



บริษัท ไทยสตีลเคเบิล จำกัด (มหาชน)
Thai Steel Cable Public Company Limited



วิสัยทัศน์ / Vision

เป็นผู้ผลิตสายควบคุมยานยนต์ระดับโลก

To be world class automotive control cable manufacturer

ภารกิจ / Mission

ด้านการตลาด – มุ่งสู่ตลาดโลก

Market – Expand to the world market

ด้านการวิจัยและพัฒนาผลิตภัณฑ์ – มุ่งสู่การเป็นผู้ ออกแบบระดับโลก

R&D – To be the world class cable designer

ด้านองค์กร – มุ่งสู่ความเป็นองค์กรแห่งการเรียนรู้

Organization – To be the learning organization

ด้านผลิตภัณฑ์ – พัฒนาสินค้าให้มีคุณภาพระดับโลก

Product – To be product of world standard quality



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จุดเด่นทางการเงิน

Financial Hilight

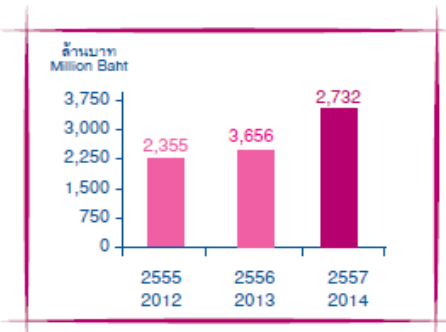
(หน่วย : ล้านบาท / Unit : Million Baht)

งบการเงินของบริษัท ณ 30 กันยายน

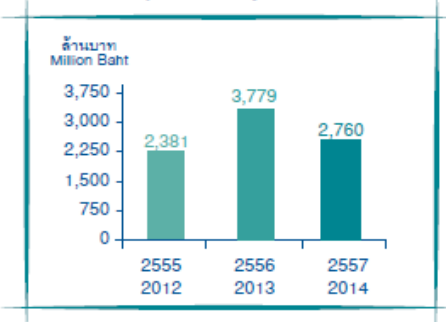
Financial Statement as of September 30th

	2555 2012	2556 2013	2557 2014
ผลการดำเนินงาน Operating Performance			
รายได้จากการขาย Revenues from sales	2,355	3,656	2,732
รายได้ทั้งหมด Total Revenues	2,381	3,779	2,760
ค่าใช้จ่ายรวม Total Expenses	2,217	3,426	2,618
กำไรก่อนต้นทุนทางการเงินและภาษีเงินได้ Earnings Before Finance Costs and Income Tax	164	353	142
กำไรสุทธิ Net Earnings	154	328	127
ฐานะทางการเงิน Financial Situation			
สินทรัพย์หมุนเวียน Current Assets	1,235	1,250	1,221
สินทรัพย์รวม Total Assets	2,427	2,604	2,690
หนี้สินรวม Total Liabilities	868	925	1,014
ส่วนของผู้ถือหุ้น Shareholders' Equity	1,559	1,679	1,676
ข้อมูลต่อหุ้น (หน่วย : บาท) Per Share Data (Unit : Baht)			
กำไรสุทธิต่อหุ้น Earnings per Share (EPS)	0.59	1.29	0.49
เงินปันผลต่อหุ้น Dividend per Share	0.50	0.80	0.60
มูลค่าตามบัญชีต่อหุ้น Book Value per Share	6.001	6.463	6.461
อัตราส่วนทางการเงิน (หน่วย : %) Financial Ratios (Unit : %)			
อัตราส่วนหนี้สินต่อส่วนของผู้ถือหุ้น (เท่า) Debt/Equity Ratio	0.56	0.55	0.60
อัตรากำไรสุทธิต่อรายได้รวม Net Earnings Margin	6	9	5
อัตราผลตอบแทนต่อส่วนผู้ถือหุ้น Return on Equity (ROE)	10	20	8
อัตราผลตอบแทนจากสินทรัพย์รวม Return on Asset (ROA)	7	13	5

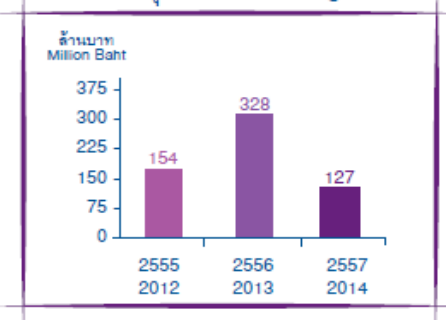
รายได้จากการขาย / Revenues from sales



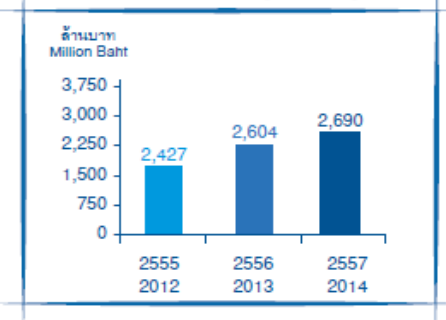
รายได้ทั้งหมด / Total Revenues



กำไรสุทธิ / Net Earnings



สินทรัพย์รวม / Total Assets



Message from the Management



Mr. Sunsum Jurangkool
Chief Executive Officer

Mr. Choothong Patanatmarueng
Deputy Chief Executive Officer

Mr. Sarit Patanatmarueng
Managing Director

Since Thailand's economy in 2014 suffered from the impact of the political situation in the country, together with the world economy experiencing a recession, there was a slight improvement. However, after the political situation resolved by establishing a new government to focus on supporting economic growth, it was expected to be able to build the confidence of households and business section to return to normal state soon.

In a long-term, the overview of Thailand's automotive industry was still outstanding and was the base of one of the most important automotive manufacturers in ASEAN. When the free trade within the ASEAN Economic Community (AEC) in 2015, it would create an opportunity to export more cars in this region. Therefore, Thailand is the target for manufacturers to increase production capacity for export and search for additional new cars projects as always. Moreover, the ECO-car 2 projects of the government, having 10 participant car makers could be considered as a good trend in the future.

In addition to running the business to have good profits, the company aimed to become a global manufacturer of automotive control cables with the mission of the company to be in the world market as world-class designers, as well as to be a learning organization and development of products to reach a world-class quality.

Furthermore, this year was considered a year of success and a pride of the company from being awarded from Thailand's Corporate Brand Rising Stars 2014 in the category of industrial products. This award was organized by Chulalongkorn University, in an affiliation with the media manager and SET Trading Co., Ltd., which would provide award to the company with the highest growth of the brand. The objective was to develop a corporate brand value in the Thailand systematically and to encourage businesses to recognize the importance of corporate brand development for a sustainable future.

The Board of Directors and the management team would like to express sincere gratitude to every manager and employee for your dedication and commitment to hard works that have contributed to great success year after year. We can be confident that the Company will overcome challenges in the future and will be able to capitalize on great opportunities in the ever-growing automotive industry. This is because our operation is not only equipped to respond to crisis or grasp opportunities, but also prepared to proactively capture utmost benefits from any crisis and opportunities.

Lastly, we would like to thank our shareholders, customers, business partners and all concerned parties for consistent support and never-ending trust. You can rest assured that the Company is committed to continuous development, proper governance and tireless efforts to achieve consistent and balanced growth. And we will continue to strive to become a sustainable, world-class automobile cable manufacturer.

Board of Directors and Audit



นายชูทอง พัฒนเมธียง
Mr. Choothong Patanatmarueng
รองประธานกรรมการ



นายสรสรเสริญ จุฬางกูร
Mr. Sunsum Jurangkool
ประธานกรรมการ



นายสริต พัฒนเมธียง
Mr. Sarit Patanatmarueng
กรรมการ



นายมากาโตะ เทราอูรา
Mr. Makoto Teraura
กรรมการ



นายทวีฉัตร จุฬางกูร
Mr. Thaveechat Jurangkool
กรรมการ



นายกรกฤษ จุฬางกูร
Mr. Kornkrit Jurangkool
กรรมการ



นายคาซุฮิโระ ทาเคชิตะ
Mr. Kazuhiro Takeshita
กรรมการ



นายทวี วสุวัต
Mr. Kavee Vasuvat
กรรมการอิสระ และ
ประธานกรรมการตรวจสอบ



นายอภิรักษ์ ณ ระนอง
Mr. Apinan Na Ranong
กรรมการอิสระ และ
กรรมการตรวจสอบ



นายปริญญ์ ไหววัฒนา
Mr. Prinya Waiwatana
กรรมการอิสระ และ
กรรมการตรวจสอบ



นายฉัตรชัย เอียสกุล
Mr. Chatchai Earsakul
กรรมการอิสระ และ
กรรมการตรวจสอบ



นายสรเสริญ จุฬางกูร
Mr. Sunsum Jurangkool
ประธานเจ้าหน้าที่บริหาร



นายชูทอง พัฒนะเมลิ้ง
Mr. Choothong Patanatmarueng
รองประธานเจ้าหน้าที่บริหาร



นายสริศ พัฒนะเมลิ้ง
Mr. Sarit Patanatmarueng
กรรมการผู้จัดการ และ
รักษาการผู้จัดการทั่วไป
(ส่วนงานจัดหา)



