

**SIAMGAS AND PETROCHEMICALS PUBLIC  
COMPANY LIMITED**

**CONSOLIDATED AND COMPANY  
FINANCIAL STATEMENTS**

**31 DECEMBER 2014**

## AUDITOR'S REPORT

To the Shareholders of Siamgas and Petrochemicals Public Company Limited

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

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Siamgas and Petrochemicals Public Company Limited and its subsidiaries, and of Siamgas and Petrochemicals Public Company Limited as at 31 December 2014, and its consolidated and company results of operations and its consolidated and company cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Chaisiri Ruangritchai  
Certified Public Accountant (Thailand) No. 4526  
PricewaterhouseCoopers ABAS Ltd.

Bangkok  
24 February 2015

**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2014**

		<b>Consolidated</b>		<b>Company</b>	
		<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
		<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Notes</b>		<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	1,956,407,049	1,689,573,399	204,767,821	232,687,422
Short-term investments	8	252,387,112	-	252,387,112	-
Trade and other receivables, net	9	4,013,994,893	4,703,770,559	518,651,517	2,976,199,019
Inventories, net	10	3,535,404,818	5,250,055,079	145,887,077	121,001,940
Other current assets	11	263,483,074	403,934,178	18,687,276	39,025,154
<b>Total current assets</b>		<b>10,021,676,946</b>	<b>12,047,333,215</b>	<b>1,140,380,803</b>	<b>3,368,913,535</b>
<b>Non-current assets</b>					
Investments in subsidiaries, net	12	-	-	7,688,959,904	7,736,659,904
Investments in joint ventures	12	109,328,591	170,601,097	23,577,992	23,577,992
Other long-term investment		200,000	200,000	-	-
Long-term loans to related parties, net	33	110,204,127	35,745,428	1,609,108,728	1,652,412,895
Investment property, net	13	1,029,821	21,601,471	-	-
Property, plant and equipment, net	14	15,120,856,515	14,435,271,766	4,928,588,458	3,947,086,044
Goodwill	15	1,537,801,207	1,537,801,207	-	-
Intangible assets, net	16	233,985,696	273,071,878	4,458,941	5,619,457
Deferred tax assets, net	17	303,599,509	235,254,383	-	70,654,577
Other non-current assets	18	804,603,531	845,206,561	414,415,771	381,069,454
<b>Total non-current assets</b>		<b>18,221,608,997</b>	<b>17,554,753,791</b>	<b>14,669,109,794</b>	<b>13,817,080,323</b>
<b>Total assets</b>		<b>28,243,285,943</b>	<b>29,602,087,006</b>	<b>15,809,490,597</b>	<b>17,185,993,858</b>

Director \_\_\_\_\_

Director \_\_\_\_\_

The notes to the consolidated and company financial statements from pages 13 to 72 are an integral part of these financial statements.

**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2014**

		<b>Consolidated</b>		<b>Company</b>	
		<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
		<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Notes</b>		<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term borrowings from financial institutions, net	19	6,346,724,015	7,337,962,271	1,792,239,917	4,051,522,630
Trade and other payables	20	3,750,633,048	3,178,252,761	1,071,238,725	1,327,252,131
Current portion of long-term loans, net	21	265,829,356	285,774,449	-	-
Current portion of finance lease liabilities, net	21	-	33,283,247	-	-
Current portion of bonds, net	23	1,499,783,151	1,499,674,875	1,499,783,151	1,499,674,875
Accrued income tax		82,554,103	179,499,046	692,544	-
Other current liabilities	22	38,983,659	68,889,076	31,750,349	14,936,503
<b>Total current liabilities</b>		<b>11,984,507,332</b>	<b>12,583,335,725</b>	<b>4,395,704,686</b>	<b>6,893,386,139</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions, net	21	536,498,473	779,116,398	-	-
Long-term loans from related parties	33	3,000,000	3,000,000	1,020,000,000	786,000,000
Finance lease liabilities, net	21	-	813,218	-	-
Bonds, net	23	2,795,945,218	2,994,672,928	2,795,945,218	2,994,672,928
Cylinder deposits	24	4,021,667,514	3,805,016,274	719,383,741	627,180,581
Employee benefit obligations	25	127,404,365	117,407,284	46,223,904	42,282,023
Deferred tax liabilities, net	17	387,770,287	213,669,438	111,054,248	-
Other non-current liabilities		17,430,295	21,471,434	7,904,597	11,084,999
<b>Total non-current liabilities</b>		<b>7,889,716,152</b>	<b>7,935,166,974</b>	<b>4,700,511,708</b>	<b>4,461,220,531</b>
<b>Total liabilities</b>		<b>19,874,223,484</b>	<b>20,518,502,699</b>	<b>9,096,216,394</b>	<b>11,354,606,670</b>

The notes to the consolidated and company financial statements from pages 13 to 72 are an integral part of these financial statements.

**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2014**

		<b>Consolidated</b>		<b>Company</b>	
		<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
		<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Notes</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Liabilities and shareholders' equity (continued)</b>					
<b>Shareholders' equity</b>					
Share capital	26				
Authorised share capital 918,931,500 ordinary shares with a par value of Baht 1 per share		<u>918,931,500</u>	<u>918,931,500</u>	<u>918,931,500</u>	<u>918,931,500</u>
Issued and paid-up share capital					
918,931,500 ordinary shares, fully paid-up of Baht 1 each		918,931,500	918,931,500	918,931,500	918,931,500
Premium on share capital	26	1,874,481,829	1,874,481,829	1,874,481,829	1,874,481,829
Retained earnings					
Appropriated					
- Legal reserve	28	162,088,663	162,088,663	162,088,663	162,088,663
Unappropriated		4,744,532,209	5,873,078,149	3,609,612,203	3,267,136,350
Other components of equity		<u>557,588,252</u>	<u>146,967,866</u>	<u>148,160,008</u>	<u>(391,251,154)</u>
<b>Total parent's shareholders' equity</b>		<u>8,257,622,453</u>	<u>8,975,548,007</u>	<u>6,713,274,203</u>	<u>5,831,387,188</u>
Non-controlling interests		<u>111,440,006</u>	<u>108,036,300</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u>8,369,062,459</u>	<u>9,083,584,307</u>	<u>6,713,274,203</u>	<u>5,831,387,188</u>
<b>Total liabilities and shareholders' equity</b>		<u>28,243,285,943</u>	<u>29,602,087,006</u>	<u>15,809,490,597</u>	<u>17,185,993,858</u>

The notes to the consolidated and company financial statements from pages 13 to 72 are an integral part of these financial statements.

**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Income**  
**For the year ended 31 December 2014**

		<b>Consolidated</b>		<b>Company</b>	
		<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Notes</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Revenue</b>					
Revenue from sales		61,177,299,810	64,308,123,372	12,275,495,223	23,343,755,089
Revenue from transportation		421,259,060	623,659,055	-	-
Revenue from services		160,255,667	89,562,150	169,714,083	133,057,034
<b>Total revenue</b>		<b>61,758,814,537</b>	<b>65,021,344,577</b>	<b>12,445,209,306</b>	<b>23,476,812,123</b>
Cost of sales and services		(60,589,171,462)	(62,217,393,247)	(11,665,898,520)	(23,612,052,554)
Cost of transportation		(335,268,456)	(464,497,511)	-	-
<b>Total cost of sales, services and transportation</b>		<b>(60,924,439,918)</b>	<b>(62,681,890,758)</b>	<b>(11,665,898,520)</b>	<b>(23,612,052,554)</b>
<b>Gross profit (loss)</b>		<b>834,374,619</b>	<b>2,339,453,819</b>	<b>779,310,786</b>	<b>(135,240,431)</b>
Dividend income	33	-	-	700,976,365	461,651,603
Gain on business acquisition		-	531,233,779	-	-
Other income	29	398,225,055	725,043,281	275,802,302	511,389,342
<b>Total other income</b>		<b>398,225,055</b>	<b>1,256,277,060</b>	<b>976,778,667</b>	<b>973,040,945</b>
<b>Profit before expenses</b>		<b>1,232,599,674</b>	<b>3,595,730,879</b>	<b>1,756,089,453</b>	<b>837,800,514</b>
Selling expenses		(140,252,118)	(168,849,893)	(49,689,338)	(51,119,580)
Administrative expenses		(1,083,723,719)	(1,062,505,290)	(389,479,420)	(382,460,265)
Loss sharing from joint ventures	12	(7,272,789)	(10,246,131)	-	-
<b>Total expenses</b>		<b>(1,231,248,626)</b>	<b>(1,241,601,314)</b>	<b>(439,168,758)</b>	<b>(433,579,845)</b>
<b>Profit before finance costs and income tax</b>		<b>1,351,048</b>	<b>2,354,129,565</b>	<b>1,316,920,695</b>	<b>404,220,669</b>
Finance costs	30	(440,682,643)	(494,063,211)	(318,732,019)	(357,585,646)
<b>Profit (loss) before income tax</b>		<b>(439,331,595)</b>	<b>1,860,066,354</b>	<b>998,188,676</b>	<b>46,635,023</b>
Income tax	31	(97,999,653)	(211,280,114)	(54,741,973)	65,909,345
<b>Net profit (loss) for the year</b>		<b>(537,331,248)</b>	<b>1,648,786,240</b>	<b>943,446,703</b>	<b>112,544,368</b>
<b>Attributable to:</b>					
Equity holders of the parent		(514,303,832)	1,602,263,090	943,446,703	112,544,368
Non-controlling interests		(23,027,416)	46,523,150	-	-
<b>Net profit (loss) for the year</b>		<b>(537,331,248)</b>	<b>1,648,786,240</b>	<b>943,446,703</b>	<b>112,544,368</b>
<b>Earnings per share for profit (loss) attributable to the equity holders of the parent</b>					
Basic earnings (loss) per share (Baht)	32	(0.56)	1.74	1.03	0.12

The notes to the consolidated and company financial statements from pages 13 to 72 are an integral part of these financial statements.

**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2014**

		<b>Consolidated</b>		<b>Company</b>	
		<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Notes</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Net profit (loss) for the year		(537,331,248)	1,648,786,240	943,446,703	112,544,368
Other comprehensive income (expenses):					
- Currency translation difference		(329,901,394)	427,972,395	-	-
- Actuarial loss on employee benefit obligation	25	-	(25,784,734)	-	(8,988,019)
- Revaluation surplus on land	14	942,251,934	-	669,545,934	-
- Income tax relating to components of other comprehensive income (expenses)	31	(188,450,387)	5,323,061	(133,909,187)	1,797,604
Total other comprehensive income (expenses)		<u>423,900,153</u>	<u>407,510,722</u>	<u>535,636,747</u>	<u>(7,190,415)</u>
<b>Total comprehensive income (expenses) for the year</b>		<u>(113,431,095)</u>	<u>2,056,296,962</u>	<u>1,479,083,450</u>	<u>105,353,953</u>
<b>Total comprehensive income (expenses) attributable to:</b>					
Owners of the parent		(120,729,119)	2,009,773,812	1,479,083,450	105,353,953
Non-controlling interests		<u>7,298,024</u>	<u>46,523,150</u>	<u>-</u>	<u>-</u>
		<u>(113,431,095)</u>	<u>2,056,296,962</u>	<u>1,479,083,450</u>	<u>105,353,953</u>

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**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2014**

	Attributable to equity holders of the parent													Consolidated
	Other components of equity													
	Issued and paid-up share capital	Premium on share capital	Retained earnings			Revaluation surplus on land	Difference from purchase of assets from a business combination under common control	Difference from taking equity of a business combination under common control	Currency translation difference	Unrealised actuarial losses on employee benefit plans	Total other components of equity	Treasury stock	Non-controlling interests	Total equity
			Legal reserve	Reserve for treasury stock	Unappropriated Restated									
Opening balance 1 January 2014	918,931,500	1,874,481,829	162,088,663	-	5,873,078,149	248,355,134	(609,037,112)	22,582,995	505,528,522	(20,461,673)	146,967,866	-	108,036,300	9,083,584,307
Reclassification														
-Unrealised actuarial losses on employee benefit plans	-	-	-	-	(20,461,673)	-	-	-	-	20,461,673	20,461,673	-	-	-
Dividends paid (Note 27)	-	-	-	-	(597,196,435)	-	-	-	-	-	-	-	(3,894,318)	(601,090,753)
Reversal revaluation surplus on disposal of land	-	-	-	-	3,416,000	(3,416,000)	-	-	-	-	(3,416,000)	-	-	-
Total comprehensive income (expenses) for the year	-	-	-	-	(514,303,832)	723,476,107	-	-	(329,901,394)	-	393,574,713	-	7,298,024	(113,431,095)
Closing balance 31 December 2014	918,931,500	1,874,481,829	162,088,663	-	4,744,532,209	968,415,241	(609,037,112)	22,582,995	175,627,128	-	557,588,252	-	111,440,006	8,369,062,459
Opening balance 1 January 2013	950,000,000	1,874,481,829	162,088,663	272,143,445	4,563,091,901	248,355,134	(609,037,112)	22,582,995	77,556,127	-	(260,542,856)	(272,143,445)	32,218,191	7,321,337,728
Decrease in share and reduction of treasury stock	(31,068,500)	-	-	-	(241,074,945)	-	-	-	-	-	-	272,143,445	-	-
Reversal of reserve for treasury stock	-	-	-	(272,143,445)	272,143,445	-	-	-	-	-	-	-	-	-
Dividends paid (Note 27)	-	-	-	-	(323,345,342)	-	-	-	-	-	-	-	(1,178,200)	(324,523,542)
Capital contributions from holder of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	30,473,159	30,473,159
Total comprehensive income for the year	-	-	-	-	1,602,263,090	-	-	-	427,972,395	(20,461,673)	407,510,722	-	46,523,150	2,056,296,962
Closing balance 31 December 2013	918,931,500	1,874,481,829	162,088,663	-	5,873,078,149	248,355,134	(609,037,112)	22,582,995	505,528,522	(20,461,673)	146,967,866	-	108,036,300	9,083,584,307

The notes to the consolidated and company financial statements from pages 13 to 72 are an integral part of these financial statements.

