	<u>333,078</u>	<u>90,882</u>	<u>114,887</u>

Savings deposits with banks bear interest at the floating rates determined by banks.

3. TRANSACTIONS WITH RELATED COMPANIES

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related companies which are related through common shareholding and/or directorship. These financial statements reflected the effects of significant transactions with related companies based on market prices in the normal course of business, or based on the basis mutually agreed to for transactions with non-comparative market prices.

As at 30 September 2014 and 30 June 2014, the account balances with related companies are as follows:

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2014	30 June 2014	30 September 2014	30 June 2014
Trade accounts receivable from sales and services				
<u>Subsidiary companies</u>				
Sri Chareon International Co., Ltd.	-	-	1,714	1,396
Siam Okamura International Co., Ltd.	-	-	225	174
Total	-	-	1,939	1,570
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	123	94	123	94
Siam Steel Service Center Public Company Limited	37	10	37	10
Total	160	104	160	104
<u>Related companies</u>				
Lucky - Kingdom Center (Chiangmai) Co., Ltd.	3,510	4,007	3,510	4,007
Lucky - Kingdom Center (Nakornratchasima) Co., Ltd.	3,524	3,561	3,524	3,561
Siam Chitose Co., Ltd.	354	968	354	968
Unity Service Co., Ltd.	28	43	28	43
Hirokoh (Thailand) Ltd.	2,976	13,618	2,976	13,618
Others	2,825	234	361	234
Total	13,217	22,431	10,753	22,431
Total trade accounts receivable from sales and services – related companies	13,377	22,535	12,852	24,105

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2014	2014	2014	2014
Trade accounts receivable from construction work				
<u>Joint Venture</u>				
Siam Steel-Kanok Furniture	-	-	5,600	5,600
<u>Less</u> Allowance for doubtful accounts	-	-	(940)	(940)
Net	-	-	4,660	4,660
<u>Outstanding balances and portion of other joint ventures' partner</u>				
Siam Steel-Kanok Furniture	2,856	2,856	-	-
<u>Less</u> Allowance for doubtful accounts	(479)	(479)	-	-
Net	2,377	2,377	-	-
Total trade accounts receivable from construction work - related companies – net	2,377	2,377	4,660	4,660
Receivables and advances to				
<u>Subsidiary companies</u>				
Siam Okamura International Co., Ltd.	-	-	1,264	1,436
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	2,501	3,079	2,501	3,079
Total receivables and advances to related companies	2,501	3,079	3,765	4,515

There is no interest charge for the above receivables and advances.

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2014	2014	2014	2014
Payables – related companies				
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	30,474	45,449	7,348	8,023
Siam Steel Service Center Public Company Limited	55	51	55	51
Total	30,529	45,500	7,403	8,074

In Thousand Baht

	Consolidated F/S		Separate F/S	
	30 September 2014	30 June 2014	30 September 2014	30 June 2014
<u>Related companies</u>				
Siam Chitose Co., Ltd.	13,897	20,715	13,897	20,715
Formica (Thailand) Co., Ltd.	832	1,395	832	1,395
Others	1,655	1,577	-	-
Total	<u>16,384</u>	<u>23,687</u>	<u>14,729</u>	<u>22,110</u>
Total payables - related companies	<u>46,913</u>	<u>69,187</u>	<u>22,132</u>	<u>30,184</u>
Advances from related companies				
<u>Subsidiary companies</u>				
Sri Chareon International Co., Ltd.	-	-	-	49
Siam Okamura International Co., Ltd.	-	-	60	60
Total	<u>-</u>	<u>-</u>	<u>60</u>	<u>109</u>
<u>Related companies</u>				
Unity Service Co., Ltd.	886	906	886	906
Total advances from related companies	<u>886</u>	<u>906</u>	<u>946</u>	<u>1,015</u>
Total payables and advances from related companies	<u>47,799</u>	<u>70,093</u>	<u>23,078</u>	<u>31,199</u>
Advances and deposits from customers				
- related companies				
<u>Associated company</u>				
Siam Okamura Steel Co., Ltd.	1,553	1,553	1,553	1,553
<u>Related company</u>				
Formica (Thailand) Co., Ltd.	3,482	3,482	3,482	3,482
Total advances and deposits from customers - related companies	<u>5,035</u>	<u>5,035</u>	<u>5,035</u>	<u>5,035</u>