นายไชยยันต์ สวานะชัย
Mr. Chaiyant Savanachai
รองกรรมการผู้จัดการ และ
รักษาการผู้จัดการทั่วไป
(ส่วนงานปฏิบัติการธุรกิจ)



นายคาซุฮิโระ ทาเคชิตะ
Mr. Kazuhiro Takeshita
ผู้จัดการทั่วไปอาวุโส
(ส่วนงานวิจัย และพัฒนา)



นายสุทน เปรมปรี
Mr. Suthon Prempre
ผู้จัดการทั่วไป
(ส่วนงานผลิต)



นายสวัสดิ์ สุขะอาจิณ
Mr. Sawat Sukaachin
ผู้จัดการทั่วไป
(ส่วนงานคุณภาพ)



นางสาวสิริณา พัฒนะเมลิ้ง
Ms. Sirina Patanatmarueng
ผู้จัดการทั่วไป
(ส่วนงานบริหารธุรกิจ)



นายนาโอฮิโระ โคอิซุมิ
Mr. Naohiro Koizumi
ผู้จัดการทั่วไป
(ส่วนงานการตลาด)

Directors' Background

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
1. Mr. Sunsum Jurangkool	72	Secondary School Training : IOD - None -	83,115,000 Share (31.99%)	Father of Mr. Thaveechat Jurangkool and Mr. Kornkrit Jurangkool	1978 - Present	Chairman, Chief Executive Officer, Authorized Director	Thai Steel Cable Pcl.	Manufacturer of control cable for automobile/motorcycle and car window regulator	None
					1991 - Present	Chairman, Director, Authorized Director	Summit Corporation Co., Ltd.	Investment and shareholding in various business	
					1972 - Present	Chairman, Director, Authorized Director	Summit Auto Seats Industry Co., Ltd.	Manufacture of automobile and motorcycle seat	
					1986 - Present	Chairman, Director, Authorized Director	Summit Auto Body Industry Co., Ltd.	Manufacture of automobile body parts, mold and die	
					1991 - Present	Chairman, Director, Authorized Director	Summit Laemchabang Auto Body Work Co., Ltd.	Produce body parts and exhaust system equipment	
					1991 - Present	Chairman, Authorized Director	Summit Laemchabang Auto Seats Manufacturing Co., Ltd.	Manufacture of automobile seat frame and adjusting devices	
					1991 - Present	Chairman, Authorized Director	Auto Advance Material Manufacturing Co., Ltd.	Manufacture dry mat, sound insulation, plastic sheet, synthetic fiber sheet, for automobile and motorcycle use	
					1995 - Present	Chairman, Authorized Director	Eastern P.U. Foam Industry Co., Ltd.	Manufacture automobile seat foam	
					1996 - Present	Chairman, Authorized Director	Summit Auto Tech Industry Co., Ltd.	Manufacture of exhaust muffler system and automotive parts	
					1997 - Present	Chairman, Director, Authorized Director	Summit Engineering Center Co., Ltd.	Design & manufacture of various kinds of die and mold	
					1998 - Present	Chairman, Director, Authorized Director	Modern Products Industry Co., Ltd.	Manufacture of wood printing and coating of auto parts	
					2002 - Present	Chairman, Authorized Director	Auto Interior Products Co.,Ltd.	Manufacture, import, export of automobile floor carpet and headrest	
					1974 - Present	Chairman, Authorized Director	Thai Auto Industry Co., Ltd.	Manufacture and sell pressed parts for automobile and motorcycle	
					1982 - Present	Chairman, Authorized Director	Complete Auto Parts Co.,Ltd.	Manufacturer of component parts for brake cable, clutch and accelerator cable	
					1987 - Present	Chairman, Authorized Director	Summit Electronic Components Co., Ltd.	Produce electronic parts	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
1. Mr. Sunsum Jurangkool (continued)					1988 - Present	Vice Chairman	Bangkok Eagle Wings Co., Ltd.	Press Part	
					1988 - Present	Chairman, Director, Authorized Director	Summit Steering Wheel Co., Ltd.	Manufacture and distribute steering wheel and transmission	
					1990 - Present	Chairman, Director, Authorized Director	Summit Advanced Material Co., Ltd.	Import of steel sheet/coil, coil center	
					1993 - Present	Chairman, Authorized Director	Summit Showa Manufacturing Co., Ltd.	Manufacturer shock absorbers, engine parts, transmission system, braking system, suspension system consciously or bearings.	
					1994 - Present	Chairman, Authorized Director	SNC Sound Proof Co., Ltd.	Manufacture and export of raw material for making of automobile sound proof part	
					1994 - Present	Chairman, Authorized Director	Thai Seat Belt Co., Ltd.	Manufacture and distribute of seat belts and seat belts cable	
					1995 - Present	Chairman, Authorized Director	STB Textiles Industry Co.,Ltd.	Manufacture of fabric for automobile use	
					1995 - Present	Chairman, Authorized Director	Complete Auto Rubber Manufacturing Co., Ltd.	Manufacture rubber parts for automotive and electronic industry and other	
					1996 - Present	Chairman, Authorized Director	Summit Chugoku Seira Co., Ltd.	Manufacture welding nuts for automotive industry	
					1996 - Present	Chairman, Director, Authorized Director	Summit Kurata Manufacturing Co., Ltd.	Produce steering columns, Neck axis drive. Including spare parts and accessories for all kinds of vehicles.	
					1997 - Present	Chairman, Authorized Director	Summit Ansei Auto Parts Co., Ltd.	Produce car door lock and hood lock, tailgate, door lock loop.	
					1998 - Present	Director, Authorized Director	Summit Industry (Thailand) Co., Ltd.	Business rental	
					1999 - Present	Director , Authorized Director	Johnson Controls & Summit Interiors Co., Ltd.	Manufacture of automobile seat and interior parts	
					2002 - Present	Director	HSH Co., Ltd.	Investment and shareholding in various business	
					2002 - Present	Chairman, Authorized Director	Summit Windmill Golf Club Co., Ltd.	Golf club service	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
1. Mr. Sunsum Jurangkool (continued)					2003 - Present	Director	Hayama Intertrade Co., Ltd.	Sale floor carpet	
					2003 - Present	Vice Chairman, Authorized Director	Marubishi Summit Industry Vietnam Co., Ltd.	Manufacture automobile parts	
					2004 - Present	Director	JRK Auto Parts PVT. Ltd.	Produce automotive electronic parts	
					2004 - Present	Chairman, Authorized Director	Summit Haiya (Thailand) Co., Ltd.	Produce and maintain machine and all types of machinery parts, including parts and accessories of vehicles for all kinds.	
					2004 - Present	Chairman, Authorized Director	Summit Otsuka Manufacturing Co., Ltd.	Produce car parking hand-break	
					2005 - Present	Chairman, Authorized Director	Summit Rieter Nittoku Sound ProofCo., Ltd.	Manufacture and export of automobile soundproof parts	
					2006 - Present	Chairman, Authorized Director	Summit FujikikoKurata Manufacturing Co., Ltd.	Produce steering columns	
					2006 - Present	Chairman, Authorized Director	Top Flight Electronic & Automotive Co., Ltd.	Produce automotive electronic parts	
					2007 - Present	Chairman, Authorized Director	Summit Ongreen media Co., Ltd.	Produce printing	
					2007 - Present	Chairman, Authorized Director	Summit Green Valley ChiangmaiGolf Club Co., Ltd.	Golf club service	
					2007 - Present	Chairman, Authorized Director	Casma Racing Co., Ltd.	Produce automotive electronic parts	
					2008 - Present	Chairman, Authorized Director	Summit R&D Center Co., Ltd.	Automotive Product quality , capacity testing service , Calibration, Research and technology development, Design tools, Molds for automotive parts.	
					2008 - Present	Director	Hiruta Asteer Summit Co., Ltd.	Produce automotive parts	
					2008 - Present	Chairman, Authorized Director	Summit Auto Body Skill Development Center Co., Ltd.	Training service	
					2009 - Present	Chairman, Authorized Director	Central Motor Wheel (Thailand) Co., Ltd.	Produce medium wheel	
					2009 - Present	Director	Steel Alliance Service Center Co., Ltd.	Coil steel Slitter Steel	
					2013 - Present	Chairman	Summit Keylex (Thailand) Co., Ltd.	Produce vehicles parts and accessories.	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
2. Mr. Choothong Patanatmarueng	70	M.A., Political Science, Ramkhamhaeng University <u>Training</u> : IOD - Director Accreditation Program (DAP 35/2005)	16,997,400 Share (6.54%)	Father of Mr. Sarit Patanatmarueng and Ms. Sirina Patanatmarueng	1978 - Present	Vice Chairman, Deputy Chief Executive Officer, Authorized Director	Thai Steel Cable Pcl.	Manufacturer of control cable for automobile/motorcycle and car window regulator	None
					1982 - Present	President, Authorized Director	Complete Auto Parts Co., Ltd.	Manufacturer of component parts for brake cable, clutch, and accelerator cable	
					1995 - Present	President, Authorized Director	Complete Auto Rubber Manufacturing Co., Ltd.	Manufacture rubber parts for automotive and electronic industry and other	
					1996 - Present	President, Authorized Director	Summit Chugoku Seira Co., Ltd.	Manufacture welding nuts for automotive industry	
					1988 - Present	Executive Director, Authorized Director	Summit Steering Wheel Co., Ltd.	Manufacture and distribute steering wheel and transmission	
					2004 - Present	President, Authorized Director	Amata Summit Ready Built Co., Ltd.	Factory Lease/Rental Service	
3. Mr. Sarit Patanatmarueng	39	M.A., Business Administration, New Hampshire College, USA <u>Training</u> : IOD - Director Certification Program (DCP 42/2004)	460,200 Share (0.18%)	Son of Mr. Choothong Patanatmarueng	2013 – Present	Director, Authorized Director	Boltun Corporation (Thailand) Co., Ltd.	Manufacture, selling mold, steel, cast iron, brass and equipment concerned of mold product	
					2010 – 2013 (July)	Director, Authorized Director	P. Tooling Co.,Ltd.	Manufacturer of mold and related equipment.	
					2004 – Present	Director, Managing Director, Nomination Committee, Authorized Director	Thai Steel Cable Pcl.	Manufacturer of control cable for automobile/motorcycle and car window regulator	
					2004 – Present	Director, Authorized Director	Complete Auto Parts Co., Ltd.	Manufacturer of component parts for brake cable, clutch, and accelerator cable	
					2004 – Present	Director, Authorized Director	Complete Auto Rubber Manufacturing Co., Ltd.	Manufacture rubber parts for automotive and electronic industry and other	
					1996 – Present	Director, Authorized Director	Summit Chugoku Seira Co., Ltd.	Manufacture welding nuts for automotive industry	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
4. Mr. Makoto Teraura	76	Mechanical Engineering, Faculty of Technology, Shizuoka University, Japan Training : IOD - None -	None	None	1981 - Present	Director	Thai Steel Cable Pcl.	Manufacturero of control cable for automobile/motorcycle and car window regulator	None
					1995 - Present	Director	Chongqing HI-LEX Cable System Group Co., Ltd.	Manufacturero of control cable for automobile/motorcycle and car window regulator	
					2003 - Present	Director	Dae Dong HI-LEX Inc. (Korea)	Manufacturero of car window regulator and door module	
					1980 - Present	Director	Dae Dong System Co., Ltd.	Manufacturero of control cable for automobile	
					2002 - Present	Director	Guangzhou TSK Control Cable Co., Ltd.	Manufacturer of car component	
					2000 - Present	Director	HI-LEX Cable System Co., Ltd.	Manufacturero of control cable for automobile and car window regulator	
					1989 - Present	Director	HI-LEX Controls Inc.	Manufacturero of car window regulator and rear slider	
					1975 - Present	Chairman	HI-LEX Corporation	Manufacturero of control cable for automobile/motorcycle	
					1999 - Present	Director	HI-LEX India Private Ltd.	Manufacturero of control cable for automobile/motorcycle and car window regulator	
					1999 - Present	Director	HI-LEX Vietnam Co., Ltd.	Manufacturero of control cable for motorcycle	
					1985 - Present	Director	Izushi Cable, Inc.	Manufacturero of control cable for automobile	
					1973 - Present	Director	HI-LEX KANTO, Inc.	Manufacturero of control cable for automobile	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
4. Mr. Makoto Teraura (continued)					1981 - Present	Director	HI-LEX Saitama, Inc.	Manufacturer of control cable for automobile/motorcycle and car window regulator	
					1989 - Present	Director	HI-LEX Shimane, Inc.	Manufacturer of control cable for automobile and car window regulator	
					1978 - Present	Audit Committee	PT. HI-LEX Indonesia	Manufacturer of control cable for automobile/motorcycle and car window regulator	
					1989 - Present	Audit Committee	PT. HI-LEX Parts Indonesia	Manufacturer of car component	
					1973 - Present	Director	Tajima TSK, Inc.	Manufacturer of car component	