**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2014**

	Company										
						Other components of equity					
	Issued and paid-up share capital  Baht	Premium on share capital  Baht	Retained earnings			Revaluation surplus on land  Baht	Difference from purchase of assets from a business combination under common control  Baht	Unrealised actuarial losses on employee benefit plans  Baht	Total other components of equity  Baht	Treasury stock  Baht	Total equity  Baht
			Legal reserve	Reserve for treasury stock	Unappropriated						
			Baht	Baht	Baht						
Opening balance 1 January 2014	918,931,500	1,874,481,829	162,088,663	-	3,267,136,350	224,976,373	(609,037,112)	(7,190,415)	(391,251,154)	-	5,831,387,188
Reclassification											
-Unrealised actuarial losses on employee benefit plans	-	-	-	-	(7,190,415)	-	-	7,190,415	7,190,415		-
Dividends paid (Note 27)	-	-	-	-	(597,196,435)	-	-	-	-	-	(597,196,435)
Reversal revaluation surplus on disposal of land	-	-	-	-	3,416,000	(3,416,000)	-	-	(3,416,000)	-	-
Total comprehensive income for the year	-	-	-	-	943,446,703	535,636,747	-	-	535,636,747	-	1,479,083,450
Closing balance 31 December 2014	918,931,500	1,874,481,829	162,088,663	-	3,609,612,203	757,197,120	(609,037,112)	-	148,160,008	-	6,713,274,203
Opening balance 1 January 2013	950,000,000	1,874,481,829	162,088,663	272,143,445	3,445,136,142	224,976,373	(609,037,112)	-	(384,060,739)	(272,143,445)	6,047,645,895
Decrease in share and reduction of treasury stock	(31,068,500)	-	-	-	(241,074,945)	-	-	-	-	272,143,445	-
Reversal of reserve for treasury stock	-	-	-	(272,143,445)	272,143,445	-	-	-	-	-	-
Dividends paid (Note 27)	-	-	-	-	(321,612,660)	-	-	-	-	-	(321,612,660)
Total comprehensive income for the year	-	-	-	-	112,544,368	-	-	(7,190,415)	(7,190,415)	-	105,353,953
Closing balance 31 December 2013	918,931,500	1,874,481,829	162,088,663	-	3,267,136,350	224,976,373	(609,037,112)	(7,190,415)	(391,251,154)	-	5,831,387,188

The notes to the consolidated and company financial statements from pages 13 to 72 are an integral part of these financial statements.

**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2014**

		Consolidated		Company	
		2014	2013	2014	2013
	Notes	Baht	Baht	Baht	Baht
<b>Cash flows from operating activities</b>					
Net profit (loss) before income tax		(439,331,595)	1,860,066,354	998,188,676	46,635,023
Adjustments for:					
Depreciation expenses - investment property					
property, plant and equipment	13, 14	1,027,977,993	951,431,685	101,732,716	85,075,760
Amortisation expenses - intangible assets					
and other assets		61,394,761	66,046,756	3,753,207	3,659,841
Interest expenses		440,682,643	432,798,147	318,732,019	337,976,888
Allowance for doubtful debts (reversal)		(5,071,826)	13,853,935	-	1,841,310
Reversal of provision for diminution					
in value of inventories		73,445,035	6,409,267	-	-
Impairment charge on investment in subsidiaries	12	-	-	47,700,000	45,000,000
Adjustment of net assets from business acquisition		(63,060,082)	-	(63,060,082)	-
Written off of property, plant and equipment		2,477,541	15,021,575	555,180	3,462,506
Unrealised (gain) loss on exchange rate		(15,496,135)	52,054,122	(9,505,988)	2,935,925
Gain on sales/written off of property,					
plant and equipment, net		(40,134,379)	(4,010,903)	(33,336,823)	(1,519,577)
Gain on sales of investment property		(57,316,170)	-	-	-
Reversal of loss on land revaluation		(26,796,518)	-	(26,446,518)	-
Gain from business acquisition		-	(531,233,777)	-	-
Loss sharing from joint ventures		7,272,789	10,246,131	-	-
Employee benefit obligations	25	11,748,941	8,588,524	4,076,931	2,472,125
Amortisation of front-end fee expenses		5,438,313	7,165,473	4,849,567	6,429,918
Interest received	29	(31,603,749)	(15,217,892)	(75,784,527)	(68,450,609)
Dividends received	33	-	-	(700,976,365)	(461,651,603)
		951,627,562	2,873,219,397	570,477,993	3,867,507
Changes in operating working capital					
- Trade and other receivables		628,585,982	(1,821,486,296)	2,467,427,409	(1,189,910,470)
- Inventories		1,557,221,712	2,928,708,368	(24,885,137)	6,672,851,267
- Other current assets		151,773,293	(250,661,008)	19,661,787	(1,568,036)
- Other non-current assets		(58,226,470)	27,156,529	(14,941,842)	296,558
- Trade and other payables		465,428,781	(1,114,513,195)	(230,917,781)	(1,470,523,825)
- Cylinder deposits		216,651,240	283,190,296	92,203,160	74,071,061
- Other current liabilities		(30,831,473)	(65,385,938)	16,813,846	1,890,682
- Other non-current liabilities		(4,455,197)	6,183,569	(3,180,402)	3,358,802
- Employee benefit paid		(1,751,860)	(2,192,580)	(135,050)	-
Cash flows receipts from operating					
activities before interest and income tax paid		3,876,023,570	2,864,219,142	2,892,523,983	4,094,333,546
- Interest paid		(444,039,554)	(423,408,160)	(322,615,751)	(322,440,980)
- Income tax paid		(288,510,425)	(203,922,069)	(6,267,418)	(84,159,044)
Net cash receipts from operating activities		3,143,473,591	2,236,888,913	2,563,640,814	3,687,733,522

The notes to the consolidated and company financial statements from pages 13 to 72 are an integral part of these financial statements.

**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Cash Flows (continued)**  
**For the year ended 31 December 2014**

		<b>Consolidated</b>		<b>Company</b>	
		<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Notes</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Cash flows from investing activities</b>					
Proceeds from long-term loans to related parties	33	-	8,988,721	156,287,900	138,988,721
Payment for long-term loans to related parties	33	(4,500,000)	(38,220,315)	(40,525,000)	(127,904,120)
Purchases of short-term investments, net		(252,387,112)	-	(252,387,112)	-
Acquisitions of subsidiaries		(8,335,785)	(57,187,993)	(8,335,785)	(142,931,543)
Acquisition of joint ventures		-	(7,803,168)	-	(11,738,857)
Purchases of property, plant and equipment		(661,108,902)	(1,364,228,497)	(356,915,269)	(543,166,803)
Advance payments for equipment		(22,256,877)	(69,377,178)	(21,435,775)	(61,365,858)
Proceeds from disposals of property, plant and equipment		136,096,638	36,634,053	50,943,984	3,409,357
Purchases of intangible assets		(1,554,357)	(3,230,528)	(1,451,140)	-
Interest received		24,295,236	15,217,892	7,132,873	3,522,846
Dividends received	33	-	-	700,976,365	461,651,603
Net cash receipts from (payments for) investing activities		<u>(789,751,159)</u>	<u>(1,479,207,013)</u>	<u>234,291,041</u>	<u>(279,534,654)</u>
<b>Cash flows from financing activities</b>					
Repayments for short-term loans from financial institutions, net		(983,901,155)	(305,710,805)	(2,259,282,713)	(3,592,146,513)
Proceeds from long-term loans from related parties	33	-	-	1,620,000,000	1,090,000,000
Repayments of long-term loans from related parties	33	-	-	(1,386,000,000)	(555,000,000)
Proceeds from long-term loans from financial institutions	21	22,293,948	351,120,000	-	-
Repayments of long-term loans from financial institutions	21	(286,722,029)	(229,822,321)	-	-
Proceeds from issue of bonds, net	23	1,296,531,000	-	1,296,531,000	-
Repayment for bond redemption, net	23	(1,500,000,000)	-	(1,500,000,000)	-
Capital contributions from holder of non-controlling interest		-	30,439,500	-	-
Payments for liabilities under finance lease agreement		(34,096,466)	(50,919,993)	-	-
Dividends payments	27	<u>(601,090,772)</u>	<u>(324,523,542)</u>	<u>(597,196,435)</u>	<u>(321,612,660)</u>
Net cash payments from financing activities		<u>(2,086,985,474)</u>	<u>(529,417,161)</u>	<u>(2,825,948,148)</u>	<u>(3,378,759,173)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>					
		266,736,958	228,264,739	(28,016,293)	29,439,695
Cash and cash equivalents - opening balance		1,689,573,399	1,461,276,267	232,687,422	203,215,334
Exchange gains on cash and cash equivalents		96,692	32,393	96,692	32,393
<b>Cash and cash equivalents - closing balance</b>	7	<u><u>1,956,407,049</u></u>	<u><u>1,689,573,399</u></u>	<u><u>204,767,821</u></u>	<u><u>232,687,422</u></u>

The notes to the consolidated and company financial statements from pages 13 to 72 are an integral part of these financial statements.

**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Cash Flows (continued)**  
**For the year ended 31 December 2014**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Non-cash items</b>				
Payable for purchase of investments in subsidiaries (included in other payables)	-	-	-	529,859
Payable for purchase of investments in joint venture (included in other payables)	-	11,034,736	-	11,034,736
Payables for purchase of property, plant and equipment (included in other payables)	74,502,569	43,738,745	24,080,958	36,957,065

The notes to the consolidated and company financial statements from pages 13 to 72 are an integral part of these financial statements.

## **1 General information**

Siamgas and Petrochemicals Public Company Limited (the “Company”) is a public limited company incorporated and resident in Thailand. The address of the Company’s registered office is 553, 30<sup>th</sup> Floor, The Palladium Building, Ratchaprarop Road, Makkasan, Ratchathewi, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as the “Group”.

The Group has main business in trading liquefied petroleum gas (LPG) and petrochemical and transportation services by land and ship.

These consolidated and company financial statements were authorised by the Board of Directors on 24 February 2015.

## **2 Accounting policies**

The principal accounting policies adopted in the preparation of these consolidated and company financial statements are set out below.

### **2.1 Basis of preparation**

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, to the consolidated and company financial statements, are disclosed in Note 4.

An English version of the consolidated and company financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

## **2 Accounting policies (continued)**

### **2.2 New/Revised accounting standards and interpretations**

New/Revised accounting standards and interpretations that are effective for the accounting periods beginning on or after 1 January 2015 and have not been early adopted by the Group 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 & 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 asset held for sale and discontinued operations
TFRS 6 (revised 2014)	Exploration for and evaluation of mineral resources
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 involving the legal form of a lease
TSIC 29 (revised 2014)	Service concession arrangements: Disclosures
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)	Rights 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 economies

## **2 Accounting policies (continued)**

### **2.2 New/Revised accounting standards and interpretations (continued)**

New/Revised accounting standards and interpretations that are effective for the accounting periods beginning on or after 1 January 2015 and have not been early adopted by the Group are as follows: (continued)

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)	TAS 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	Stripping costs in the production phase of a surface mine

The Group's management has determined that the new/revised accounting standards and interpretations will not significantly impact the interim financial information being presented.