The significant transactions with related companies for the three-month periods ended 30 September 2014 and 2013 are as follows:

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 30 September			
	2014	2013	2014	2013
Sales and services income	19,150	14,459	19,310	19,375
Revenues from sales of raw materials, factory supplies and others	7,589	5,799	9,157	8,866
Rental revenue	5,811	5,811	5,848	5,869
Dividend income	-	-	10,199	10,199
Purchases of finished goods	114,315	32,944	34,129	32,931
Purchases of raw materials	1,862	2,782	1,862	2,782
Administrative and other expenses	20,546	3,531	2,697	3,505
Land and factory rental	2,033	4,350	-	4,350
<u>Key management personnel compensation</u>				
Short-term employee benefits	4,317	6,142	3,150	4,940
Post-employment benefits	110	191	92	187
Total	4,427	6,333	3,242	5,127

4. TRADE ACCOUNTS RECEIVABLE

As at 30 September 2014 and 30 June 2014, the aged analysis of trade accounts receivable is as follows:

Trade accounts receivable from sales and services

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2014	30 June 2014	30 September 2014	30 June 2014
<u>Trade accounts receivable – general customers – net</u>				
Current	228,213	224,574	167,406	135,248
Overdue:				
Less than 3 months	80,394	76,454	20,282	17,168
3 months – 6 months	12,076	11,477	7,006	9,815
6 months – 12 months	6,460	8,109	6,460	8,109
Over 12 months	144,636	152,742	141,832	150,031
Total	471,779	473,356	342,986	320,371
<u>Less</u> Allowance for doubtful accounts	(47,846)	(47,866)	(45,040)	(45,060)
Net	423,933	425,490	297,946	275,311

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2014	2014	2014	2014
<u>Trade accounts receivable - related companies</u>				
Current	13,377	20,783	12,852	22,353
Overdue:				
Less than 3 months	-	1,752	-	1,752
Total	<u>13,377</u>	<u>22,535</u>	<u>12,852</u>	<u>24,105</u>

Trade accounts receivable – construction work

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2014	2014	2014	2014
<u>Trade accounts receivable - related companies – net</u>				
Overdue:				
Over 12 months	2,856	2,856	5,600	5,600
Total	<u>2,856</u>	<u>2,856</u>	<u>5,600</u>	<u>5,600</u>
<u>Less</u> Allowance for doubtful accounts	(479)	(479)	(940)	(940)
Net	<u>2,377</u>	<u>2,377</u>	<u>4,660</u>	<u>4,660</u>

5. INVENTORIES – NET

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2014	2014	2014	2014
Finished goods	200,434	162,408	75,634	72,829
Work in process	60,339	55,928	60,339	55,928
Raw materials and supplies	186,730	186,119	186,730	186,119
Goods in transit	1,580	1,068	1,580	619
Total	<u>449,083</u>	<u>405,523</u>	<u>324,283</u>	<u>315,495</u>
<u>Less</u> Allowance for decline value of inventories	(28,465)	(15,298)	(28,465)	(15,298)
Net	<u>420,618</u>	<u>390,225</u>	<u>295,818</u>	<u>300,197</u>

During the period, the movements in allowance for decline value of inventories are as follows:

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Balance as at 1 July 2014	(15,298)	(15,298)
<u>Add</u> Allowance for decline value of inventories	(13,167)	(13,167)
Balance as at 30 September 2014	<u>(28,465)</u>	<u>(28,465)</u>

6. OTHER CURRENT ASSETS

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2014	30 June 2014	30 September 2014	30 June 2014
Deposits	8,555	7,919	7,346	7,323
Prepaid expenses	2,092	2,775	1,513	2,070
Undue input VAT	2,959	4,050	2,697	2,705
Cash advances	1,267	1,048	601	351
Others	976	2,750	852	1,336
Total	<u>15,849</u>	<u>18,542</u>	<u>13,009</u>	<u>13,785</u>

7. RESTRICTED DEPOSIT WITH BANK

As at 30 September 2014 and 30 June 2014, time deposits totaling Baht 0.34 million and Baht 0.32 million, respectively, are restricted for usage as they have been placed as collaterals for bank guarantees in respect of certain agreements required in normal course of business of the subsidiary.