					1972 - Present	Director	TSK (Korea) Co., Ltd.	Manufacturer of control cable for automobile/motorcycle	
					2002 - Present	Director	Yantai TSK Cable System Co., Ltd.	Manufacturer of control cable for automobile and car window regulator	
					1992 - Present	Director	HI-LEX America Inc.	Manufacturer of control cable for automobile/motorcycle	
					2008 - Present	Director	Daedong HI-LEX of America Inc. LLC.	Manufacturer of car window regulator and door module	
					1993 - Present	Director	HI-LEX Mexicana, S.A DE.C.V	Manufacturer of control cable for automobile/motorcycle and car window regulator	
					2006 - Present	Director	HI-LEX Hungary Cable System Manufacturing LLC.	Manufacturer of control cable for automobile	
					2007 - Present	Director	Guangdong HI-LEX Cable System Co., Ltd.	Manufacturer of control cable for automobile/motorcycle and car window regulator	
					2007 - Present	Director	Changchun HI-LEX Auto Cable Co., Ltd.	Manufacturer of control cable for automobile/motorcycle and car window regulator	
					2012 - Present	Director	Sun Medical Technology Research Corp.	Manufacturer of medical devices	
					2012 - Present	Director	Hi-Lex RUS LLC	Manufacturer of control cable for automobile and car window regulator	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
5. Mr. Thaveechat Jurangkool	42	MBA., Finance, Webster University Training : IOD - Director Accreditation Program (DAP109/2014)	19,980,500 Shares (7.69%)	Son of Mr. Sunsum Jurangkool	2003 - Present	Director, Chairman of the Nomination, Authorized Director	Thai Steel Cable Pcl.	Manufacturer of control cable for automobile/motorcycle and car window regulator	None
					1993 - Present	Director, Authorized Director	Summit Auto Body Industry Co., Ltd.	Manufacture of automobile body parts, mold and die	
					1994 - Present	Director, Authorized Director	SNC Sound Proof Co., Ltd.	Manufacture and export of raw material for making of automobile sound proof part	
					1995 - Present	Director, Authorized Director	Complete Auto Rubber Manufacturing Co., Ltd.	Manufacture rubber parts for automotive and electronic industry and other	
					1995 - Present	Director, Authorized Director	Eastern P.U. Foam Industry Co., Ltd.	Manufacture automobile seat foam	
					1996 - Present	Director, Authorized Director	Summit Auto Tech Industry Co., Ltd.	Manufacture of exhaust muffler system and automotive parts	
					1996 - Present	Director, Authorized Director	Summit Chugoku Seira Co., Ltd.	Manufacture welding nuts for automotive industry	
					1998 - Present	Director, Authorized Director	Modern Products Industry Co., Ltd.	Manufacture of wood printing and coating of auto parts	
					1998 - Present	Director	Summit Industry (Thailand) Co., Ltd.	Business Rental	
					2002 - Present	Director, Authorized Director	Summit Corporation Co., Ltd.	Investment and shareholding in various business	
					2002 - Present	Director, Authorized Director	Summit Auto Seats Industry Co., Ltd.	Manufacture of automobile and motorcycle seat	
					2002 - Present	Director, Authorized Director	Summit Laemchabang Auto Seats Manufacturing Co., Ltd.	Manufacture of automobile seat frame and adjusting devices	
					2002 - Present	Director, Authorized Director	Summit Laemchabang Auto Body Work Co., Ltd.	Produce body parts and exhaust system equipment	
					2002 - Present	Director, Authorized Director	Summit Advanced Material Co., Ltd.	Import of steel sheet/coil, coil center	
					2002 - Present	Director, Authorized Director	Summit Engineering Center Co., Ltd.	Design & manufacture of various kinds of die and mold	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
5. Mr. Thaveechat Jurangkool (continued)					2002 - Present	Director, Authorized Director	Auto Interior Products Co., Ltd.	Manufacture, import, export of automobile floor carpet and headrest	
					2002 - Present	Director, Authorized Director	Auto Advance Material Manufacturing Co., Ltd.	Manufacture dry mat, sound insulation, plastic sheet, synthetic fiber sheet, for automobile and motorcycle use	
					2002 - Present	Director, Authorized Director	Summit Windmill Golf Club Co., Ltd.	Golf club service	
					2002 - Present	Director, Authorized Director	STB Textiles Industry Co., Ltd.	Manufacture of fabric for automobile use	
					2002 - Present	Director, Authorized Director	Summit Steering Wheel Co., Ltd.	Manufacture and distribute steering wheel and transmission	
					2003 - Present	Director	Marubishi Summit Industry Vietnam Co., Ltd.	Manufacture automobile parts	
					2003 - Present	Director, Authorized Director	Complete Auto Parts Co., Ltd.	Manufacturer of component parts for brake cable, clutch, and accelerator cable	
					2004 - Present	Director, Authorized Director	Summit Otsuka Manufacturing Co., Ltd.	Produce car parking hand-break	
					2004 - Present	Director, Authorized Director	Summit Haiya (Thailand) Co., Ltd.	Produce and maintain machine and production equipment	
					2004 - Present	Director	JRK Auto Parts PVT. Ltd.	Produce automotive electronic parts	
					2006 - Present	Director, Authorized Director	Top Flight Electronic &Automotive Co., Ltd.	Produce automotive electronic parts	
					2006 - Present	Director, Authorized Director	Summit Fujikiko Kurata Manufacturing Co., Ltd.	Produce steering columns	
					2007 - Present	Director, Authorized Director	Summit On Green Media Co., Ltd.	Printing service	
					2007 - Present	Director, Authorized Director	Summit Green Valley Chiangmai Golf Club Co., Ltd.	Golf club service	
					2007 - Present	Director, Authorized Director	Casma Racing Co., Ltd.	Produce automotive electronic parts	
					2007 - Present	Director, Authorized Director	J-Max Monopoly Corporation Co., Ltd.	Purchase sell, and rent real estate property	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
5. Mr. Thaveechat Jurangkool (continued)					2007 - Present	Director, Authorized Director	J-Max Property Assest Co., Ltd.	Produce, purchase, and rent of machine supply and spare parts	
					2008 - Present	Director, Authorized Director	Summit Auto Body Skill Development Center Co., Ltd.	Training service	
					2008 - Present	Director, Authorized Director	Summit R&D Center Co., Ltd.	Automotive Product quality, capacity testing service, Calibration, Research and technology development, Design tools, Molds for automotive parts.	
					2013 – Present	Director Authorized Director	Boltun Corporation (Thailand) Co., Ltd.	Production of bolts for the car industry.	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
6. Mr. Kornkrit Jurangkool	36	M.A., Technology Management Program, American Inter Continental University, Los Angeles, USA Training : IOD - Director Accreditation Program (DAP 77/2009) - RE-CU SENIOR (RE-38 / 2011) - TLCA Executive Development Program (9/2012) - TOISC : 2012 - Future Entrepreneurs Forum (FEF 1/2013)	4,000,000 Shares (1.54%)	Son of Mr. Sunsum Jurangkool	2009 - Present	Director, Nomination Committee, Authorized Director	Thai Steel Cable Pcl.	Manufacturer of control cable for automobile/motorcycle and car window regulator	None
					2009 - Present	Director, Managing Director Authorized Director	Summit Corporation Co., Ltd.	Investment and shareholding in various business	
					2009 - Present	Managing Director, Authorized Director	Summit Auto Body Industry Co., Ltd.	Manufacture of automobile body parts, mold and die	
					2009 - Present	Director, Authorized Director	Summit Auto Seats Industry Co., Ltd.	Manufacture of automobile and motorcycle seat	
					2009 - Present	Director, Managing Director Authorized Director	Summit Laemchabang Auto Body Work Co., Ltd.	Produce body parts and exhaust system equipment	
					2009 - Present	Director, Authorized Director	Summit Laemchabang Auto Seats Manufacturing Co., Ltd.	Manufacture of automobile seat frame and adjusting devices	
					2009 - Present	Director, Authorized Director	Auto Advance Material Manufacturing Co., Ltd.	Manufacturedry mat, sound insulation, plastic sheet, synthetic fiber sheet, for automobile and motorcycle use	
					2009 - Present	Director, Authorized Director	Eastern P.U. Foam Industry Co., Ltd.	Manufacture automobile seat foam	
					2009 - Present	Director, Authorized Director	Summit Engineering Center Co., Ltd.	Design & manufacture of various kinds of die and mold	
					2009 - Present	Director, Authorized Director	Modern Products Industry Co., Ltd.	Manufacture of wood printing and coating of auto parts	
					1996 - Present	Director, Authorized Director	Summit Auto Tech Industry Co., Ltd.	Manufacture of exhaust muffler system and automotive parts	
					2009 - Present	Director, Authorized Director	Auto Interior Products Co., Ltd.	Manufacture, import, export of automobile floor carpet and headrest	
					2009 - Present	Director, Authorized Director	Summit Windmill Golf Club Co., Ltd.	Golf club service	
					2009 - Present	Director	Bangkok Eagle Wings Co., Ltd.	Press Part	
					2009 - Present	Director, Authorized Director	Complete Auto Rubber Manufacturing Co., Ltd.	Manufacture rubber parts for automotive and electronic industry	
					2009 - Present	Director, Authorized Director	Summit Steering Wheel Co., Ltd.	Manufacture and distribute steering wheel and transmission	
					2008 - Present	Director, Authorized Director	Summit Advanced Material Co., Ltd.	Import of steel sheet/coil, coil center	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
6. Mr. Kornkrit Jurangkool (continued)					2008 - Present	Director, Authorized Director	Summit Auto Body Skill Development Center Co., Ltd.	Training service	
					2008 - Present	Director, Authorized Director	Summit R&D Center Co., Ltd.	Automotive Product quality , capacity testing service , Calibration, Research and technology development, Design tools, Molds for automotive parts.	
					2007 - Present	Director, Authorized Director	Summit On Green Media Co., Ltd.	Printing service	
					2007 - Present	Director, Authorized Director	Summit Green Valley Chiangmai Golf Club Co., Ltd.	Golf club service	
					2007 - Present	Director, Authorized Director	Casma Racing Co., Ltd.	Produce automotive electronic parts	
					2007 - Present	Director	Thai Seat Belt Co., Ltd.	Manufacture and distribute of seat belts and seat belts cable	
					2006 - Present	Director, Authorized Director	Summit Ansei Auto Parts Co., Ltd.	Produce car door lock and hood lock, tailgate, door lock loop.	
					2006 - Present	Vice president, Authorized Director	Summit FujikikoKurata Manufacturing Co., Ltd.	Produce steering columns	
					2005 - Present	Director, Authorized Director	Thai Auto Industry Co., Ltd.	Manufacture and sell pressed parts for automobile and motorcycle	
					2005 - Present	Director, Authorized Director	Summit Kurata Manufacturing Co., Ltd.	Produce steering columns, Neck axis drive. Including spare parts and accessories for all kinds of vehicles .	
					2004 - Present	Director, Authorized Director	Summit Otsuka Manufacturing Co., Ltd.	Produce car parking hand-break	
					2004 - Present	Director, Authorized Director	Summit Haiya (Thailand) Co., Ltd.	Produce and maintain machine and all types of machinery parts, including parts and accessories of vehicles for all kinds.	
					2009 - Present	Director	Hiruta Asteer Summit Co., Ltd.	Produce automotive parts	
					2009 - Present	Director	Steel Alliance service center Co., Ltd.	Coil steel Slitter Steel	
					2013 - Present	Director	Summit Keylex (Thailand) Co.,Ltd.	Produce vehicles parts and accessories.	
					2010 - Present	Director, Authorized Director	Summit Showa Manufacturing Co.,Ltd.	Manufacturer shock absorbers, engine parts, transmission system, braking system, suspension system consciously or bearings.	
					2010 - Present	Director, Authorized Director	Complete Auto Parts Co.,Ltd	Manufacturer of component parts for brake cable, clutch and accelerator cable	
					2010 - Present	Director, Authorized Director	Thai Progress Rubber Co.,Ltd.	Manufacturingrubber parts for automotive, electronics and other industries.	