### **2.3 Group Accounting - Investments in subsidiaries and interests in joint ventures**

#### **2.3.1 Subsidiaries**

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A list of the Group's subsidiaries is shown in Note 12.



## **2 Accounting policies (continued)**

### **2.3 Group Accounting - Investments in subsidiaries and interests in joint ventures (continued)**

#### **2.3.2 Transactions and non-controlling interests**

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

#### **2.3.3 Joint ventures**

Investments in joint ventures are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in joint ventures includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its joint ventures' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in joint ventures equals or exceeds its interest in the joint ventures, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in joint ventures are recognised in the profit or loss.

In the Company's separate financial statements, investments in joint ventures are accounted for using the cost method.

A list of the Group's principal joint ventures is set out in Note 12.

## **2 Accounting policies (continued)**

### **2.4 Foreign currency translation**

#### **a) Functional and presentation currency**

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the Company's functional and the group's presentation currency.

#### **b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

#### **c) Group companies**

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income or income statement are translated at average exchange rates; and
- All resulting exchange differences are recognised as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### **2.5 Cash and cash equivalents**

In the consolidated and company statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated and company statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

## **2 Accounting policies (continued)**

### **2.6 Trade accounts receivable**

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within operating expenses.

### **2.7 Inventories**

Inventories are stated at the lower of cost or net realisable value. Cost of petroleum and petrochemical products are determined by the weighted average method. Cost of oil product and other finished goods is determined by the first-in, first-out method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity, but excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion, including selling expenses. Allowance is made, where necessary, for obsolete, slow moving and defective inventories.

### **2.8 Investments**

Investments other than investments in subsidiaries, associates and interests in joint ventures are classified into the following four categories: (1) trading investments; (2) held-to-maturity investments; (3) available-for-sale investments; and (4) general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

- (a) Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.
- (b) Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except for maturities within 12 months from the statement of financial position date which are classified as current assets.
- (c) Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.
- (d) Investments in non-marketable equity securities are classified as general investments.

## **2 Accounting policies (continued)**

### **2.8 Investments (continued)**

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments and available for sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date. The unrealised gains and losses of trading investments are recognised in income statement. The unrealised gains and losses of available for sale investments are recognised in equity.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the income statement.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

### **2.9 Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on investment properties (Buildings) is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives over periods of 20 - 30 years.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

## **2 Accounting policies (continued)**

### **2.10 Property, plant and equipment**

Land is shown at fair value, based on valuations by external independent valuers every five years or when the fair value of a revalued asset differs materially from its carrying amount. All other plant and equipment are stated at cost less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of property are credited to the revaluation reserve (included in fair value reserves) in shareholders' equity. Decreases that offset previous increases of the same asset are recognised in other comprehensive income and charged against that reserve; all other decreases are charged to the statement of income.

Land is not depreciated. Depreciation is calculated on the straight line basis to write off the cost of each asset to its residual value over the estimated useful life as follows:

Land improvement	5 - 10 years
Leasehold improvement	contract period
Buildings and infrastructure	5 - 32 years
Terminals, gas filling and service stations and gas storage tanks	3 - 50 years
Gas vessels	2.5 - 32 years
Gas cylinders	10 - 20 years
Machine, factory tools and equipment	5 - 32 years
Furniture, fixtures and office equipment	5 - 20 years
Vehicles	5 - 30 years
Dry-docking	2.5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "other gain or losses, net" in statement of income. When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

## **2 Accounting policies (continued)**

### **2.11 Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is reported as an intangible asset and included in interests in joint ventures respectively in the consolidated statement of financial position.

Recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

### **2.12 Intangible assets**

#### **2.12.1 Computer software**

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives between five to ten years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use or sell it;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 10 years.

## **2 Accounting policies (continued)**

### **2.12 Intangible assets (continued)**

#### **2.12.2 Contractual customer relationships**

Contractual customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer relationship.

### **2.13 Impairment of assets**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### **2.14 Leases - where a Group company is the lessee**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

#### **Leases - where a Group Company is the lessor**

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

## **2 Accounting policies (continued)**

### **2.15 Borrowings**

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

### **2.16 Current and deferred income taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.



## **2 Accounting policies (continued)**

### **2.17 Employee benefits**

Group companies operate various employee benefit schemes. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of employee benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related employee benefit liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in equity in the period in which they arise.

Past-service costs are recognised immediately in profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Group pays contributions to publicly administered employee benefit insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### **2.18 Provisions**

Provisions for legal claims and constructive obligation are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## **2 Accounting policies (continued)**

### **2.19 Cylinder deposits**

Cylinder deposits are recorded as liabilities from customers and will be settled with each customer when customer return the cylinders together with related original receipt as evidence of the deposits to the Group.

### **2.20 Share capital**

Ordinary shares are classified as equity. Incremental external costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any company in the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

### **2.21 Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service net of output tax, rebates and discounts, and after eliminating sales within the Group for the consolidated financial statements. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer. Transportation revenue is recognised in proportion to the lapsed time of the voyage, and services revenue are recognised when the services are rendered.

Revenue from rental is recognised on a straight-line basis over the lease term. Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the rate over the period to maturity, when it is determined that such income will accrue to the Group. Dividends are recognised when the right to receive payment is established.

### **2.22 Dividends**

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

### **2.23 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company's board of directors who makes strategic decisions.

## **2 Accounting policies (continued)**

### **2.24 Related party transactions**

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.

### **2.25 Financial instruments**

Financial assets carried in the statement of financial position include cash and cash equivalents, short-term investments, trade and other receivables and short-term and long-term loans. Financial liabilities carried in the balance sheet include bank overdrafts and short-term loans from financial institutions, trade and other payables, long-term loans, bonds, other payables and cylinder deposits. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

## **3 Financial risk management**

### **3.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks, market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by a central treasury department (the Group treasury) under policies approved by the Board of Directors. The Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

#### **3.1.1 Foreign exchange risk**

Foreign exchange risk arises from the change in foreign currency exchange rate to have an effect on the Group in the current reporting period and in future years. The Group has not entered into the hedging contracts because the Group assesses that the changes in exchange rates will not significantly affect assets and liabilities dominated in foreign currencies.

### **3 Financial risk management (continued)**

#### **3.1 Financial risk factors (continued)**

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

Interest rate risk arises from change in interest rates, which may have an impact on the Group's and Company's operations in the current reporting period and in future years. Liabilities which are affected from significant interest rate risk are as follows:

	Consolidated		Company		Interest rate per annum	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht	2014 % p.a.	2013 % p.a.
Long-term loans from commercial banks	802	1,065	-	-	MLR-1, MLR-1.5	MLR-1, MLR-1.5
Long-term loans from related parties	3	3	1,020	786	Fixed/ Savings deposits + 0.25	Fixed/ Savings deposits + 0.25

The Group sometimes borrows at floating rates but does not use interest rate swaps as cash flow hedges of future interest payments because the Group assesses that the changes in interest rate will not significantly affect to the Group's operation.

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

The credit risk of the Group is export sales to primarily customers in overseas. However, the Group has no significant concentrations of credit risks for local sales. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions.

##### **3.1.4 Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an amount of committed credit facilities and also issue of bond in the financial market, the Group treasury aims at maintaining flexibility in funding by keeping committed credit facilities available for the operating and investing purpose of the Group in future.

#### **3.2 Fair value**

Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivables, trade receivables from related parties and long-term loans. Financial liabilities carried in the statement of financial position include short-term loans from financial institutions, trade and other payables, trade payables to related parties, long-term loans, finance lease liabilities, bonds and cylinder deposits.

The carrying amounts of the financial assets and financial liabilities approximate their fair values. Long-term loans from financial institutions, and long-term loans to/from related parties with interest charged at the floating rates, the carrying amount of such loans approximates the fair value. The terms to maturity of long-term loans from related parties, and cylinder deposits are uncertain, the Group cannot estimate a reliable repayment period, therefore the fair value cannot be reliably estimated. Bonds which have fixed interest rates, the Group disclosed their fair values below.

### **3 Financial risk management (continued)**

#### **3.2 Fair value (continued)**

The book value and fair value of bonds are as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Bonds, net				
- Book Value	4,339	4,533	4,339	4,533
- Fair Value	4,405	4,588	4,405	4,588

The fair values of bonds which bear fixed interest rate are based on discounted cash flows using discount rates based upon the bond rates which the management expects would be available to the Group and the Company at the date of the financial statements. The carrying amounts of long-term loans with the floating interest rate and finance lease liabilities approximate their fair values.

### **4 Critical accounting estimates, assumptions and judgements**

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **4.1 Critical accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

##### **(a) Plant and equipment and intangible assets**

Management determines the estimated useful lives and residual values of the Group's plant and equipment and intangible assets. The management reviews the calculations of depreciation and amortisation expenses where the estimated useful life and residual value differ from the previous estimation or there is written-off for technically obsolete or non-used assets by sales or abandon.

##### **(b) Estimation of impairment of goodwill and investments in subsidiaries and joint ventures**

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.13. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The value-in-use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit in order to calculate present value. Significant estimates and assumptions used are growth rate and discount rate which reflect risk of the particular cash-generating unit (Note 15). Determination of the assumptions is necessary for the goodwill impairment testing.

The Group tests whether investment has suffered any impairment when indicators of impairment trigger. The recoverable amounts of cash-generating units have been determined based on the fair value net selling cost or value-in-use calculations as mentioned above. The determination is calculated based on the best available information.

#### **4 Critical accounting estimates, assumptions and judgements (continued)**

##### **4.1 Critical accounting estimates and assumptions (continued)**

###### **(c) Retirement benefits**

The present value of the retirement obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for retirement benefit include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement liability.

Other key assumptions for retirement benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 25.

###### **(d) Allowance for doubtful accounts**

The determination of the allowance for doubtful accounts requires the use of various assumptions and judgements by the management, which includes the estimated collection losses on receivables, based on the Group's collection experience together with a review of the financial position of the debtors. The management reviews these estimates and assumptions on a regular basis.

#### **5 Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company does not apply any financial ratios to monitor its capital. However, the Company has monitored its debt covenants as specified in the loan agreements and bond prospectus (Note 19, 21, and 23).

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**6 Segment information**

Segment information is presented in respect of the Group operating segments which are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The operating segments are as follows:

Petroleum and  
petrochemical products : Petroleum trading for household cooking, industry and transportation businesses, and petrochemical trading  
Transportation services : Transportation services by land and ship  
Other segment : Cylinder manufacturing

	Consolidated				
	Petroleum and petrochemical products Million Baht	Transportation services Million Baht	Other business segment Million Baht	Elimination entries Million Baht	Total Million Baht
For the year ended 31 December 2014					
Sales and service income	79,843	2,534	206	(20,824)	61,759
Cost of goods sold and services	(79,686)	(2,136)	(179)	21,077	(60,924)
Operating profit	157	398	27	253	835
Other income	479	34	70	(185)	398
Net income before operating expenses	636	432	97	68	1,233
Unallocated expenses					(1,763)
Loss sharing from joint ventures					(7)
Net loss for the year					(537)

	Consolidated				
	Petroleum and petrochemical products Million Baht	Transportation services Million Baht	Other business segment Million Baht	Elimination entries Million Baht	Total Million Baht
For the year ended 31 December 2013					
Sales and service income	86,872	2,246	260	(24,357)	65,021
Cost of goods sold and services	(84,945)	(1,847)	(212)	24,322	(62,682)
Operating profit	1,927	399	48	(35)	2,339
Other income	843	27	16	(161)	725
Net income before operating expenses	2,770	426	64	(196)	3,064
Unallocated expenses					(1,936)
Gain on business combination					531
Loss sharing from joint ventures					(10)
Net profit for the year					1,649

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**7 Cash and cash equivalents**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Cash on hand	8	10	2	3
Deposits held at call with banks	1,948	1,679	203	230
Total	1,956	1,689	205	233

The average interest rate on deposits held at call with banks was ranged between 0.01% - 3.25% per annum (2013: 0.01% - 3.25% per annum).