8. INVESTMENTS IN SUBSIDIARIES AND RELATED COMPANIES

Investment in shares of Lucky-Kingdom Center Co., Ltd. is considered as indirect associated company invested by a subsidiary company. Such subsidiary company recognizes its equity in the net operating results of such indirect associated company based on net operating results from unaudited financial statements.. However, the equity in such associated company is not significant.

Investments in securities of related companies that are not subsidiaries and/or not associated companies, held as “General investment”, are valued at cost. The Company makes the adjustment to devalue those investments when there is indication of impairment.

At the Ordinary Shareholders' meeting of Siam Okamura International Co., Ltd. No. 1/2014 held on 26 September 2014, its shareholders passed a resolution to pay cash dividend to shareholders from net profit for the year ended 30 June 2014 at Baht 100 per share, for 200,000 common shares totaling Baht 20,000,000 which was paid on 30 September 2014.

During 2014, the Company reversed allowance for decline value of investment in shares of a related company, Formica (Thailand) Co., Ltd., amounted of Baht 1.42 million.

As at 30 September 2014 and 30 June 2014, the balances of investments in subsidiaries and related companies are shown on the following pages:

(Unit : Thousand Baht)

Type of business	Consolidated F/S										
	Paid-up Share capital		Percentage of shareholding		Cost method		Equity method		Dividend income		
	30 September 2014	30 June 2014	30 September 2014	30 June 2014	30 September 2014	30 June 2014	30 September 2014	30 June 2014	30 September 2014	30 June 2014	
<u>Investments</u>											
<u>Associated companies - equity method</u>											
Siam Okamura Steel Co., Ltd.	Manufacturing of steel furniture	88,000	88,000	40	40	35,199	35,199	101,431	104,044		
Siam Steel Service Center Public Company Limited	Steel cutting services and manufacturing of element steel parts	639,998	639,998	22.76	22.76	127,428	127,428	581,711	561,916		
						<u>162,627</u>	<u>162,627</u>	<u>683,142</u>	<u>665,960</u>		
<u>Indirect associated company – equity method</u>											
Lucky-Kingdom Center Co., Ltd.	Investment in shares	12,000	12,000	40	40	4,800	4,800	5,893	5,954		
	Total investments in associated companies - equity method					<u>167,427</u>	<u>167,427</u>	<u>689,035</u>	<u>671,914</u>		
<u>Related companies - cost method</u>											
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated product	199,150	199,150	5	5	38,052	38,052			-	-
Panasonic Eco Solutions Steel (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660			-	5,392
	Total investments in related companies					<u>49,712</u>	<u>49,712</u>			<u>-</u>	<u>5,392</u>
	Less Allowance for decline value of investments						(1,425)				
	Net					<u>49,712</u>	<u>48,287</u>				
<u>Other company - cost method</u>											
Siam Auto Bags Co., Ltd.	Sales parts and accessories of car	39,900	39,900	6.39	6.39	5,000	5,000				
	Total investments in other companies - cost method – net					<u>54,712</u>	<u>53,287</u>				

(Unit : Thousand Baht)