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
7. Mr. Kazuhiro Takeshita	59	Mechanical Engineering, Ritsumeikan University, Japan <u>Training</u> : IOD - Director Accreditation Program (DAP108/2014)	None	None	2013 - Present	Director, Senior General Manager (R&D Division), Authorized Director	Thai Steel Cable Pcl.	Manufacturero of control cable for automobile/motorcycle and car window regulator	None
					2010 - Present	Manager of Purchasing Section at Head office.	HI-LEX Corporation	Manufacturero of control cable for automobile/motorcycle	
					2006 - 2010	Manager of Production planning Section at Head office			
					2002 - 2006	Manager of Cable Design Section at Head office.			
					1999 - 2002	Manager of Cable Design Section in the Utsunomiya Technical Center			
					1995 - 1999	Manager of Cable Design Section at Head office			
					1990 – 1994	Assistant manager of Cable Design Section at Head office			
					1987 – 1990	Assistant manager of Cable Design Section in the Utsunomiya Technical Center.			
					1985 - 1987	Engineer of Cable Design Section in the Utsunomiya Technical Center			
					1980 - 1985	Engineer of Cable Design Section at Head office			
1979 - 1980	Engineer of Production section in the Kaibara Plant								

Name	Age	Education	Shareholding (%) (As of October 31, 2014)	Relationship	Work Experiences			Business	Record of Offense
					Time	Position	Company		
8. Mr. Kavee Vasuvat	79	B.A., Engineering Electric Power, Royal Melbourne Institute of Technology (RMIT), Australia <u>Training</u> : IOD - Director Accreditation Program (DAP 23/2004) - Director Certification Program (DCP 58/2005) - Audit Committee Program (ACP 10/2005) - Finance for Non-Finance Director (FND18/2005) - Monitoring the System of Internal Control and Risk Management (MIR 2/2008) - Role of the Compensation Committee (RCC 6/2008)	None	None	2005 - Present	Independent Director, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, Chairman of the Good Corporate Governance Committee	Thai Steel Cable Pcl.	Manufacturer of control cable for automobile/motorcycle and car window regulator	None
					1992 - Present	Honorable Chairman	Automotive Industry Club, Federation Thai Industries		
					1997 - Present	Advisor	Society of Automotive Engineers - Thailand		
					2000 - 2012	Independent Director, Audit Committee	Thai Rung Union Car Pcl.	Parts manufacturer, modify and assemble motor vehicles	
9. Mr. Apinan Na Ranong	64	B.A., Business Administration, Chiang Mai University <u>Training</u> : IOD - Director Accreditation Program (DAP 35/2005) - Audit Committee Program (ACP 9/2005) - Monitoring the System of Internal Control and Risk Management (MIR 2/2008)	None	None	2005 – Present	Independent Director, Audit Committee member, Nomination and Remuneration Committee member, Good Corporate Governance Committee member	Thai Steel Cable Pcl.	Manufacturer of control cable for automobile/motorcycle and car window regulator	None
					1998 – Present	Director, President	Terrene Intertrade Co., Ltd.	Catering Business	
					2008 – Present	Independent Director	Apex Development Pcl.	Organizer of real estate development project	
					May -Present	Chairman of the Board of Directors	Amata Summit Reit Management Co.,Ltd	Managing the trust to invest in real estate. (As approved by the Securities and Exchange Commission of Thailand).	