**8 Short-term investments**

Short-term investments comprise investments in units of mutual funds. The purpose of these investments is to invest short-term excess cash to achieve a competitive rate of return with low risk.

The movements of short-term investments can be analysed as follows:

**For the year ended 31 December 2014**

	<b>Consolidated Million baht</b>	<b>Company Million Baht</b>
Opening amount	-	-
Additions	3,002	3,002
Redemptions	(2,750)	(2,750)
Closing amount	252	252



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**9 Trade and other receivables, net**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Trade receivables	3,499	3,985	444	426
<u>Less</u> Allowance for doubtful accounts	(62)	(68)	(5)	(5)
Trade receivables - net	3,437	3,917	439	421
Trade receivables from related parties (Note 33)	6	2	21	2,488
Other Receivables	258	472	-	-
Prepayments	206	137	43	60
Advance payment	73	91	7	7
Accrued revenue	1	14	-	-
Other receivables from related parties (Note 33)	33	71	9	-
Total	4,014	4,704	519	2,976

An aging analysis of the trade receivable is as follows:

	<b>Consolidated</b>		<b>Company</b>	
<b>As at 31 December</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Trade receivable</b>				
Current	3,191	3,700	297	297
Overdue				
- below 3 months	186	197	96	105
- 3 months to 12 months	50	21	37	20
- more than 12 months	72	67	14	4
Total	3,499	3,985	444	426
<u>Less</u> Allowance for doubtful accounts	(62)	(68)	(5)	(5)
<b>Trade receivable, net</b>	3,437	3,917	439	421

The age analysis of trade receivables from related parties is as follows:

	<b>Consolidated</b>		<b>Company</b>	
<b>As at 31 December</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Trade receivables from related parties</b>				
Current	6	2	21	2,488
<b>Trade receivables from related parties</b>	6	2	21	2,488

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**10 Inventories, net**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Raw material	47	62	-	-
Work in progress	20	22	-	-
Finished goods				
- Petroleum products	2,643	4,762	122	94
- Petrochemical products	49	28	-	-
- Oil products	54	41	-	-
- Others	15	16	1	1
- Goods in transit	641	219	23	26
Supplies and other	151	111	-	-
Total	3,620	5,261	146	121
<u>Less</u> Allowance for diminution in value of inventories	(85)	(11)	-	-
Inventories, net	3,535	5,250	146	121

The cost of inventories recognised as expense and included in 'cost of sales' amounted to Baht 52,747 million (2013: Baht 56,674 million) in the consolidated financial statements and amounted to Baht 11,146 million (2013: Baht 23,071 million) in the company financial statements.

According to regulations issued by the Ministry of Energy, the Group and the Company are required to reserve petroleum products and crude oil at 1% and 6% of the total trading volume of petroleum products and crude oil in Thailand in each period, respectively. As at 31 December 2014, the inventories included minimum mandatory reserve on petroleum products and crude oil amounting to Baht 184.23 million in the consolidated financial statements, and Baht 81.94 million in the company financial statements (31 December 2013: Baht 195.25 million in the consolidated financial statements, and Baht 90.19 million in the company financial statements), which were net of allowance for net realisable value.

After the statement of financial position date, the market price of petroleum and petrochemical products had continuously decreased as the global market condition. However, these inventories are stated at the lower of cost or net realisable value based on the market price on the statement of financial position date.

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**11 Other current assets**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
VAT refundable	180	224	-	-
Corporate income tax refundable	-	31	7	31
Deposits	6	76	-	1
Others	77	73	12	7
<b>Total</b>	<b>263</b>	<b>404</b>	<b>19</b>	<b>39</b>

**12 Investments in subsidiaries and joint ventures, net**

**12.1 Investments in subsidiaries, net**

The movement in investments in subsidiaries are as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Opening balance - net	-	-	7,737	7,629
Acquisitions	-	-	-	153
<u>Less Impairment charge</u>	-	-	(48)	(45)
<b>Closing balance - net</b>	<b>-</b>	<b>-</b>	<b>7,689</b>	<b>7,737</b>

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**12 Investments in subsidiaries and joint ventures, net** (continued)

**12.1 Investments in subsidiaries, net** (continued)

The principal subsidiaries are as follows:

	<b>Country of incorporation</b>	<b>% ownership interest</b>		<b>Type of business</b>
		<b>2014</b>	<b>2013</b>	
<b>Direct Subsidiaries</b>				
Unique Gas and Petrochemicals Public Company Limited	Thailand	99.59%	99.59%	Petroleum and petrochemical products distribution
Lucky Carrier Company Limited	Thailand	99.99%	99.99%	Transportation and distribution
Siam Quality Steel Company Limited	Thailand	99.99%	99.99%	Manufacturing and distribution of LPG cylinders
Siam Ethanol Export Company Limited	Thailand	70.00%	70.00%	Manufacturing of ethanol products (ceased its operation)
Siam Lucky Marine Company Limited	Thailand	42.65%	42.65%	Transportation services
Siam Suksawat Company Limited	Thailand	100.00%	100.00%	Transportation and distribution
Siamgas Hongkong Company Limited	Hongkong	100.00%	100.00%	Holding business
Super Gas Company Limited	Vietnam	100.00%	100.00%	Petroleum products distribution
SingGas (LPG) Pte. Ltd.	Singapore	95.00%	95.00%	Petroleum products distribution
United Gas & Petrochemicals Sdn. Bhd.	Malaysia	100.00%	100.00%	Petroleum products distribution
Siam Gas Trading Pte. Ltd.	Singapore	100.00%	100.00%	Petroleum products distribution
MyGaz Sdn. Bhd.	Malaysia	70.00%	70.00%	Petroleum products distribution
Citygas Company Limited	Vietnam	100.00%	100.00%	Petroleum products distribution
<b>Indirect Subsidiaries (holding by Unique Gas and Petrochemicals Public Company Limited)</b>				
Siam Lucky Marine Company Limited	Thailand	15.65%	15.65%	Transportation services

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**12 Investments in subsidiaries and interests in joint ventures, net (continued)**

**12.1 Investments in subsidiaries, net (continued)**

The principal subsidiaries are as follows: (continued)

	Country of incorporation	% ownership interest		Type of business
		2014	2013	
Indirect Subsidiary (holding by Lucky Carrier Company Limited)				
Siam Lucky Marine Company Limited	Thailand	41.70%	41.70%	Transportation services
Indirect Subsidiaries (holding by Siamgas Hongkong Co., Ltd.)				
Sino Siam Gas and Petrochemical Co., Ltd.	The People’s Republic of China	100.00%	100.00%	Petroleum and petrochemical products distribution
Siam Ocean Gas and Energy Co., Ltd.	The People’s Republic of China	100.00%	100.00%	Petroleum and petrochemical products distribution

Detail of investments in subsidiaries is as follows:

	<b>Company</b>			
	<b>Paid-up Capital</b>		<b>Cost Method</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Siamgas Hongkong Co., Ltd.	4,088	4,088	4,088	4,088
Unique Gas and Petrochemicals Public Company Limited	105	105	2,105	2,105
SingGas (LPG) Pte. Ltd.	336	336	427	427
Super Gas Co., Ltd.	133	133	384	384
Siam Ethanol Export Company Limited	400	400	280	280
Lucky Carrier Company Limited	70	70	70	70
Siam Quality Steel Company Limited	70	70	70	70
United Gas & Petrochemicals Sdn. Bhd.	10	10	10	10
Siam Suksawat Co., Ltd.	100	100	100	100
Siam Lucky Marine Company Limited	422	422	180	180
Citygas Company Limited	292	292	4	4
MyGaz Sdn. Bhd.	121	121	84	84
Siam Gas Trading Pte. Ltd.	2	2	2	2
Total investment in subsidiaries			7,804	7,804
<u>Less</u> Impairment charge			(115)	(67)
Investment in subsidiaries, net			<u>7,689</u>	<u>7,737</u>

**12 Investments in subsidiaries and interests in joint ventures, net (continued)**

**12.1 Investments in subsidiaries, net (continued)**

Changes of investments in subsidiaries during the year are as follows:

In 2014, the Company recognised impairment loss on investment in Siam Ethanol Export Company Limited amounting to Baht 43 million (as at 31 December 2014, the impairment charge balance of this investment was Baht 110 million) because the ethanol business operation had not run as plan and stopped its operation. The impairment testing was determined based on the fair value net selling cost. The fair value is determined by Group's management.

In August 2013, the Company's management approved the dissolution of United Gas & Petrochemicals Sdn. Bhd. in order to manage the business properly. This subsidiary has not started its operation and the dissolution does not have any impact on the Company's business operation. In 2014, the Company recognised impairment loss on this investment amounting to Baht 5 million.

On 7 November 2014, at the Board of Directors' meeting of the Company, it passed a resolution to approve the registration of Far East Petroleum Sdn. Bhd., a wholly owned subsidiary incorporated in Malaysia, with the registered capital amounting to Malaysian Ringgit 400,000. Its business is trading of petroleum products.

**12.2 Investments in joint ventures**

The movement in investments in joint ventures are as follows:

For the year ended 31 December	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Opening balance	171	1	24	1
Acquisitions	-	23	-	23
Fair value acquired from business acquisition	-	161	-	-
Loss sharing from joint ventures	(7)	(10)	-	-
Difference from translations	(55)	(4)	-	-
Closing balance	109	171	24	24

The joint ventures are as follows:

	<u>Country of incorporation</u>	<u>% ownership interest</u>		<u>Type of business</u>
		<u>2014</u>	<u>2013</u>	
<b>Direct Joint Ventures</b>				
Citygas North Co., Ltd.	Vietnam	79.64%	79.64%	Petrochemical products distribution
SG Gas Sdn. Bhd.	Malaysia	29.99%	29.99%	Petrochemical products distribution
Siam Nathalin Co., Ltd.	Thailand	50.00%	50.00%	Transportation for medium range size up very large crude oil carrier (VLCC)

**12 Investments in subsidiaries and interests in joint ventures, net (continued)**

**12.2 Investments in joint ventures, net (continued)**

Detail of investment in joint ventures is as follow:

	<b>Paid-up Capital (the Group's portion)</b>		<b>Consolidated Equity Method</b>		<b>Company Cost Method</b>	
	<b>2014 Million Baht</b>	<b>2013 Million Baht</b>	<b>2014 Million Baht</b>	<b>2013 Million Baht</b>	<b>2014 Million Baht</b>	<b>2013 Million Baht</b>
Citygas Noth Co., Ltd.	150	150	109	167	20	20
SG Gas Sdn. Bhd.	3	3	-	3	3	3
Siam Nathalin Co., Ltd.	1	1	-	1	1	1
	<u>154</u>	<u>154</u>	<u>109</u>	<u>171</u>	<u>24</u>	<u>24</u>

Key financial information as proportion of the Group's interest in Citygas North Co., Ltd. and SG Gas Sdn. Bhd. are as follows:

	<b>Total assets Million Baht</b>	<b>Total liabilities Million Baht</b>	<b>Total revenue Million Baht</b>	<b>Net loss Million Baht</b>	<b>% ownership interest</b>
<b>For the year ended 31 December 2014</b>					
Citygas North Co., Ltd.	344	235	363	(5)	79.64%
SG Gas Sdn. Bhd.	<u>3</u>	<u>3</u>	<u>3</u>	<u>(2)</u>	29.99%
	<u>347</u>	<u>238</u>	<u>366</u>	<u>(7)</u>	
<b>For the year ended 31 December 2013</b>					
Citygas North Co., Ltd.	377	209	393	(10)	79.64%
SG Gas Sdn. Bhd.	<u>3</u>	<u>1</u>	<u>-</u>	<u>-</u>	29.99%
	<u>380</u>	<u>210</u>	<u>393</u>	<u>(10)</u>	

As at 31 December 2014, Siam Nathalin Co., Ltd. has not commenced their operations.