Type of business	Separate F/S								
	Paid-up Share capital		Percentage of shareholding		Cost method		Dividend income		
	30 September 2014	30 June 2014	30 September 2014	30 June 2014	30 September 2014	30 June 2014	30 September 2014	30 June 2014	
<u>Investments - cost method</u>									
<u>Subsidiary companies</u>									
Sri Chareon International Co., Ltd.	Distribution of steel furniture	75,000	75,000	99.99	99.99	75,000	75,000	-	-
Siam Okamura International Co., Ltd.	Distribution of steel furniture	20,000	20,000	51	51	10,199	10,199	10,199	10,199
Siam Steel OC Co., Ltd.	Distribution of finished buildings, wall and relating products	20,000	20,000	51	51	10,200	10,200	-	-
Total investments in subsidiary companies						95,399	95,399	10,199	10,199
<u>Less</u> Allowance for decline value of investments						(63,000)	(63,000)		
Net						32,399	32,399		
<u>Associated companies</u>									
Siam Okamura Steel Co., Ltd.	Manufacturing of steel furniture	88,000	88,000	40	40	35,199	35,199	-	-
Siam Steel Service Center Public Company Limited	Steel cutting services and manufacturing of element steel parts	639,998	639,998	22.76	22.76	127,428	127,428	-	55,350
Total investments in associated companies						162,627	162,627	-	55,350
<u>Related companies</u>									
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated products	199,150	199,150	5	5	38,052	38,052	-	-
Panasonic Eco Solutions Steel (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660	-	5,392
Total investments in related companies						49,712	49,712	-	5,392
<u>Less</u> Allowance for decline value of investments						-	(1,425)		
Net						49,712	48,287		
<u>Joint ventures</u>									
Siam Steel – Kanok Furniture	Interior decoration service	100	100	49	49	49	49	-	-
Siam Steel – Thai Service	Interior decoration service	20	20	80	80	16	16	-	-
Total investments in joint ventures						65	65	-	-
<u>Less</u> Allowance for decline value of investments						(49)	(49)		
Net						16	16		
Total dividend income from investments accounted for by cost method								10,199	70,941

Movements in investments in associated companies for the three-month period ended 30 September 2014 are as follows:

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Net book value balance as at 1 July 2014	671,914	162,627
Share of profits of investment - equity method	19,795	-
Share of loss of investment - equity method	(2,674)	-
Net book value as at 30 September 2014	689,035	162,627

9. PROPERTY, PLANT AND EQUIPMENT – NET

Movements in property, plant and equipment for the three-month period ended 30 September 2014 are as follow:

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Net book value balance as at 1 July 2014	581,475	566,695
Purchase during the period	2,274	2,242
Disposal during the period – net book value	(311)	(311)
Depreciation for the period	(11,350)	(10,568)
Net book value as at 30 September 2014	572,088	558,058

10. ASSETS NOT USED IN OPERATION – NET

Movements in assets not used in operation for the three-month period ended 30 September 2014 are as follow:

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Net book value balance as at 1 July 2014	168,822	168,822
Disposal during the period – net book value	(3)	(3)
Net book value as at 30 September 2014	168,819	168,819

As at 30 September 2014, assets not used in operation are presented at cost less accumulated depreciation and provision for impairment (if any). The Company hired an independent appraiser to appraise its assets not used in operation. Based on the report of the independent appraiser, the appraised value of land and related assets of the Bangna factory amounted to Baht 401.64 million. The Company considers the fair value of its land and buildings of Prakanong branch by comparing the appraised price from The Treasury Department which is approximately Baht 29.44 million. (net of estimated selling expenses)

11. DEFERRED INCOME TAX ASSEST / TAX EXPENSES

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2014	2013	2014	2013
Deferred income tax assets	111,306	108,715	122,515	120,081
Deferred income tax liabilities	8,682	8,447	8,463	8,259
Net	<u>102,624</u>	<u>100,268</u>	<u>114,052</u>	<u>111,822</u>