Name	Age	Education	Shareholding (%) (As of September 30, 2014)	Relationship	Work Experiences in Late 5 Years			Business	Record of Offense
					Time	Position	Company		
10. Mr. Prinya Waiwatana	67	B.A., Accounting, Chulalongkorn University <u>Training</u> : IOD - Director Accreditation Program (DAP 35/2005) - Audit Committee Program (ACP 9/2005) - Director Certification Program (DCP 72/2006) - Monitoring the System of Internal Control and Risk Management (MIR 2/2008) - Role of the Compensation Committee (RCC 10/2010)	None	None	2005 – Present	Independent Director, Audit Committee member, Nomination and Remuneration Committee member, Good Corporate Governance Committee member	Thai Steel Cable Pcl.	Manufacturero of control cable for automobile/motorcycle and car window regulator	None
					2010 – Present	Independent Director, Nomination and Remuneration Committee member, Committee Investment Director, Chairman of the Risk Management Committee	AIRA Capital Co., Ltd.	Holding Company	
					2010 – Present	Independent Director, CG Director	Samart Corporation Pcl.	Technology / Communication	
11. Mr. Chatchai Earsakul	59	M.A., Economics of Planning & Policy, Northeastern University <u>Training</u> : IOD - Director Accreditation Program (DAP 84/2010)	None	None	2010 - Present	Independent Director, Audit Committee member, Nomination and Remuneration Committee member, Good Corporate Governance Committee member	Thai Steel Cable Pcl.	Manufacturero of control cable for automobile/motorcycle and car window regulator	None
					2003 - 2007	Advisor	Pacific Group Co.,Ltd.	Property development	
					2011 - Present	Director	Thanyakij Service Co., Ltd.	Warehouse and Dockyard	
					2001 - Present	Director	PhutthathamPcl.	Insurance	

Company Profile

Registered company	Thai Steel Cable Public Company Limited Company registration number 0107548000145
Registered capital	268,500,000 Baht (comprising 268,500,000 ordinary shares with a par value of 1 Baht per share)
Paid-up capital	259,800,000 Baht
Nature of business	The production of automobile and motorcycle control cables, as well as the manufacture of automobile window regulators. The products are distributed to major domestic automobile and motorcycle manufacturers and spare parts centres. Output is also exported to overseas markets.
Head Office	Amata Nakorn Industrial Estate, 700/737 Moo 1, Tambol Panthong, Amphur Panthong, Chonburi Province, 20160.
Website	www.thaisteelcable.com
Telephone	(038) 447 200 – 15
Fax	(038) 185 025
Capital	268,500,000 baht (paid-up capital 259,800,000 baht)
Other	Investors can further study the listed company from annual statement (Form56-1) at www.sec.or.th or above link.

Information on shareholding over 10 percent

The Company does not hold shares of other business or company.

Information on other cited persons

- | | |
|----------------------|---|
| 1) Company Registrar | Thailand Securities Depository Centre Co., Ltd.
62, Stock Exchange of Thailand Building
Ratchadapisek Road, Klongtoey, Bangkok 10110.
Tel. (02) 229 2800
Fax. (02) 359 1259 |
| 2) Auditor | Mr. Khitsada Lerdwana
Certified Public Accountant (Thailand) No. 4958
EY Office Limited
193/136 - 137, 33rd Floor, Lake Rajada Office Complex,
Klongtoey, Bangkok 10110
Tel. (02) 264 9090
Fax. (02) 264 0789 |

Policy and overall business operations of the company

Thai Steel Cable Public Company Limited operates businesses pertaining to automobile and motorcycle control cables and automobile window regulators which are generally sold to leading automakers and motorcycle manufacturers as well as parts centers and retailers in local and foreign markets. Its trademarks include  as well as  of Hi-Lex Corporation. Under the licensing and technical assistance contract entered with Hi-Lex Corporation, the Company has to pay royalty fee to Hi-Lex Corporation.

Over a very long time, the Company has earned trust from automakers and motorcycle manufacturers for high-quality products and decent prices as well as outstanding pre-sales and after-sales services.

At end of 2014, the Company owned leading market shares of control cables in Thailand. The major customers are prominent automobile manufacturers of Japan and USA. Moreover, the Company also gained trust from Suzuki Motor (Thailand) Co., Ltd. to supply the window regulators for the next car model.

Business Goals

The Company's principal goal is to maintain the status of a leading world-class manufacturer of automobile and motorcycle control cable and automobile window regulators, whereby it mainly supplies components to companies affiliated with Hi-Lex Corporation. To achieve such goal, the Company realizes that key contributing factors lie with maintenance and improvement of product quality, production cost control, improved efficiency of product delivery and improved relationship with other companies affiliated with Hi-Lex Corporation in respect of maintenance and improvement of product quality that meets requirements of particular automobile and motorcycle manufacturers. To address this issue, the Company must pursue continuous improvement of production quality. Over the years, the Company has recognized these underlying factors and strived to develop and upgrade its production standard until obtaining an international standard certification ISO/TS 16949.

Regarding production cost control, the Company aims at reducing production expense and improving processes so as to achieve higher production efficiency. In this undertaking, the Company has raised production targets consistently, modernized the design of production lines, focused on preventing mistakes and utilizing automatic control systems in order to uplift the Company's competitiveness level and ensure that the Company can compete effectively at the regional level. Moreover, the Company also engaged outside experts in warehouse management to undertake management and improvement of warehouse operation by using new technology and service approaches. Furthermore, various systems have been developed to increase efficiency and computer programs have been used to support warehouse management in order to ensure accuracy of stock quantities and storage position, optimize space utilization, reduce quantity of expired products and reduce inventory to improve cash flow.

Regarding delivery issues, the Company aims at developing distribution channels and improving their efficiency. To fulfill this goal, logistics specialists will be hired to manage product distribution, where necessary, in order to facilitate delivery of products to local and foreign customers. The engagement of these specialists will ensure that the Company can collect products ordered by several parties, which are destined for the same destinations, and deliver them at the same time. This practice will help reduce transportation cost of each delivery. Moreover, such engagement will also lower the Company's insurance cost, which provides transportation-related loss coverage, because these specialists will be responsible for making insurance arrangements.

Corporate Background and Major Developments

Thai Steel Cable Company Co., Ltd. (TSK) was established on June 12, 1978. Two principal founders of the Company are Mr. Sunsurin Jurangkool and Mr. Choothong Patanatmarueng. Initially, the Company's registered capital was 4 million Baht and its production capacity was 250,000 pieces per year. Subsequently, the Company increased its registered capital and engaged in a joint venture with HI-LEX Corporation, which is a major producer of automobile and motorcycle control cables in Japan.

In 2005, the Company became a public company listed in the Stock Exchange of Thailand. The company was renamed as Thai Steel Cable Public Company Limited but the shareholding remained same.

Key changes and developments

- 2012
 - Received the laboratory accreditation under TIS 170258-2548 (ISO/IEC 17025: 2005) from Thai Industrial Standards Institute under the Ministry of Industry. This guarantees that technical competence of the company's laboratory meets international standards.
 - Received the Improvement Award from Thai Suzuki Motor Co., Ltd., which is awarded to parts manufacturers with outstanding product delivery performance for three years in a row.
 - Received Investment Promotion Batch#3 contributes to the investment in the Company's facility expansion project.
- 2013
 - Received the public award that recognizes the Company as a business site that complies with the Promotion and Development of Quality of Life of Persons with Disabilities Act for the year 2013 from Chonburi governor, for the Company's financial contribution to the Persons with Disabilities Fund and employment of disabled persons.
 - Received the cost reduction award from Yamaha Motor (Thailand) Co.,Ltd.
- 2014
 - Received the Delivery Accuracy Award (TOYOTA Delivery Accuracy) from Toyota Parts Center Asia Pacific (TPCAP)
 - Received the Quality Improvement Award from Mitsubishi Motors (Thailand) Co., Ltd. for the outstanding improvement and development in quality.
 - Received Thailand Corporate Brand Rising Star Award from Chulalongkorn University, This being granted to the top corporate brand of 2014 in category of industrial product.

Products

Business of Thai Steel Cable Public Company Limited may be classified according to 2 categories as follows:

- 1) Control cable business, comprising
 - automobile control cables, such as hood release cables, trunk opener cables, engine start cables, and transmission cables
 - motorcycle control cables, such as brake cables, clutch cables, tachometer cables, and accelerator cables
- 2) Window regulators using cable for all types of automobile

Production of automobile control cables and window regulators using various types of control cables mentioned above. The Company manufactures these products under the license and technical assistance agreement between the Company and Hi-Lex Corporation, which is a leading Japanese vehicle control cable manufacturer and a major shareholder of the Company.