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**13 Investment property, net**

	<b>Consolidated</b>		
	<b>Land Million Baht</b>	<b>Buildings Million Baht</b>	<b>Total Million Baht</b>
<b>As at 1 January 2013</b>			
Cost	11	83	94
<u>Less</u> Accumulated depreciation	-	(69)	(69)
<b>Net book amount</b>	<b>11</b>	<b>14</b>	<b>25</b>
<b>For the year ended 31 December 2013</b>			
Opening net book amount	11	14	25
Depreciation	-	(3)	(3)
Closing net book amount	<u>11</u>	<u>11</u>	<u>22</u>
<b>As at 31 December 2013</b>			
Cost	11	83	94
<u>Less</u> Accumulated depreciation	-	(72)	(72)
Net book amount	<u>11</u>	<u>11</u>	<u>22</u>
<b>For the year ended 31 December 2014</b>			
Opening net book amount	11	11	22
Disposals, net	(10)	(11)	(21)
Depreciation	-	-	-
Closing net book amount	<u>1</u>	<u>-</u>	<u>1</u>
<b>As at 31 December 2014</b>			
Cost	1	18	19
<u>Less</u> Accumulated depreciation	-	(18)	(18)
<b>Net book amount</b>	<u>1</u>	<u>-</u>	<u>1</u>

As at 31 December 2014, the fair value of land was Baht 1.45 million.

The Group's investment properties at fair value were appraised based on the recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions, locations and categories of the investment properties valued.

Amounts recognised in the statement of income that are related to investment property are as follows:

	<b>Consolidated</b>	
	<b>2014 Million Baht</b>	<b>2013 Million Baht</b>
Rental income	0.05	0.05
Direct operation expense arise from investment property, that generated rental income	-	3



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**14 Property, plant and equipment, net**

	Consolidated									
	Land Million Baht	Buildings, infrastructure and land improvement Million Baht	Terminals, gas filling and service stations and gas storage tanks Million Baht	Gas vessels Million Baht	Gas cylinders Million Baht	Machine, factory tools and equipment Million Baht	Furniture, fixtures and office equipment Million Baht	Vehicles Million Baht	Construction in progress Million Baht	Total Million Baht
As at 1 January 2013										
Cost - Historical cost	2,107	7,214	1,920	2,645	3,415	2,195	1,929	1,234	729	23,388
- Revaluation	277	-	-	-	-	-	-	-	-	277
	2,384	7,214	1,920	2,645	3,415	2,195	1,929	1,234	729	23,665
Less Accumulated depreciation	-	(3,808)	(954)	(740)	(2,256)	(598)	(1,692)	(756)	-	(10,804)
Net book value	2,384	3,406	966	1,905	1,159	1,597	237	478	729	12,861
For the year ended 31 December 2013										
Opening net book value	2,384	3,406	966	1,905	1,159	1,597	237	478	729	12,861
Business acquisition	-	-	1	-	572	109	-	1	-	683
Additions	29	3	6	-	277	5	28	58	1,008	1,414
Transfer	-	27	266	489	-	(6)	2	61	(839)	-
Disposals, net	-	-	(1)	(5)	(6)	-	(3)	(28)	(5)	(48)
Currency translation differences	-	332	5	-	21	96	18	-	-	472
Depreciation charge	-	(177)	(84)	(290)	(163)	(168)	(29)	(36)	-	(947)
Closing net book value	2,413	3,591	1,159	2,099	1,860	1,633	253	534	893	14,435
As at 31 December 2013										
Cost - Historical cost	2,136	7,806	2,204	3,065	4,921	2,631	2,116	1,319	893	27,091
- Revaluation	277	-	-	-	-	-	-	-	-	277
	2,413	7,806	2,204	3,065	4,921	2,631	2,116	1,319	893	27,368
Less Accumulated depreciation	-	(4,215)	(1,045)	(966)	(3,061)	(998)	(1,863)	(785)	-	(12,933)
Net book value	2,413	3,591	1,159	2,099	1,860	1,633	253	534	893	14,435

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**14 Property, plant and equipment, net (continued)**

	Consolidated									
	Land Million Baht	Buildings, infrastructure and land improvement Million Baht	Terminals, gas filling and service stations and gas storage tanks Million Baht	Gas vessels Million Baht	Gas cylinders Million Baht	Machine, factory tools and equipment Million Baht	Furniture, fixtures and office equipment Million Baht	Vehicles Million Baht	Construction in progress Million Baht	Total Million Baht
For the year ended 31 December 2014										
Opening net book value	2,413	3,591	1,159	2,099	1,860	1,633	253	534	893	14,435
Revaluation surplus on land	969	-	-	-	-	-	-	-	-	969
Additions	37	2	7	4	239	2	21	9	435	756
Transfer	-	27	44	101	-	1	241	31	(445)	-
Disposals, net	(18)	-	-	-	(1)	(2)	(1)	(3)	(1)	(26)
Currency translation differences	-	(1)	(2)	-	(9)	31	(5)	(1)	-	13
Depreciation charge	-	(214)	(75)	(283)	(196)	(185)	(36)	(38)	-	(1,027)
Closing net book value	3,401	3,405	1,133	1,921	1,893	1,480	473	532	882	15,120
As at 31 December 2014										
Cost - Historical cost	2,159	7,769	2,250	3,086	5,160	2,659	2,327	1,351	882	27,643
- Revaluation surplus	1,242	-	-	-	-	-	-	-	-	1,242
	3,401	7,769	2,250	3,086	5,160	2,659	2,327	1,351	882	28,885
Less Accumulated depreciation	-	(4,364)	(1,117)	(1,165)	(3,267)	(1,179)	(1,854)	(819)	-	(13,765)
Net book value	3,401	3,405	1,133	1,921	1,893	1,480	473	532	882	15,120

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**14 Property, plant and equipment, net (continued)**

	Company							
	Land Million Baht	Buildings, infrastructure and land improvement Million Baht	Terminals, gas filling and service stations and gas storage tanks Million Baht	Gas cylinders Million Baht	Furniture, fixtures and office equipment Million Baht	Vehicles Million Baht	Construction in progress Million Baht	Total Million Baht
<b>As at 1 January 2013</b>								
Cost - Historical cost	1,721	177	417	615	22	49	604	3,605
- Revaluation	248	-	-	-	-	-	-	248
	1,969	177	417	615	22	49	604	3,853
<u>Less</u> Accumulated depreciation	-	(39)	(110)	(222)	(12)	(28)	-	(411)
Net book value	1,969	138	307	393	10	21	604	3,442
<b>For the year ended 31 December 2013</b>								
Opening net book value	1,969	138	307	393	10	21	604	3,442
Additions	27	3	2	109	5	45	404	595
Transfer	-	22	203	-	1	-	(226)	-
Disposals, net	-	-	-	-	(2)	-	(3)	(5)
Depreciation charge	-	(6)	(20)	(53)	(2)	(4)	-	(85)
Closing net book value	1,996	157	492	449	12	62	779	3,947
<b>As at 31 December 2013</b>								
Cost - Historical cost	1,748	202	622	724	26	94	779	4,195
- Revaluation	248	-	-	-	-	-	-	248
	1,996	202	622	724	26	94	779	4,443
<u>Less</u> Accumulated depreciation	-	(45)	(130)	(275)	(14)	(32)	-	(496)
Net book value	1,996	157	492	449	12	62	779	3,947

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**14 Property, plant and equipment, net (continued)**

								Company
	Land Million Baht	Buildings, infrastructure and land improvement Million Baht	Terminals, gas filling and service stations and gas storage tanks Million Baht	Gas cylinders Million Baht	Furniture, fixtures and office equipment Million Baht	Vehicles Million Baht	Construction in progress Million Baht	Total Million Baht
<b>For the year ended 31 December 2014</b>								
Opening net book value	1,996	157	492	449	12	62	779	3,947
Revaluation surplus on land	696	-	-	-	-	-	-	696
Additions	37	2	5	77	6	8	268	403
Transfer	-	22	11	-	237	-	(270)	-
Disposals, net	(16)	-	-	-	-	(1)	-	(17)
Depreciation charge	-	(7)	(18)	(58)	(11)	(6)	-	(100)
Closing net book value	2,713	174	490	468	244	63	777	4,929
<b>As at 31 December 2014</b>								
Cost - Historical cost	1,773	226	638	801	269	101	777	4,585
- Revaluation	940	-	-	-	-	-	-	940
	2,713	226	638	801	269	101	777	5,525
<u>Less</u> Accumulated depreciation	-	(52)	(148)	(333)	(25)	(38)	-	(596)
Net book value	2,713	174	490	468	244	63	777	4,929

**14 Property, plant and equipment - net (continued)**

The Group's external independent appraiser had appraised land using the market value method during 27 January 2014 to 18 February 2014. The Group's land was revalued by UK Valuations and Agency Co., Ltd., an independent valuer. The revaluation method is market comparison approach.

Land as at 31 December 2014 and 31 December 2013 can be detailed as follows:

	<b>Consolidated</b>			
	<b>31 December 2013</b>	<b>Increase valuation</b>	<b>Disposal</b>	<b>Addition</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Land - historical cost	2,136	-	(14)	37
- valuation surplus	277	969	(4)	-
<b>Total</b>	<b>2,413</b>	<b>969</b>	<b>(18)</b>	<b>37</b>

  

	<b>Company</b>			
	<b>31 December 2013</b>	<b>Increase valuation</b>	<b>Disposal</b>	<b>Addition</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Land - historical cost	1,748	-	(12)	37
- valuation surplus	248	696	(4)	-
<b>Total</b>	<b>1,996</b>	<b>696</b>	<b>(16)</b>	<b>37</b>

During year 2014, The Group and the Company have recognised the fair value of land during the period of Baht 969 million and Baht 696 million, respectively and recognised the reversal of the loss on land revaluation previously recognised in profit or loss of Baht 27 million and Baht 26 million in the consolidated and company statements of income, respectively. In addition, the Group and the Company have also recognised the reversal of valuation surplus resulting from the disposal of related land during the period amounting to Baht 4 million in retained earnings.

Therefore, the Group and the Company have recognised the revaluation surplus net of deferred taxes of Baht 754 million and Baht 536 million in the consolidated and company statements of comprehensive income, respectively (Note 31).

As at 31 December 2014, certain of gas vessels of a subsidiary with net book value of Baht 1,563.61 million (2013: Baht 1,654 million) have been pledged as collateral for loans from local commercial banks (Note 21).

Borrowing costs of Baht 10.17 million (2013: Baht 5.60 million), arising from bonds issued to refinance the long-term loans for the construction of a new factory port and gas terminal at Suksawat, were capitalised during the year and are included in "Additions". A capitalisation rate of 5.23% (2013: 4.88%) was used, representing the average borrowing cost of bonds.

Leased assets included above, where the Group is a lessee under finance lease, are trucks. The cost of leased assets is Baht 119.43 million, accumulated depreciation of Baht 14.73 million, at net book value of Baht 104.70 million (2013: the cost of leased assets is Baht 119.43 million, accumulated depreciation of Baht 9.76 million, at net book value of Baht 109.67 million).

**15 Goodwill**

<b>As at 31 December</b>	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Goodwill	1,538	1,538

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

The key assumptions used for value-in-use calculations are as follows:

	<b>Average rate (%)</b>
Gross margin	0.82 - 15.91
Growth rate	4.98 - 7.35
Discount rate	5.18 - 17.17

**16 Intangible assets, net**

	<b>Consolidated</b>		
	<b>2014</b>		
	<b>Customer relationship Million Baht</b>	<b>Computer software Million Baht</b>	<b>Total Million Baht</b>
<b>As at 1 January</b>			
Cost	283	80	363
<u>Less Accumulated amortisation</u>	(26)	(64)	(90)
Net book amount	257	16	273
<b>For the year ended 31 December</b>			
Opening net book amount	257	16	273
Difference from translations	2	-	2
Additions	-	2	2
Amortisation charge	(38)	(5)	(43)
Closing net book amount	221	13	234
<b>As at 31 December</b>			
Cost	283	82	365
<u>Less Accumulated amortisation</u>	(62)	(69)	(131)
Net book amount	221	13	234

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**16 Intangible assets, net (continued)**

	<b>Consolidated</b>		
	<b>2013</b>		
	<b>Customer relationship Million Baht</b>	<b>Computer software Million Baht</b>	<b>Total Million Baht</b>
<b>As at 1 January</b>			
Cost	-	79	79
<u>Less</u> Accumulated amortisation	-	(59)	(59)
Net book amount	-	20	20
<b>For the year ended 31 December</b>			
Opening net book amount	-	20	20
Additions	283	1	284
Amortisation charge	(26)	(5)	(31)
Closing net book amount	257	16	273
<b>As at 31 December</b>			
Cost	283	80	363
<u>Less</u> Accumulated amortisation	(26)	(64)	(90)
Net book amount	257	16	273

  