Deferred income tax assets/liabilities as at 30 September 2014 and 30 June 2014, which were resulted from temporary differences between those assets/liabilities for income tax computation purpose and assets/liabilities for accounting purpose are summarized below:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2014	2013	2014	2013
<u>Deferred income tax assets</u>				
From allowance for doubtful accounts of trade				
accounts receivable from sales and service	275	279	275	279
From allowance for doubtful accounts of trade				
accounts receivable from construction work	96	96	188	188
From allowance for decline value of inventories	5,693	3,060	5,693	3,060
From allowance for decline value of investments				
in subsidiary and other companies	-	242	12,610	12,895
From reserve for employee benefits obligation	4,499	4,391	3,978	3,888
From loss carried forward not exceed 5 years	100,743	100,647	99,771	99,771
Total	<u>111,306</u>	<u>108,715</u>	<u>122,515</u>	<u>120,081</u>
<u>Deferred income tax liabilities</u>				
From share of profits of investment in				
associated companies	219	188	-	-
From the difference of depreciation of fixed				
assets between accounting base and tax base	8,463	8,259	8,463	8,259
Total	<u>8,682</u>	<u>8,447</u>	<u>8,463</u>	<u>8,259</u>

Tax expenses for the three month periods ended 30 September 2014 and 2013 are as follows :-

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2014	2013	2014	2013
Current tax expense under the Revenue Code	2,332	2,666	-	-
The amount of deferred income tax expense relating to temporary differences	(2,356)	(15,458)	(2,230)	(15,271)
Income tax benefits from timing differences	(24)	(12,792)	(2,230)	(15,271)

12. SHORT – TERM LOANS FROM FINANCIAL INSTITUTION – NET

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2014	2013	2014	2013
Liabilities under trust receipts	-	4,154	-	4,154
Bills of exchange	-	50,000	-	50,000
Total	-	54,154	-	54,154
<u>Less</u> Deferred interest	-	(693)	-	(693)
Net	-	53,461	-	53,461

13. OTHER CURRENT LIABILITIES

	In Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	30 June	30 September	30 June
	2014	2013	2014	2013
Accrued construction costs	27,884	27,884	27,884	27,884
Accrued employee expenses	21,729	22,666	18,420	14,387
Accrued rental and utilities expenses	2,485	2,805	2,485	2,771
Accrued incentive expenses	1,567	1,043	1,567	1,043
Other accrued expenses	32,313	33,142	30,439	29,994
Other liabilities	6,368	4,208	2,630	1,002
Total	92,346	91,748	83,425	77,081

14. LIABILITIES UNDER EMPLOYEE BENEFITS OBLIGATION

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Opening net book balance	21,956	19,439
Current cost recognized in the statement of comprehensive income	540	451
Closing net book balance	22,496	19,890

The employee benefit expenses were recorded in the statement of comprehensive income for the three-month period ended 30 September 2014:

	In Thousand Baht	
	Consolidated F/S	Separate F/S
Current service cost	291	230
Financial cost	249	221
Total	540	451

15. OTHER INCOME

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 30 September			
	2014	2013	2014	2013
Tax compensation income	145	549	145	549
Rental revenue	5,811	5,811	5,848	5,869
Interest income	546	506	187	2
Income from other services	1,478	1,061	1,478	1,148
Income from goods guarantee	-	989	-	989
Utilities income	1,004	1,078	1,004	1,078
Commission income	-	-	2,250	2,937
Others	3,595	1,234	3,401	1,157
Total	12,579	11,228	14,313	13,729

16. EXPENSES BY NATURE

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 30 September			
	2014	2013	2014	2013
Raw materials and supplies used	101,001	124,894	101,001	124,894
Changes in inventories of finished goods and work in process	(42,437)	44,412	(7,216)	61,555
Salaries, wages and other employee benefits	89,297	117,836	70,498	98,315
Subcontractor expenses	13,339	36,973	13,339	36,974
Reversal of allowance for doubtful debts	(15)	(41)	(15)	(41)
Depreciation	11,350	13,841	10,568	12,976
Rental expenses	5,673	10,181	2,094	8,611
Utilities expenses	7,642	9,841	7,122	9,272
Provision (reversal of allowance) for decline value of inventories	13,167	(684)	13,167	(684)
Reversal of allowance for decline value of investments	(1,425)	(4,811)	(1,425)	(4,811)