Revenue structure

The Company supplies products to both domestic and international partners. Summary of the company's revenue by products during 2012 - 2014 are as followed :

Product line	2012**		2013		2014	
	Revenue Million Bt.	Ratio (%)	Revenue Million Bt.	Ratio (%)	Revenue Million Bt.	Ratio (%)
Revenue from domestic sales	2,292	96	3,587	95	2,610	95
- automobile control cables	1,501	63	2,496	66	1,984	72
- motorcycle control cables	447	19	513	14	409	15
- automobile window regulators	339	14	578	15	217	8
- others	5	-	-	-	-	-
Revenue from overseas sales	63	3	69	2	122	4
- automobile control cables	15	1	22	1	29	1
- motorcycle control cables	-	-	-	-	-	-
- automobile window regulators	-	-	-	-	1	0
- others	48	2	47	1	93	3
Other income						
- others	26	1	123	3	28	1
Total revenues	2,381	100	3,779	100	2,760	100

** Cumulative data over a period of nine months(January – September 2012) due to revision of accounting period.

Industrial Trends and Competitive Situation in the Future

Overview of the automotive industry in 2014

The automotive industry in 2014 from the estimation of the latest production was shown to be lower than the target of the Federation of Thai Industries (FTI) set at 2.1 million units. FTI had lowered its target to 2 million units by dividing domestic sales to 9 million units and exporting sales to 1.12 to 1.13 million units, decreased from the year 2013, which produced a total of 2.45 million units, dividing domestic sales to 1.33 million units and exporting sales to 1.12 million units.

The reason for the decline in domestic sales was because the purchasing power of the country's economic and political crisis slowed down considerably during the past period which the current economy has yet recovered. The budget with drawl does not reach the goal while the agricultural prices fell down. While exporting to the global economic was slowing down and Ebola epidemic in Africa, as well as political unrest in the Middle East made the two markets have sales decline significantly. On the other hand, there was a group of euro zone with car imports from Thailand increased to 14.62% due to acceleration of imported cars from Thailand before being cut GSP privileges next year.

Currently, Thailand was ranked 9th in the world for car production and had an exporting number of cars ranked 13th in the world. Although Indonesia had the rate of growth of the automobile industry in 2014 15% higher than Thailand which is expected to grow 12%, the overall the parties believed that Thailand had the potential to be better and maintain the highest production base in ASEAN.

Trends of the automotive industry in 2015

Since Thailand had a policy on promotion of energy efficient cars, according to international standards (eco-Phase 2), which was expected to make car production increased by more than 1 million cars. Additionally, the government sector aimed to prepare for the entrepreneurial small and medium-sized enterprises (SME's) related to motor vehicles and parts, which were Thai, as well as the cooperation between manufacturers of automotive parts to the Department of Vocational Education for establishing the Institute of Human Resources Development of Automotive in order to be ready to enter the ASEAN Economic Community (AEC) in 2015.

Moreover, the adjustment to accommodate the new excise structure on January 1, 2016, the department will enforce the tax from the original cylinder cars to be based on the amount of carbon emissions released into the environment instead. This resulted in the development of the automotive industry by focusing on developing new cars under the "Green Technology", which was the trend of the world, according to the US and Europe, focused on reducing carbon emissions into the environment.

In addition, the Ministry of Industry was to evaluate and model testing center and automotive test-drive field, according to request of the Thailand Automotive Industry Association that the government should help reduce the burden of automotive players, especially those in Tier 2 and Tier 3 which currently required delivering parts to the test standards abroad. Without parts being sent overseas, this would reduce costs and increase competitiveness of enterprises for Thailand in the other way. Therefore, it was estimated the total production in 2015 from 2.2 to 2.3 million units, dividing domestic sales to 1million units in the market due to the raise of government officials, tourism recovery and public investment. The output was expected to be 1.2 million units if the economy would improve; it might go up to 1.3 million units and would be able to produce a goal of 3 million units in 2017.

Statistics of automobile and motorcycle manufacturing

(Volume: units)

Year	Automobile				Motorcycle			
	Total production output	Domestic sales	Export sales	Volume growth (%)	Total production output	Domestic sales	Export Sales	Volume growth (%)
2555	2,453,717	1,427,046	1,026,671	68	2,606,161	2,292,170	313,991	28
2556	2,457,057	1,335,754	1,121,303	1	2,218,625	1,884,845	333,780	(15)
2557*	1,568,940	626,781	942,159	(26)	1,669,235	1,417,966	230,983	(13)

*Cumulative data over a period of ten months(January – October)

Source: The Federation of Thai Industries as of October 30, 2014

Risk factors affecting the Company's business operation include the followings:

- **Risks from reliance on majority shareholders**

The Company entered into a technical assistance agreement pertaining to trademark rights of the  and “HI-LEX” brands as well as technical supports for production of automobile and motorcycle control cables and cable-type window regulators. These present written agreements with HI-LEX Corporation.

In addition, the Company purchases certain raw materials and components from HI-LEX Corporation since these raw materials and some types of components cannot be procured from local sources in Thailand or low usage volume is not economically feasible and does not warrant production at its own facilities. Nevertheless, there is no contractual provision that imposes restriction on procurement of raw materials between both parties.

Regarding risks associated with procurement of raw materials and components, the Company can procure such materials from other firms in Japan instead of HI-LEX Corporation. However, this might entail prices and trade terms that differ from original terms and conditions. Moreover, the Company endeavored to source more raw materials and components from local manufacturers to reduce costs, particularly transportation cost and import tariffs.

Regarding risks arising from such agreements, it is anticipated that HI-LEX Corporation definitely renews the contract because it is a major shareholder in the Company and the Company already received an assurance in writing. Therefore, when the present agreements, each renewal will be effective for a period of five years (this is the contract renewal policy of HI-LEX Corporation which applies to all affiliated companies in its group). In addition, both companies have been joint venture partners and enjoyed a good partnership for more than 36 years. The Company is therefore confident that HI-LEX Corporation will remain a shareholder and continue to support the Company for years to come.

Consequently, these risks are rather low.

- **Risks from foreign competition**

The Company may face risks arising from new competitors which are foreign companies relocating their parts production bases to Thailand under provisions of free trade agreements. Key attributes which enable proprietors to maintain their competitiveness include quality, production cost that fulfills customer requirements, on-time delivery and after-sales services which will boost customer confidence. In this regard, the Company formulated crucial marketing strategies, that is, focus on high-quality products in conjunction with implementation of an effective cost reduction program, on-time delivery and suitable, competitive product pricing. Moreover, the Company has customers which are leading manufacturers in Thailand, whose good business relationship has been maintained over the years; and with its own product testing facility, the Company could also reduce operational time and expenses.

Consequently, market entry risk of any foreign competitor which can compete at the same level is rather low due to high investment and lack of capability to run a fully integrated operation similar to the Company.

- **Risks from fluctuation of raw material prices**

In 2014, the Company purchased basic raw materials, including steel, metal wire, plastic pellets and rubber, valued more than 50% of the total value of raw materials and components purchased by the Company. The prices of these raw materials were affected from fluctuation of trading prices based on supply and demand situations of these basic raw materials in the world market, and such factors are beyond the control of the Company.

Nevertheless, if fluctuation of raw material prices is significant, the Company can adjust product prices that keep up with volatile raw material costs in accordance with terms of a parts buy-sell contract made between the Company and a particular customer. Typically, such contract allows the Company and its customer to review price adjustment on a periodic basis, such as every 6 months or whenever raw material price changes more than 3%. In such case, both parties would mutually agree with each price adjustment, and sometimes customers would also consent to retroactive price adjustment. Such price adjustment helps alleviate impacts from fluctuation of raw material prices. Furthermore, the Company prescribed a policy encouraging manufacturers to reduce production cost so that a decent cost management program could be initiated. Thus, once manufacturers became strong and managed to achieve a low management cost, they would be able to stabilize selling prices even though raw material prices have gone up.

- **Risks from foreign exchange rate fluctuation**

In 2014, the Company procured imported raw materials and components, accounting for around 30% of the total purchase value of all raw materials and components. Throughout the year, the total purchase value of raw materials and components made in foreign currencies was equivalent to approximately 349 million Baht. Thus, the Company faced risks from foreign exchange rate fluctuation if exchange rates have gone up.

However, the Company was granted a line of credit under a forward exchange contract from a financial institution. Such credit facility will help the Company reduce risks from foreign exchange rate fluctuation where necessary and appropriate.

- **Risks from reliance on major customers**

At present, the Company has 8 key customers, 6 of which are major automobile manufacturers and 2 of which are major motorcycle manufacturers. Combined sales value to these major customers accounted for around 86% of the Company's revenue in 2014. Consequently, the Company might face income risk if any of these manufacturers curtailed production volume or stopped ordering products from the Company. Such events might adversely affect the Company's business operation, financial status and operating performance in the future.