	<b>Company</b>	
	<b>2014</b>	<b>2013</b>
	<b>Computer software Million Baht</b>	<b>Computer software Million Baht</b>
<b>As at 1 January</b>		
Cost	13	13
<u>Less</u> Accumulated amortisation	(7)	(5)
Net book amount	6	8
<b>For the year ended 31 December</b>		
Opening net book amount	6	8
Additions	1	-
Amortisation charge	(3)	(2)
Closing net book amount	4	6
<b>As at 31 December</b>		
Cost	14	13
<u>Less</u> Accumulated amortisation	(10)	(7)
Net book amount	4	6

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**17 Deferred income taxes**

The analysis of deferred tax assets and deferred tax liabilities are as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Deferred tax assets	304	235	-	71
Deferred tax liabilities	(388)	(214)	(111)	-
Deferred tax assets (liabilities), net	(84)	21	(111)	71

The gross movement and the deferred income tax account is as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Deferred tax assets:</b>				
Deferred tax asset to be recovered within 12 months	14	52	-	-
Deferred tax asset to be recovered after more than 12 months	461	342	87	133
	475	394	87	133
<b>Deferred tax liabilities:</b>				
Deferred tax liability to be settled within 12 months	4	-	-	-
Deferred tax liability to be settled after more than 12 months	555	373	198	62
	559	373	198	62
<b>Deferred tax assets (liabilities), net</b>	<b>(84)</b>	<b>21</b>	<b>(111)</b>	<b>71</b>

The gross movement of the deferred income tax account is as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
At 1 January	21	51	71	3
Charged/(credited) to profit or loss (Note 31)	84	(35)	(48)	66
Tax charged/(credited) directly to other comprehensive income (Note 31)	(189)	5	(134)	2
At 31 December	(84)	21	(111)	71



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**17 Deferred income taxes (continued)**

The movement in deferred tax assets and liabilities during the year 2014 and 2013, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Charged/credited to			Charged/credited to			Consolidated
	As at 1 January 2013 Million Baht	Profit and loss Million Baht	Comprehensive income Million Baht	As at 31 December 2013 Million Baht	Profit and loss Million Baht	Comprehensive income Million Baht	As at 31 December 2014 Million Baht
<b>Deferred tax assets</b>							
Allowance for doubtful accounts	4	1	-	5	(1)	-	4
Allowance for diminution in value of inventories	-	-	-	-	7	-	7
Provision for impairment of value added tax	22	(22)	-	-	-	-	-
Provision for impairment of fixed assets	87	7	-	94	(6)	-	88
Employee benefit obligation	17	1	-	18	7	-	25
Unrealised actuarial losses on employee benefits plan	-	-	5	5	(5)	-	-
Unrealised gain on sales of goods/assets within the group	24	27	-	51	(18)	-	33
Loss carried forwards	62	97	-	159	57	-	216
Difference from purchase of assets from a business combination under common control	52	-	-	52	-	-	52
Others	1	9	-	10	40	-	50
<b>Deferred tax assets, gross</b>	<b>269</b>	<b>120</b>	<b>5</b>	<b>394</b>	<b>81</b>	<b>-</b>	<b>475</b>

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**17 Deferred income taxes (continued)**

The movement in deferred tax assets and liabilities during the year 2014 and 2013, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows: (continued)

	<b>Consolidated</b>					
	<b>As at</b>	<b>Charged/credited to</b>		<b>As at</b>	<b>Charged/credited to</b>	
	<b>1 January</b>	<b>Profit and loss</b>	<b>Comprehensive</b>	<b>31 December</b>	<b>Profit and</b>	<b>Comprehensive</b>
	<b>2013</b>	<b>Million Baht</b>	<b>income</b>	<b>2013</b>	<b>loss</b>	<b>income</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
						<b>31 December</b>
						<b>2014</b>
						<b>Million Baht</b>
<b>Deferred tax liabilities</b>						
Differences on depreciation	(56)	(21)	-	(77)	(61)	(138)
Finance lease liabilities, net	(7)	(9)	-	(16)	(6)	(22)
Fair value adjustments from business acquisition	(91)	(125)	-	(216)	94	(122)
Valuation surplus on land	(62)	-	-	(62)	2	(249)
Others	(2)	-	-	(2)	(26)	(28)
<b>Deferred tax liabilities, gross</b>	<b>(218)</b>	<b>(155)</b>	<b>-</b>	<b>(373)</b>	<b>3</b>	<b>(559)</b>
<b>Deferred income taxes, net</b>	<b>51</b>	<b>(35)</b>	<b>5</b>	<b>21</b>	<b>84</b>	<b>(84)</b>

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**17 Deferred income taxes (continued)**

The movement in deferred tax assets and liabilities during the year 2014 and 2013, is as follows: (continued)

	Company					
	As at 1 January 2013 Million Baht	Charged/credited to		As at 31 December 2013 Million Baht	Charged/credited to	
		Profit and loss Million Baht	Comprehensive income Million Baht		Profit and loss Million Baht	Comprehensive income Million Baht
						As at 31 December 2014 Million Baht
<b>Deferred tax assets</b>						
Allowance for doubtful accounts	1	-	-	1	-	1
Provision for impairment from investment of subsidiaries	4	9	-	13	10	23
Employee benefit obligation	6	1	-	7	2	9
Unrealised actuarial losses on employee benefits plan	-	-	2	2	-	2
Loss carried forwards	-	53	-	53	(53)	-
Difference from a business combination under common control	52	-	-	52	-	52
Others	-	5	-	5	(5)	-
<b>Deferred tax assets, gross</b>	<b>63</b>	<b>68</b>	<b>2</b>	<b>133</b>	<b>(46)</b>	<b>87</b>

**17 Deferred income taxes (continued)**

The movement in deferred tax assets and liabilities during the year 2014 and 2013, is as follows: (continued)

	<b>Company</b>		
	<b>As at</b>	<b>Charged/credited to</b>	<b>As at</b>
	<b>1 January</b>	<b>Profit and loss</b>	<b>31 December</b>
	<b>2013</b>	<b>Comprehensive</b>	<b>2013</b>
	<b>Million Baht</b>	<b>income</b>	<b>Million Baht</b>
		<b>Million Baht</b>	
<b>Deferred tax liabilities</b>			
Differences on depreciation	(4)	(2)	(6)
Valuation surplus on land	(56)	-	(56)
<b>Deferred tax liabilities, gross</b>	(60)	(2)	(62)
<b>Deferred income taxes, net</b>	3	66	71

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**18 Other non-current assets**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Accrued interest income on loans to subsidiaries (Note 33)	4	2	256	194
Deposits at bank used as collateral	27	26	-	-
Deposits	38	89	23	74
Corporate income tax refundable	59	59	59	59
Deferred charge	9	14	-	-
Prepaid rental	540	540	55	48
Leasehold	92	108	-	-
Others	36	7	21	6
<b>Total</b>	<b>805</b>	<b>845</b>	<b>414</b>	<b>381</b>

**19 Short-term loans from financial institutions, net**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Short-term loans from financial institutions	6,347	7,338	1,792	4,052
<b>Total</b>	<b>6,347</b>	<b>7,338</b>	<b>1,792</b>	<b>4,052</b>

As at 31 December 2014, the Company has short-term promissory notes and trust receipts from local commercial banks amounting to Baht 1,792 million, bear interest rates at the range of 3.20% - 3.35% per annum (31 December 2013 : trust receipts and short-term promissory notes from local commercial banks amounting to USD 67 million and Baht 1,849 million, bear interest rates at the range of 0.83% - 3.90% per annum).

**20 Trade and other payables**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Trade payables	2,024	1,860	384	512
Trade payables to related parties (Note 33)	-	-	51	347
Other payables	406	134	56	58
Other payables to related parties (Note 33)	4	2	51	94
Accrued interest	51	54	56	60
Accrued expenses	439	534	26	33
Energy fund payable	827	594	447	223
<b>Total</b>	<b>3,751</b>	<b>3,178</b>	<b>1,071</b>	<b>1,327</b>

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**21 Long-term loans from financial institutions, net**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Current portion of long-term loans, net</b>				
Thai currency	267	286	-	-
<u>Less</u> Financing fee	(1)	-	-	-
	<u>266</u>	<u>286</u>		
<b>Long-term loans, net</b>				
Thai currency	537	781	-	-
<u>Less</u> Financing fee	(1)	(2)	-	-
	<u>536</u>	<u>779</u>		
Total long-term loans, net	<u>802</u>	<u>1,065</u>	<u>-</u>	<u>-</u>

The movement of long-term loans from financial institutions during the year can be analysed as follows:

	<b>Consolidated</b>		<b>Company</b>	
<b>For the year ended 31 December</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Opening balance	1,065	943	-	-
Additions	22	351	-	-
Repayments	(286)	(229)	-	-
Difference from translations	1	-	-	-
Closing balance	<u>802</u>	<u>1,065</u>	<u>-</u>	<u>-</u>

As at 31 December 2014 and 2013, the long-term loans represented long-term loans from local commercial banks as follows:

**The subsidiaries**

As at 31 December 2014, Siam Lucky Marine Company Limited has long-term loans from local commercial banks as follows:

Long-term loan of Baht 30.21 million (2013: Baht 50.61 million) carries interest at the rate of MLR-1.00% per annum. Principal is repayable on a monthly basis; of which the 1st - 83rd instalments are Baht 1.70 million per instalment, the 84th and final instalments are Baht 1.40 million. The first instalment commenced in October 2010 and the loan shall be due for full repayment by September 2016. The loan is secured by the subsidiary's vessel (Note 14) and also guaranteed by Lucky Carrier Company Limited.

**21 Long-term loans from financial institutions, net (continued)**

Long-term loan of Baht 29.62 million (2013: Baht 45.71 million) carries interest at the rate of MLR-1.00% per annum. Principal is repayable on a monthly basis; of which the 1st - 83rd instalments are Baht 1.54 million per instalment and the last instalment is the remaining unpaid amount. The loan is due for full repayment by April 2017. The loan is secured by the subsidiary's vessels (Note 14). In addition, the loan is also guaranteed by Lucky Carrier Company Limited and Siamgas and Petrochemicals Public Company Limited.

Long-term loan of Baht 89.75 million (2013: Baht 109.89 million) carries interest at the rate of MLR-1.00% per annum. The repayments of principal and interest totalling Baht 2.20 million are made on a monthly basis. The remaining balance is repayable in the last installment. The loan is secured by the subsidiary's vessels (Note 14). In addition, the loan is also guaranteed by Lucky Carrier Company Limited and Siamgas and Petrochemicals Public Company Limited.

Long-term loan of Baht 35.51 million (2013: Baht 45.65 million) carries interest at the rate of MLR-1.00% per annum. The repayments of principal and interest totalling Baht 0.85 million are made on a monthly basis. The remaining balance is repayable in the last installment. The loan is secured by the subsidiary's vessels (Note 14). In addition, the loan is also guaranteed by Lucky Carrier Company Limited and Siamgas and Petrochemicals Public Company Limited.

Long-term loan of USD 4.28 million carries interest at the rate of 4.4836% per annum. The repayments of USD 0.47 million are made on a quarterly basis. The remaining balance is repayable in the last installment (2013: Long-term loan of Baht 203.77 million carries interest at the rate of MLR-1.50% per annum. The repayments of Baht 15.67 million are made on a quarterly basis. The remaining balance is repayable in the last installment). The loan is secured by the subsidiary's vessels (Note 14). In addition, the loan is also guaranteed by Lucky Carrier Company Limited and Siamgas and Petrochemicals Public Company Limited.

Long-term loan of USD 0.70 million carries interest at the rate of 4.4836% per annum. The repayments of USD 0.26 million are made on a quarterly basis. The remaining balance is repayable in the last installment. The loan is secured by the subsidiary's vessels (Note 14). In addition, the loan is also guaranteed by Lucky Carrier Company Limited and Siamgas and Petrochemicals Public Company Limited.

Long-term loan of Baht 207.60 million (2013: Baht 253.80 million) carries interest at the rate of MLR-1.50% per annum. Principal is repayable in 78 instalments of Baht 3.85 million per instalment and the last instalment is the remaining unpaid amount. The first instalment commenced in January 2013. The loan is secured by the subsidiary's vessels (Note 14). In addition, the loan is also guaranteed by Siamgas and Petrochemicals Public Company Limited.

**21 Long-term loans from financial institutions, net** (continued)

**The subsidiaries** (continued)

Long-term loan of Baht 200.31 million (2013: Baht 239.07 million) carries interest at the rate of BIBOR+2.15% per annum. Principal is repayable in 84th installments of Baht 3.23 million per installment and the last installment is the remaining unpaid amount. The first installment commenced in September 2013. The loan is secured by the subsidiary's vessels (Note 14). In addition, the loan is also guaranteed by Siamgas and Petrochemicals Public Company Limited.