17. SEGMENTAL FINANCIAL INFORMATION

	In Thousand Baht					
	Domestic		Export		Total	
	For the three-month periods ended 30 September					
	2014	2013	2014	2013	2014	2013
Consolidated						
Sales and services - net	412,610	595,028	20,412	32,363	433,022	627,391
Costs of sales and services	(311,013)	(510,598)	(19,420)	(48,870)	(330,433)	(559,468)
Gross profit	101,597	84,430	992	(16,507)	102,589	67,923
Gain (loss) on exchange rate					(13,675)	5,888
Depreciation					11,350	13,841
Allowance for doubtful debts					15	41
Income (loss) before income tax					11,126	(33,836)
Trade accounts receivable from sales and services - net					437,310	575,862
Inventories - net					420,618	451,434
Property, plant and equipment - net					572,088	754,862
Assets not use in operation - net					168,819	-
Other assets					1,262,819	1,507,287
Total assets as at 30 September					2,861,654	3,289,445

	In Thousand Baht					
	Domestic		Export		Total	
	For the three-month periods ended 30 September					
	2014	2013	2014	2013	2014	2013
Separate F/S						
Sales and services - net	250,638	319,393	20,412	32,363	271,050	351,756
Costs of sales and services	(194,172)	(282,689)	(19,420)	(48,870)	(213,592)	(331,559)
Gross profit	56,466	36,704	992	(16,507)	57,458	20,197
Gain (loss) on exchange rate					(13,951)	6,096
Depreciation					10,568	12,976
Allowance for doubtful debts					15	41
Loss before income tax					(6,476)	(67,947)
Trade accounts receivable from sales and services - net					310,798	383,153
Inventories - net					295,818	361,944
Property, plant and equipment - net					558,058	746,143
Assets not use in operation - net					168,819	-
Other assets					588,536	840,897
Total assets as at 30 September					1,922,029	2,332,137

18. GUARANTEE

As at 30 September 2014, the Company and subsidiaries have outstanding guarantees of approximately Baht 311.04 million and Bath 3.19 million, respectively, which were issued by certain local banks in respect of certain performance bonds required in the normal course of business of the Company and subsidiaries.

19. COMMITMENTS

19.1 As at 30 September 2014, the Company had outstanding commitments for the project work of the Company with major contractor of Baht 48.03 million.

19.2 As at 30 September 2014, subsidiary company has various operating lease agreement covering its office premises, showroom, warehouse and related utility service and vehicles for periods of 1 – 3 years, approximately Baht 10.66 million per annum.

20. DISCLOSURE OF FINANCIAL INSTRUMENTS

20.1 Interest Rate Risk

The interest rate risk arises from future movements in market interest rates that will affect the results of the Company and its subsidiaries operations and their cash flows. The Company's and subsidiaries' exposure to interest rate risk relate primarily to their cash and cash equivalents, short - term investment, and restricted deposit with bank as follows:

	In Thousand Baht			
	Consolidated F/S			
	30 September 2014			
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	257,089	-	-	257,089
Restricted deposit with bank	340	-	-	340

	In Thousand Baht			
	Separate F/S			
	30 September 2014			
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	90,882	-	-	90,882

	In Thousand Baht			
	Consolidated F/S			
	30 June 2014			
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	333,078	-	-	333,078
Restricted deposit with bank	325	-	-	325
Short - term loans from financial institution	-	53,461	-	53,461

	In Thousand Baht			
	Separate F/S			
	30 June 2014			
	Floating rate	Fixed rate	Non - interest	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	114,887	-	-	114,887
Short - term loans from financial institution	-	53,461	-	53,461

As of 30 September 2014 and 30 June 2014, the financial instruments classified by the periods of time from the statement of financial position date to their maturity dates are as follows:

	In Thousand Baht				
	Consolidated F/S				
	30 September 2014				
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets/ liabilities</u>					
Cash and cash equivalents	257,089	-	-	257,089	0.37% - 1.00 %
Restricted deposit with bank	340	-	-	340	0.37% - 0.60 %

	In Thousand Baht				
	Separate F/S				
	30 September 2014				
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets/ liabilities</u>					
Cash and cash equivalents	90,882	-	-	90,882	0.37% - 1.00 %