Nonetheless, the Company has been a manufacturer of automobile and motorcycle control cables as well as window regulators for more than 36 years. Over the years, the Company has boosted its production efficiency up to a reputed level. The Company possesses production technology which earns widely respected quality and efficiency as well as has competitive production cost and its own product testing facility which effectively reduces operational time and improves turnaround time. Furthermore, the Company has maintained business relationship with major automobile and motorcycle manufacturers for a long time, and its major shareholder, Hi-Lex Corporation, is a leading control cables manufacturer in Japan. Additionally, the Company is also affiliated with Summit Corporation which is a major automobile and motorcycle components manufacturer in Thailand with long experiences in this

industry, and Summit Corporation is a manufacturer reputed for its reliable product quality. The product range offered by Summit Corporation covers almost every type of automobile and motorcycle components, such as body parts, seats, side door panels, and so forth. With such attributes, there is a small possibility that these automobile and motorcycle companies will place orders with our competitors instead.

The Company has a risk diversification policy and plans to increase export sale to other countries in order to reduce risks from reliance on major customers.

- **Risks from majority shareholder groups holding shares more than 50% and having management control in the Company, and the interest of majority shareholders may conflict with the interest of the Company and/or other shareholders**

At present, the Company has three major shareholder groups, that is, Jurangkool family, Patanatmarueng family and Hi-Lex Corporation, which hold a combined share of around 80% of the Company's registered and paid-up capital. Consequently, they can control almost all resolutions passed at shareholders' meetings. As a result, other shareholders may be unable to gather sufficient votes to ensure checks and balances of any matter proposed by majority shareholders. In some cases, the interest of majority shareholders may conflict with the interest of the Company or other shareholders. Moreover, majority shareholders also have management control in the Company, holding 7 out of 11 director seats in the Board of Directors. Hence, there is a risk that majority shareholders may exercise absolute management control and manage the Company in a way that might conflict with the interest of the Company and/or minority shareholders, which may adversely affect the Company's business.

However, the Company has a total of 4 Independent Directors who do not have any interest in the Company. Consequently, they can dutifully examine the performance of company executives and sufficiently safeguard the interest of minority shareholders. The Company also commissions external auditors to jointly examine conducts of various departments in cooperation with the internal control department, which reports directly to the Audit Committee. Any recommendation of auditors will be used to improve the internal control system so that the internal control department can operate more efficiently.

Consequently, it is very unlikely that such risk will happen.

- **Risks from warranty claims**

The Company is responsible for the provision of product quality guarantee and must be accountable to its customers. In purchasing contracts, it is stipulated that any damage arising from the Company's products must be compensated by the Company. In the event automobile and motorcycle manufactures demanded compensation for any damage incurred by a product in an amount equal to or exceeding the Company's sales revenue, and the court conclusively ruled that the Company must be financially liable for such damage, the Company's business might be adversely affected in the future. Moreover, the Company and manufacturers must be jointly liable for any damage arising from defects of the Company's products.

Each year there are a number of customers filing warranty claims to the Company, but the amount of such claims is considered minimal compared to overall sales. Moreover, such claims are normal occurrences in the vehicle business and do not constitute a factor that influences customer's purchase decision. Over the past years, there has never been any significant repercussion on the Company's normal operation whatsoever, and the Company also recognizes

the importance of product quality. Therefore, before delivering products to customers, the Company will inspect product quality thoroughly. Furthermore, total value of warranty claims is summed up every 6 months, so that the results would be used in further planning of quality inspection and product quality development programs. Therefore, the Company is confident that these measures will help reduce damage compensation risks.

- **Risks from reliance on automobile and motorcycle industries**

Primarily, the Company's operation will change to directions that accommodate automobile and motorcycle industries. If these industries experienced a decline or a slowdown, the Company's business would be affected as well.

Presently, the automotive industry is recognized as an industry that can create tremendous economic value. Therefore, many countries have been endeavoring to foster local production as much as possible. Thailand is now the ninth largest auto maker in the world, and total production volume in 2014 is estimated at 2 million vehicles. The government has launched the Eco Car 2 project as a supplementary policy to promote Thailand as an automotive hub in the ASEAN region, so there is less likelihood that the automotive industry would face a slump soon.

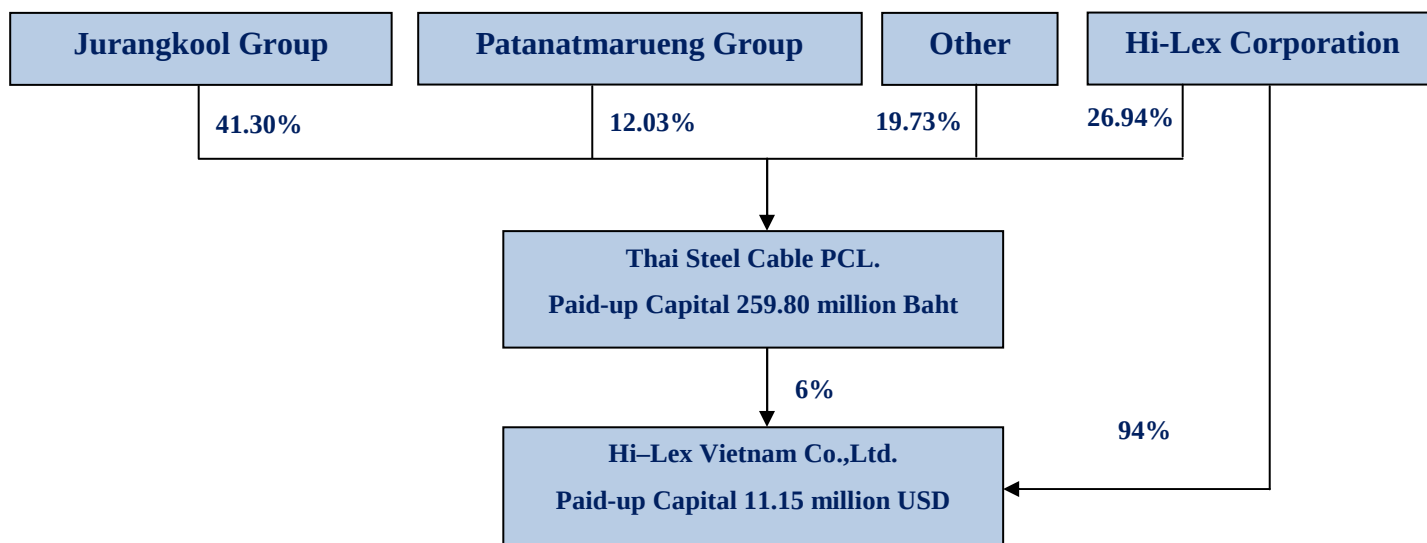
- **Risks from competition within automobile and motorcycle components manufacturing industries**

The Company could potentially lose market share to its competitors due to intense competition within automobile and motorcycle components manufacturing industries, both locally and abroad. Therefore, this may pose as a downside risk to the Company's business operation.

Since the production of automobile and motorcycle components requires highly efficient and precise manufacturing processes to ensure product quality that meets each customer's requirements. Additionally, before ordering components for each automobile or motorcycle model, automobile and motorcycle manufacturers will select components manufacturers before actual production. Then, the selected components manufacturer will receive product orders from automobile or motorcycle manufacturers throughout the production run of that particular model. Furthermore, changes in automobile or motorcycle models have no bearing on technological changes in the production of control cables or window regulators that much.

The Company has been a manufacturer of automobile and motorcycle control cables as well as window regulators for more than 36 years and it is one of the country's largest manufacturers of these products. With widely acclaimed track records and long-standing reputation among automobile and motorcycle manufacturers, the Company thus enjoys a considerable advantage over local competitors in the production of automobile and motorcycle control cables and window regulators in Thailand. Therefore, the Company is confident that it will be able to compete effectively against other industry players.

Shareholding Structure of the Company as of October 31, 2014



Major shareholders

The major shareholders of the Company as of October 31, 2014 are presented as below:

No.	Name	Paid-up capital 259,800,000 Baht	
		Number of shares	% of shareholding
1	Jurangkool Group	107,288,000	41.30
2	Hi-Lex Corporation	70,000,000	26.94
3	Patanatmarueng Group	31,248,900	12.03
4	Thai NVDR Company Limited	12,750,000	4.91
5	Mr. Chaitat Chaipipatsuke	6,500,000	2.50
6	Mr. Dumrong Kulthanapong	6,000,000	2.31
7	AIRA Securities Public Company Limited	5,353,300	2.06
8	Ms. Waraporn Songpracha	2,105,400	0.81
9	Mr. Thewarug Werawatganon	1,915,500	0.74
10	Other	16,638,900	6.40
	Total	259,800,000	100

Note: 1) Jurangkool Group comprises 4 shareholders of the same family name and related individuals as follows :

- Mr. Sunsurin Jurangkool	holds	83,115,000 shares,	or 31.99% of paid up capital
- Mr. Thaveechat Jurangkool	holds	19,980,500 shares,	or 7.69% of paid up capital
- Mr. Kornkrit Jurangkool	holds	4,000,000 shares,	or 1.54% of paid up capital
- Mr. Apichart Jurangkool	holds	192,500 shares,	or 0.07% of paid up capital