Long-term loan of Baht 46.67 million (2013: Baht 86.67 million) carries interest at the rate of BIBOR per annum. Principal is repayable in 36th installments of Baht 3.33 million per installment and the last installment is the remaining unpaid amount. The first installment commenced in September 2013. The loan is secured by the subsidiary's vessels (Note 14). In addition, the loan is also guaranteed by Siamgas and Petrochemicals Public Company Limited.

Under the terms and conditions as specified in the loan agreements, the subsidiary is not permitted to use pledged assets as collateral for other obligations without prior formal approval from the banks. The subsidiary has to comply with the conditions, including certain debt covenants as specified in the agreement.

The interest rate risk of long term loans of the Group are shown below:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Long-term loans, net				
- at floating rates	802	1,065	-	-
Total long-term loans, net	802	1,065	-	-

As at 31 December 2014, the weighted average effective interest rate of the long-term loans of the Group was approximately 4.98% per annum (2013: 6.00% per annum).

Maturity of long-term loans is as follows:

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Within 1 year	266	286
Later than 1 year but not later than 5 years	536	711
Later than 5 years	-	68
Total long-term loans, net	802	1,065



**21 Long-term loans from financial institutions, net** (continued)

**Finance lease liabilities**

A subsidiary has finance lease agreements for trucks and hire purchase agreements for trucks with financial institutions. As at 31 December, the outstanding of finance lease liabilities were as follows:

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Finance lease liabilities	-	34
<u>Less</u> Deferred interest	-	-
Total finance lease liabilities - net	-	34

Maturity of finance lease is as follows:

	<b>Consolidated</b>	
	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Current portion of finance lease liabilities - net	-	33
Long term portion of finance lease liabilities - net	-	1
	-	34

**Credit facilities**

As at 31 December 2014, the Group has available unused credit facilities with commercial banks for letter of credit, trust receipt, cheque discounted, letter of guarantee, and forward contract, of Baht 20,473 million (2013: Baht 20,159 million).

**22 Other current liabilities**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
VAT payable	-	-	29	12
Accrued withholding tax expense	4	-	-	-
Others	35	69	3	3
Total	39	69	32	15

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**23 Bonds, net**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Thai Baht bonds	4,300	4,500	4,300	4,500
<u>Less</u> Financing fees	(4)	(6)	(4)	(6)
Total bonds, net	4,296	4,494	4,296	4,494

The movements of bonds can be analysed as follows:

**For the year ended 31 December 2014**

	<b>Consolidated</b>	<b>Company</b>
	<b>Million baht</b>	<b>Million Baht</b>
Opening balance, net	4,494	4,494
Repayment	(1,500)	(1,500)
Issue of bond	1,300	1,300
Financing fee on issue of bond	(3)	(3)
Amortised financing fees	5	5
Closing balance, net	4,296	4,296

According to the Annual General Shareholders' meeting 2013 held on 23 April 2013, it approved the issuance of bonds and/or promissory note in the amount which is not exceeding Baht 20,000 million. In addition to the previous approval on the issuance of bonds and/or promissory note which was approved at the Annual General Shareholders' meeting 2009 held on 24 April 2009 in amount of Baht 3,000 million and the Extraordinary meeting of Shareholders No. 1/2011 held on 7 October 2011 in amount of Baht 10,000 million, the total limit of the issuance of bonds and/or promissory note is not more than Baht 33,000 million.

During the period from 27 to 29 January 2014, the Company had proposed to issue and offer unsecured and unsecured debenture bond. Total value of debenture bond is Baht 1,300 million. The par value is equal to offering price at Baht 1,000 per unit. Interest is repayment every 3 months.

The bonds are rated at BBB (Stable) by TRIS. The details of the bond are as follows:

<b>Type of bond</b>	<b>Fixed interest rate</b>
3 - years bond	5.20% per annual

The Company has successfully issued the bond of Baht 1,300 million to refinance the bond of Baht 1,500 million that was due in February 2014. Under the rights and responsibility of the issuer and the holders of bond, the Company has to comply with the conditions, including certain financial covenants.

Maturity of bonds is as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Within 1 year	1,500	1,500	1,500	1,500
Later than 1 year but not later than 5 years	2,796	2,994	2,796	2,994
Total long-term loans, net	4,296	4,494	4,296	4,494

**24 Cylinder deposits**

As at 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Cylinder deposits	4,022	3,805	719	627

The Company has obligation for cylinder deposits which was transferred from the business acquisition of Siam Gas Industries Co., Ltd. on 27 April 2005 at net book value. The obligation will arise when customers return the cylinder together with original receipt in exchange for the deposit. Net book value of cylinder deposits of Baht 133 million was the remaining balance after being amortised over the useful life of cylinders until the date of the acquisition. If the Company had recognised the deposits at gross amount before amortisation, the Company may have additional cylinder deposits liabilities. However, the Company and management determine that the rate of deposits refund is very low based on the last five-year information (Note 34). The Company believes that significant refund of deposits will occur when gas business operations significantly decline.

**25 Employee benefit obligations**

	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Present value of obligations	127	117	46	42
Liability in the statement of financial position	127	117	46	42

Movements in employee benefit obligations are as follows:

For the year ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Opening balance	117	85	42	31
Current service costs	8	6	3	2
Interest costs	3	2	1	-
Actuarial loss	-	26	-	9
Benefit paid	(1)	(2)	-	-
Closing balance	127	117	46	42

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**25 Employee benefit obligations (continued)**

Costs of employee benefits recognised in the statement of income are as follows:

For the year ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Current service costs	8	6	3	2
Interest costs	3	2	1	-
Total	11	8	4	2

The amounts recognised in cost of sales and services and administrative expenses are as follows:

For the year ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Cost of sales and services	4	5	-	-
Administrative expenses	7	3	4	2
Total	11	8	4	2

The principal actuarial assumptions used were as follows:

	2014	2013
Discount rate	4.2%	4.2%
Inflation rate	3.0%	3.0%
Salary increase rate	5% - 7%	5% - 7%
Pre-retirement mortality rate	0.08% - 1.03%	0.08% - 1.03%

**26 Share capital**

	Number of share Million shares	Ordinary share Million Baht	Share premium Million Baht	Treasury stock Million Baht	Total Million Baht
As at 1 January 2013	950	950	1,875	(272)	2,553
Issue of ordinary shares	(31)	(31)	-	272	241
As at 31 December 2013	919	919	1,875	-	2,794
Reduction of ordinary shares	-	-	-	-	-
As at 31 December 2014	919	919	1,875	-	2,794

As at 31 December 2014, total authorised number of shares was shares 919 million with a par value of Baht 1 per share (31 December 2013: shares 919 million with a par value of Baht 1 per share). All shares 919 million were issued and fully paid-up with the share premium of Baht 1,875 million.

## **27 Dividends paid**

### **The Company**

On 8 August 2014, at the Board of Directors' meeting of the Company, it passed a resolution to propose the payment of interim dividend for retained earnings as at 30 June 2014 in amount of Baht 0.15 per share, totalling Baht 137.84 million. The Company paid interim dividend from the operating results for the six-month period ended 30 June 2014 on 4 September 2014.

On 25 April 2014, the Annual General Shareholders' meeting of the Company, the shareholders passed a resolution to approve the payment of dividend for the year 2013 at Baht 0.60 per share, totalling Baht 551.36 million. The Company paid interim dividend from the operating results for the six-month period of year 2013 at Baht 0.10 per shares, totalling Baht 91.89 million, on 5 September 2013. The remaining dividend will be paid at Baht 0.50 per share, totalling Baht 459.36 million, on 15 May 2014.

### **The Subsidiaries**

On 8 August 2014, at the Board of Directors' meeting of Unique Gas and Petrochemical Public Company Limited, it passed a resolution to approve dividend payment from the operating results for the six-month period ended 30 June 2014 at Baht 30 per shares, for 10.5 million shares, totalling Baht 315 million. The Company had already paid interim dividend on 3 September 2014.

On 5 August 2014, at Board of Director's meeting of Lucky Carrier Company Limited, it passed a resolution to approve dividend payment from the operating results for six months ended 30 June 2014 at Baht 3 per share, for 7 million shares, totalling Baht 21 million. The company had already paid interim dividend on 14 August 2014.

On 18 April 2014, at the Annual General Shareholders' meeting of Lucky Carrier Company Limited, it passed a resolution to approve dividend payment from the operating results for the year ended 31 December 2013 at Baht 7 per share, for 7 million shares, totalling Baht 49 million, inclusive of interim dividends for the first six months of 2013 at Baht 3 per shares, for 7 million shares, totalling Baht 21 million. The subsidiary had already paid interim dividend on 16 September 2013. The remaining dividend payment at Baht 4 per shares, totalling Baht 28 million had already been paid to the shareholders on 2 May 2014.

On 23 April 2014, at the Annual General Shareholders' meeting of Unique Gas and Petrochemical Public Company Limited, it passed a resolution to approve dividend payment from the operating results for the year ended 31 December 2013 at Baht 60 per share, for 10.5 million shares, totalling Baht 630 million, inclusive of interim dividends for the first six months of 2013 at Baht 30 per shares, for 10.5 million shares, totalling Baht 315 million. The Company had already paid interim dividend on 25 June 2013. The remaining dividend payment at Baht 30 per shares, totalling Baht 315 million had already been paid to the shareholders on 29 April 2014.

On 21 April 2014, at the Extraordinary Shareholders' meeting of SingGas (LPG) Pte. Ltd., a resolution was passed to approved dividends payment from the operating results for the year ended 31 December 2013 at SGD 0.07 per share or Baht 1.81 per share, for 14.30 million shares, totalling SGD 1.00 million or Baht 25.87 million. The Company received the dividends and recognised as income with the amount of Baht 24.58 million in the company statement of income. The remaining dividends of Baht 1.29 million were paid to non-controlling interests and recognised as a dividend payment in the statement of changes in shareholders' equity.

**28 Legal reserve**

Under the Public Companies Act, the Company is required to set aside as a statutory reserve at least 5% of its net profit after deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. Dividend cannot be paid out of the legal reserve.

Under the provision of the Civil and Commercial Code of Thailand, the subsidiary companies in Thailand are required to set aside as a legal reserve at least 5% of their net profit each time a dividend is declared until the reserve reaches 10% of registered capital, such reserve is not available for dividend distribution until the company is finally wound up.

**29 Other income**

For the year ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Rental income	39	46	38	40
Interest income	32	15	76	68
Gain on disposals of property, plant and equipment and investment property	100	7	33	2
Gain on exchange rates	32	473	44	354
Others	195	184	85	47
<b>Total other income</b>	<b>398</b>	<b>725</b>	<b>276</b>	<b>511</b>

**30 Expenses by nature**

For the year ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Depreciation and amortisation expenses	1,089	1,017	105	89
Staff costs	1,185	1,074	279	234
Directors' and key management's remuneration	57	54	32	31
Impairment charge on investment in subsidiaries	-	-	48	45

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**31 Income tax**

For the year ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Current tax	182	176	7	-
Deferred tax	(84)	35	48	(66)
<b>Total tax expense (income)</b>	<b>98</b>	<b>211</b>	<b>55</b>	<b>(66)</b>

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the company as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
Profit (loss) before tax	(439)	1,860	998	47
Tax calculated at a tax rate of 10% - 25% (2013 : 10% - 25%)	25	364	200	9
Tax effect of:				
Income not subject to tax	(157)	(164)	(140)	(99)
Expenses not deductible for tax purpose	11	33	12	24
Utilisation of previously unrecognised tax losses	(19)	(48)	(18)	-
Tax losses for which no deferred income tax asset was recognised	262	26	-	-
Others	(24)	-	1	-
<b>Tax charge</b>	<b>98</b>	<b>211</b>	<b>55</b>	<b>(66)</b>
<b>Average effective tax rate</b>	<b>(22.31%)</b>	<b>11.36%</b>	<b>5.48%</b>	<b>(141.33%)</b>

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**31 Income tax (continued)**

The tax (charge)/credit relating to component of other comprehensive income are as follows:

	<b>2014</b>			<b>Consolidated 2013</b>		
	<b>Before tax Million Baht</b>	<b>Tax (charge) credit Million Baht</b>	<b>After tax Million Baht</b>	<b>Before tax Million Baht</b>	<b>Tax (charge) credit Million Baht</b>	<b>After tax Million Baht</b>
Actuarial loss on retirement benefit obligations	-	-	-	(25)	5	(20)
Revaluation surplus on land	943	(189)	754	-	-	-
	<u>943</u>	<u>(189)</u>	<u>754</u>	<u>(25)</u>	<u>5</u>	<u>(20)</u>
	<b>2014</b>			<b>Company 2013</b>		
	<b>Before tax Million Baht</b>	<b>Tax (charge) credit Million Baht</b>	<b>After tax Million Baht</b>	<b>Before tax Million Baht</b>	<b>Tax (charge) credit Million Baht</b>	<b>After tax Million Baht</b>
Actuarial loss on retirement benefit obligations	-	-	-	(9)	2	(7)
Revaluation surplus on land	670	(134)	536	-	-	-
	<u>670</u>	<u>(134)</u>	<u>536</u>	<u>(9)</u>	<u>2</u>	<u>(7)</u>



### 32 Earnings (loss) per share

Basic earnings (loss) per share attributable to equity holders of the parent is calculated by dividing the net profit (loss) for the period attributable to equity holders of the parent by the weighted average number of ordinary shares issued during the period.