	In Thousand Baht				
	Consolidated F/S				
	30 June 2014				
	At call	1 - 6 months	7 - 12 months	Total	Interest rate
<u>Financial assets/ liabilities</u>					
Cash and cash equivalents	333,078	-	-	333,078	0.37 - 0.70%
Restricted deposit with bank	325	-	-	325	0.37 - 0.70%
Short - term loans from financial institution	4,154	49,307	-	53,461	2.82 - 5.90%

	In Thousand Baht				Interest rate
	Separate F/S				
	30 June 2014				
	At call	1 - 6 months	7 - 12 months	Total	
<u>Financial assets/ liabilities</u>					
Cash and cash equivalents	114,887	-	-	114,887	0.37 - 0.70%
Short - term loans from financial institution	4,154	49,307	-	53,461	2.82 - 5.90%

20.2 Foreign Exchange Risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies.

As at 30 September 2014, the balances of financial assets and liabilities denominated in foreign currencies are summarized below:

Foreign currency	Financial assets (Thousand)	Financial liabilities (Thousand)	Average exchange rate as at 30 September 2014 (Baht per 1 foreign currency unit)
USD	294	14	32.3733
JPY	658	55,500	0.0960
AUD	6,424	480	28.2467

Below is the summary of the Company's foreign currency denominated assets and liabilities as at 30 September 2014 which were not covered by hedging agreement.

	USD (Thousand)	JPY (Thousand)	AUD (Thousand)
<u>Financial assets</u>			
Cash and cash equivalents	71	658	9
Trade accounts receivable - net	223	-	6,415
<u>Financial liabilities</u>			
Advances from customers	3	55,500	158
Other current liabilities	11	-	330

20.3 Liquidity Risk

Liquidity risk arises from the possibility that customers may not be able to settle obligations to the Company within the normal terms of trade. To manage this risk, the Company and its subsidiaries periodically assess the financial viability of customers.

20.4 Credit Risk

Credit risk is the risk that a counter party is unable or unwilling to meet a commitment that it entered into with the Company and its subsidiaries. To manage this risk, the Company and its subsidiaries periodically assess the financial viability of customers.

The carrying amount of accounts receivable recorded in the statement of financial positions, net of allowance for doubtful accounts, is the maximum exposure to credit risk.

20.5 Fair Value of Financial Instruments

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties on arm's length basis. Fair values are obtained from quoted market prices.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments.

- Cash and cash equivalents, trade and non-trade receivables - net - the carrying values approximate their fair values due to the relative short-term maturity of these financial instruments.
- Short - term loan from financial institution and trade and non-trade payables - the carrying amounts of these financial liabilities approximate their fair values due to the relatively short - term maturity of these financial instruments.

Long - term investments in shares of subsidiaries and associated companies, and general investments - the carrying amounts of these financial assets approximate their fair values.

21. CONTINGENT LIABILITIES

During the year 2012, a contractor sued the Company as joint defendant with other party for compensation totaling approximately Baht 41.53 million, plus interest at the rate of 7.50 percent per annum from 24 March 2011 to the payment date. On 6 July 2012, the Company submitted a counterclaim to such contractor because the plaintiff was at fault by the delay and the delivery of a defect and the Company has lien to hold the payment. The default of the contract of the plaintiff affects damage to the Company because it was fined by the customer following the contract and modified the defect work by itself. The Company, therefore, counterclaimed for the fine following the contract of approximately Baht 22.72 million and the damage from modifying the defect work approximately Baht 26.76 million, plus interest at the rate of 7.50 percent per annum.

On 30 October 2014, the Civil Court ordered the Company to pay the plaintiff for contract work amount of Baht 18.95 million, net of delay claim, with interest charge at the rate of 7.50 percent per annum from 28 March 2012 to the payment date. The Company is in preparation for appealing to the Appeal Court, according to suggestion of the Company's legal advisor. The Company's management believes that will be no material damage from such case since the Company has been recorded a number of liability for construction work in accordance with the contract in the financial statement.

22. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Company's board of directors on 14 November 2014.