For the year ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
Net profit (loss) for the period attributable to the parent company (Million Baht)	(514)	1,602	943	113
Weighted average number of ordinary shares after deduction of treasury stock (Million Shares)	919	919	919	919
Basic earnings (loss) per share (Baht/Share)	(0.56)	1.74	1.03	0.12

There are no potential dilutive ordinary shares in issue during the year.

### 33 Related party transactions

As at 31 December 2014, the major shareholders of the Company are shareholders in Weeraborwornpong family, which own 61.22% of the Company's share capital.

Details of subsidiaries and joint ventures are presented in Note 12.

The significant related party transactions are as follows:

#### i) Outstanding balances arising from sales and purchases of goods/services

	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
<b>Trade accounts receivable</b>				
Subsidiaries	-	-	20	2,487
Joint ventures	3	-	-	-
Other related parties - the same shareholders and directors	3	2	1	1
<b>Total</b>	<b>6</b>	<b>2</b>	<b>21</b>	<b>2,488</b>
<b>Other receivables</b>				
Subsidiaries	-	-	2	-
Joint ventures	33	71	7	-
<b>Total</b>	<b>33</b>	<b>71</b>	<b>9</b>	<b>-</b>

**33 Related party transactions (continued)**

The significant related party transactions are as follows: (continued)

**i) Outstanding balances arising from sales and purchases of goods/services (continued)**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Cylinder deposits</b>				
Subsidiaries	-	-	2	2
<b>Deposits for building</b>				
Other related parties - the same shareholders and directors	9	9	3	3
<b>Prepayment for building</b>				
Other related parties - the same shareholders and directors	170	67	69	26
<b>Trade accounts payable</b>				
Subsidiaries	-	-	51	347
<b>Other payables</b>				
Subsidiaries	-	-	50	93
Other related parties - the same shareholders and directors	4	2	1	1
<b>Total</b>	<b>4</b>	<b>2</b>	<b>51</b>	<b>94</b>

**33 Related party transactions (continued)**

The significant related party transactions are as follows: (continued)

**ii) Loans from/to related parties**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Long-term loans to related parties</b>				
Subsidiaries	-	-	1,499	1,616
Joint ventures	110	36	110	36
<b>Total</b>	<b>110</b>	<b>36</b>	<b>1,609</b>	<b>1,652</b>
<b>Accrued interest income</b>				
Subsidiaries	-	-	252	192
Joint ventures	4	2	4	2
<b>Total</b>	<b>4</b>	<b>2</b>	<b>256</b>	<b>194</b>

The movement of long-term loans to related parties can be analysed as follows:

	<b>Consolidated</b>		<b>Company</b>	
<b>As at 31 December</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Opening balance	36	-	1,652	1,608
Additions	5	38	41	128
Adjustment for net assets from business acquisition	63	-	63	-
Proceeds	-	(9)	(156)	(139)
Unrealised loss on exchange rates	6	7	9	55
<b>Closing balance</b>	<b>110</b>	<b>36</b>	<b>1,609</b>	<b>1,652</b>

As at 31 December 2014, the details of long-term loans to subsidiaries are as follows:

- Interest rate of 5.25% per annum (2013: 5.25% per annum) is charged for a loan of Baht 376.47 million (2013: Baht 362.47 million). These loans are due when the subsidiary has sufficient working capital.
- Interest rate of 5.25% per annum (2013: 5.25% per annum) is charged for a loan of Baht 50.00 million (2013: Baht 95 million). The loan dues in 2015.
- Interest rate of average MLR rate for three Thai commercial banks plus 0.50% per annum (2013: 0.50% per annum) is charged for a loan of Baht 370.00 million (2013: Baht 367.98 million). The loan dues when the subsidiary has sufficient working capital.

**33 Related party transactions (continued)**

The significant related party transactions are as follows: (continued)

**ii) Loans from/to related parties (continued)**

**Long-term loans to related parties (continued)**

- Interest rate of 5.25% per annum (2013: 5.25% per annum) is charged for a loan of Baht 32.81 million (2013: Baht 32.67 million). The loans dues when the subsidiary has sufficient working capital.
- Interest rate of Thai Baht fixed deposit plus 3.1% per annum (2013: Thai Baht fixed deposit plus 3.10% per annum) is charged for a loan of Baht 669.61 million (2013: Baht 699.56 million). The loan dues when the subsidiary has sufficient working capital.
- Interest rate of 5.25% per annum is charged for loans of Baht None million (2013: Baht 59 million). The loan dues when the subsidiary has sufficient working capital.
- Interest rate of 5.25% per annum is charged for loans of Baht 35.89 million (2013: Baht 35.75 million).
- Interest rate of 5.75% per annum is charged for loans of Baht 4.50 million.
- Interest rate of 5.50% per annum is charged for loans of USD 2.128 million.

**Long-term loans from subsidiaries**

As at 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
<b>Long-term loans from subsidiaries</b>				
Subsidiaries	-	-	1,020	786
<b>Accrued interest expenses</b>				
Subsidiaries	-	-	6	7

**33 Related party transactions (continued)**

The significant related party transactions are as follows: (continued)

**ii) Loans from/to related parties (continued)**

**Long-term loans from subsidiaries (continued)**

The movement of long-term loans from related parties can be analysed as follows:

For the year ended 31 December	Consolidated		Company	
	2014 Million Baht	2013 Million Baht	2014 Million Baht	2013 Million Baht
Opening balance	3	3	786	251
Additions	-	-	1,620	1,090
Repayments	-	-	(1,386)	(555)
Closing balance	3	3	1,020	786

As at 31 December 2014, the details of loans from 2 subsidiaries are as follows:

- Interest rate of average saving deposit interest rate of four Thai commercial banks plus 0.25% per annum (2013: 0.5% per annum) is charged for a loan of Baht 950 million (2013: Baht 718 million). The loans dues in 2015.
- Interest rate of average fixed deposit interest rate of three Thai commercial banks plus 0.25% per annum is charged for a loan of Baht 70 million (2013: Baht 68 million). The loan dues when the Company is able to borrow a loan from a financial institution.

As at 31 December 2014, the Group has loan from directors of Baht 3 million with no interest. The loan dues when the subsidiary has sufficient working capital.

**35 Related party transactions (continued)**

The significant related party transactions are as follows: (continued)

**iii) Revenues from sales of goods and services, interest income and other income**

For the year ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
<b>Sales of gas</b>				
Subsidiaries	-	-	1,558	9,366
Other related parties - the same shareholders and directors	12	9	6	3
<b>Total</b>	12	9	1,564	9,369
<b>Wharfing service income</b>				
Subsidiaries	-	-	43	50
<b>Other income</b>				
Subsidiaries	-	-	66	59
<b>Dividend income</b>				
Subsidiaries	-	-	701	462
<b>Interest income</b>				
Subsidiaries	-	-	65	67
Joint ventures	7	-	7	-
<b>Total</b>	7	-	72	67

**33 Related party transactions (continued)**

The significant related party transactions are as follows: (continued)

**iv) Purchases of goods and services and interest expenses**

For the year ended 31 December	Consolidated		Company	
	2014	2013	2014	2013
	Million Baht	Million Baht	Million Baht	Million Baht
<b>Purchase of goods</b>				
Subsidiaries	-	-	3	1,262
<b>Purchase of equipment</b>				
Subsidiaries	-	-	67	125
<b>Transportation expenses</b>				
Subsidiaries	-	-	294	336
<b>Wharfing expenses</b>				
Subsidiaries	-	-	18	89
<b>Rental expenses</b>				
Subsidiaries				
Other related parties - the same	-	-	2	2
shareholders and directors	29	26	11	10
<b>Total</b>	29	26	13	12
<b>Interest expenses</b>				
Subsidiaries	-	-	17	12
<b>Other expenses</b>				
Subsidiaries	-	-	5	7
Other related parties - the same				
shareholders and directors	40	30	18	13
<b>Total</b>	40	30	23	20
<b>Directors' and key management remunerations</b>				
Short-term employee benefits	56	53	32	30
Post-employment benefits	1	1	-	1
<b>Total</b>	57	54	32	31

### **34 Commitments and contingent liabilities**

#### **a) Letter of guarantee**

As at 31 December 2014 and 2013, the Company has bank guarantees issued on its behalf as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Letter of guarantee	2,103	2,136	856	889
Letter of credit	1,048	891	-	323

The Group has available credit facilities with commercial banks for letter of credit, trust receipt, cheque discounted, letter of guarantee, forward contract. Credit facilities are secured by the subsidiaries and personal guarantees by the Company's directors.

#### **b) Commitments - operating leases**

The Group and the Company have commitments from long-term land and building lease agreements as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 December 2014</b>	<b>31 December 2013</b>	<b>31 December 2014</b>	<b>31 December 2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Within 1 year	23	31	15	20
During 2 - 5 years	70	74	53	57
Later than 5 years	72	77	71	71
<b>Total</b>	<b>165</b>	<b>182</b>	<b>139</b>	<b>148</b>

#### **c) Capital commitments**

The Group and the Company have capital commitments at the statements of financial position date but not recognised in the financial statements as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 December 2014</b>	<b>31 December 2013</b>	<b>31 December 2014</b>	<b>31 December 2013</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Property, plant and equipment	38	54	38	54



**34 Commitments and contingent liabilities (continued)**

**d) Relation to contingent liabilities from cylinder deposits**

During the year 2004, the Company had entered into the Asset Purchase agreement with Siam Gas Industries Co., Ltd. On 27 April 2005, the Company has entered into cylinder deposit repayment agreement with Siam Gas Industries Co., Ltd. According to the agreement, Siam Gas Industries Co., Ltd. agrees to pay cylinder deposits to customer who has deposit receipts prior to the date of the Asset Sales and Purchase agreement, if aggregated refunds to customers are in excess of the amount specified in the Asset Sales and Purchase agreement. However, Siam Gas Industries Co., Ltd. has currently ceased the operation, and please see Note 24 in relation to contingent liabilities from cylinder deposits.

**35 Post statement of financial position event**

**a) Dividend payment**

On 24 February 2015, at the Board of Directors' meeting of the Company, it passed a resolution to propose the payment of dividend for the year 2014 amounting to Baht 0.35 per share, totalling Baht 321.63 million, inclusive of interim dividends for the first six months of 2014. The Company had already paid interim dividend for the operating result for the six-months period of the year 2014 amounting to Baht 0.15 per share, totalling Baht 137.84 million on 4 September 2014. The Board of Directors will propose the shareholders at their meeting to get an approval for dividend payment.

**b) Issuance of bond**

During the period from 26 to 29 January 2015, the Company had proposed to issue and offer unsubordinated and unsecured debenture bond. Total value of debenture bond is Baht 2,000 million. The par value is equal to offering price at Baht 1,000 per unit. Interest is repayment every 3 months.

The bonds are rated at BBB (Stable) by TRIS. The details of the bond are as follows:

<b>Type of bond</b>	<b>Interest rate</b>
3 - years bond	4.70% per annum

The Company has successfully issued the bond of Baht 2,000 million and already used the proceeds from the bond to repay another bond of Baht 1,500 million due in February 2015. Under the rights and responsibility of the issuer and the holders of bond, the Company has to comply with the conditions, including certain financial covenants.