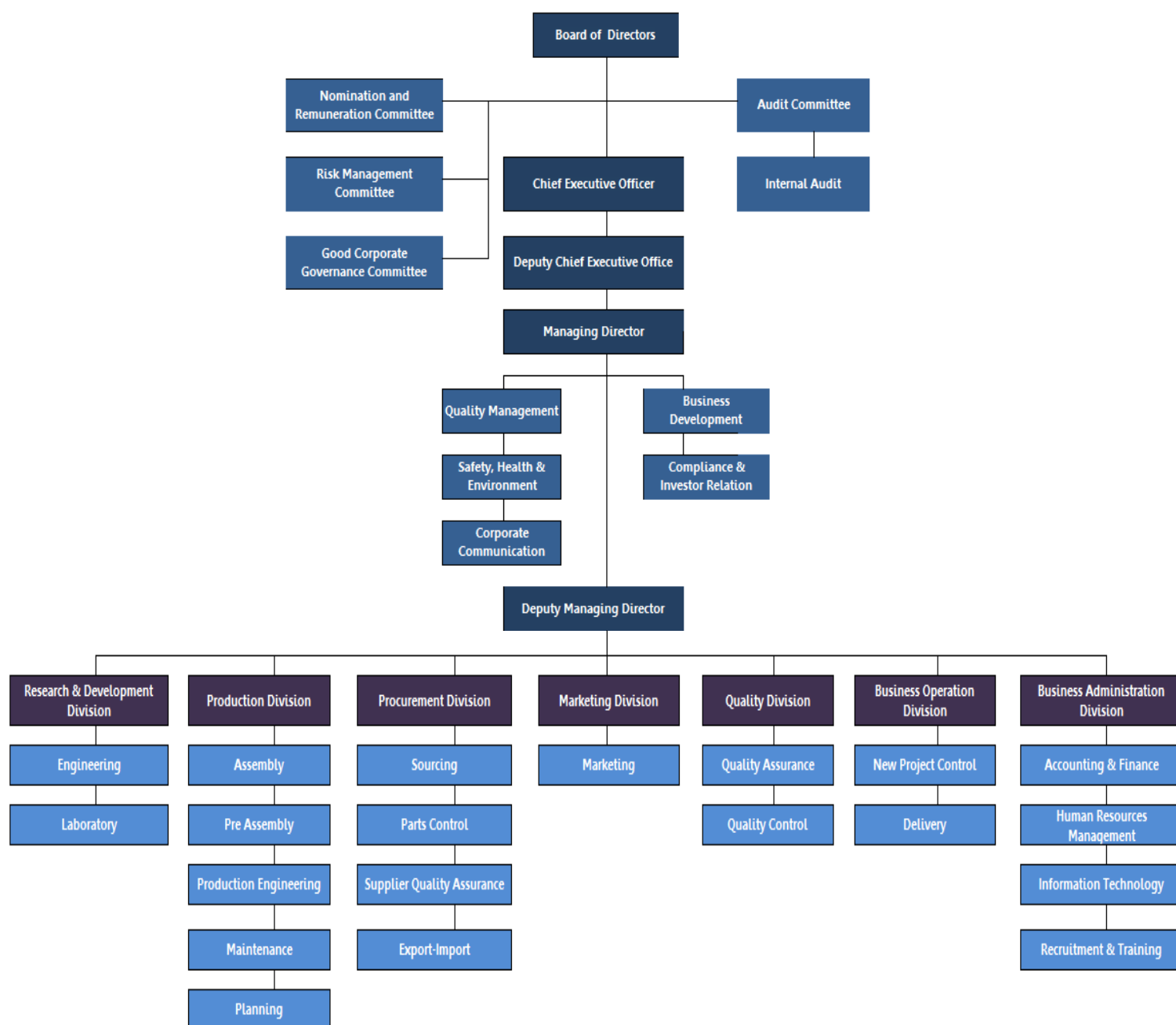
2) Top 10 major shareholders of Hi-Lex Corporation (as of October 31, 2014) are :

1. Teraura Investment Co., Ltd.	holds	19.83
2. JP Morgan Chase Bank	holds	4.76
3. Teraura Scholarship Foundation	holds	4.06
4. Japan Trustee Services Bank, Ltd.	holds	3.72
5. State Street Bank and Trust Company	holds	3.68
6. Nippon Life Insurance Company	holds	3.39
7. BBH For Fidelity Low-Priced Stock Fund	holds	3.13
8. NISHIKAWA RUBBERCO., LTD.	holds	2.70
9. Northern Trust Company	holds	2.56
10. Honda Motor CO., LTD.	holds	2.22

3) Patanatmarueng Group comprises 5 shareholders of the same family name and related individuals as follows :

- Mr. Choothong Patanatmarueng	holds	16,997,400 shares,	or 6.54% of paid up capital
- Mrs. Orasa Patanatmarueng	holds	12,000,000 shares,	or 4.62% of paid up capital
- Mr. Santi Patanatmarueng	holds	1,641,200 shares,	or 0.63% of paid up capital
- Mr. Sarit Patanatmarueng	holds	460,200 shares,	or 0.18% of paid up capital
- Ms. Sirina Patanatmarueng	holds	150,100 shares,	or 0.06% of paid up capital

Organization Chart



As of September 30, 2014.

Management Structure

The Company's management structure comprises 4 committees, namely the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, and the Good Corporate Governance Committee. The details of this structure are outlined as followed:

1. The Board of Directors

The Board of Directors as per the certification of the Ministry of Commerce dated December 8, 2014 shows that there are 11 Directors comprises of:

- Executive Directors 4 persons
- Non-Executive Directors 3 persons
- Independent Directors 4 persons

No.	Name of Directors	Designation	Total number of meetings	Meeting attendance
1	Mr. Sunsum Jurangkool	Chairman of the Board	5	3
2	Mr. Choothong Patanatmarueng	Vice Chairman	5	4
3	Mr. Sarit Patanatmarueng	Director	5	5
4	Mr. Makoto Teraura	Director	5	-
5	Mr. Thaveechat Jurangkool	Director	5	1
6	Mr. Kornkrit Jurangkool	Director	5	5
7	Mr. Kazuhiro Takeshita	Director	5	5
8	Mr. Kavee Vasuvat	Independent Director	5	5
9	Mr. Apinan Na Ranong	Independent Director	5	5
10	Mr. Prinya Waiwatana	Independent Director	5	5
11	Mr. Chatchai Earsakul	Independent Director	5	5

Directors with signatory authority

Either one of Mr. Sunsum Jurangkool; Mr. Thaveechat Jurangkool; or Mr. Kornkrit Jurangkool signs with either Mr. Choothong Patanatmarueng; Mr. Sarit Patanatmarueng; or Mr. Kazuhiro Takeshita and affix the Company seal. Otherwise, Mr. Choothong Patanatmarueng or Mr. Sarit Patanatmarueng signs with Mr. Kazuhiro Takeshita and affix the Company seal.

On September 23, 2014, the Board of Directors' Meeting No. 5/2014 resolved to approve the Board of Directors Charter (Revised), which conforms to the published notifications of the SEC and the Stock Exchange of Thailand, which has been effective since September 23, 2014. This Charter has been posted on the Company's website for acknowledgement of the Board of Directors, management, employees and stakeholders.

Thai http://www.thaisteelcable.com/investor_information_th.php?id=3&subid=10

English http://www.thaisteelcable.com/investor_information.php?id=3&subid=10

To enhance performance efficiency of the Board of Directors, the Board of Directors' Meeting No. 1/2014 held on 27 November 2013 resolved to approve performance evaluation criteria of the Board (the entire Board and individual directors), which shall be effective from 2014 onwards (accounting period of October 2013 – September 2014).

Scope of duties and authority of the Board Chairman

The Board Chairman presides over board meeting and exercises his power and duties granted by the Board of Directors Charter of Thai Steel Cable Public Company Limited.

2. Audit Committee

The Meeting of the Board of Directors No. 5/2013 held on September 26, 2013 resolved to re-appoint the Audit Committee to resume their office for a term of 3 years each. Directors are independent and qualified as specified by the law pertaining to requirement of Stock Exchange Commission (SEC) and Stock Market of Thailand (SET) and all is independent.

No.	Name of Directors	Designation	Total number of meetings	Meeting attendance
1	Mr. Kavee Vasuvat	Chairman	5	5
2	Mr. Apinan Na Ranong	Director	5	5
3	Mr. Prinya Waiwatana*	Director	5	5
4	Mr. Chatchai Earsakul	Director	5	5

*Mr. Prinya Waiwatana is an audit committee member who is highly knowledgeable and experienced in accounting and financial matters.

Mrs. Benjamas Tepparit (Supervisor of Internal Audit Division), serves as the Secretary to the Audit Committee.

The Board of Directors Meeting No. 3/2013 held on May 9, 2013 passed a resolution to approve the Audit Committee's charters which conform to the guideline set forth by the SEC Office and the Stock Exchange of Thailand which has been announced and effective since May 10, 2013.

The Audit Committee Meeting No. 5/2014 held on September 23, 2014, reviewed the Charter of the Audit Committee to ensure that the content was up to dated. This Charter has later been posted on the Company's website for acknowledgement by the Board or Directors, management, employees and stakeholders.

Thai http://www.thaisteelcable.com/investor_information_th.php?id=3&subid=10
English http://www.thaisteelcable.com/investor_information.php?id=3&subid=10

3. Nomination and Remuneration Committee

No.	Name of Directors	Designation	Total number of meetings	Meeting attendance
<u>Former</u>				
Nomination Committee				
1	Mr. Thaveechat Jurangkool	Chairman	1	1
2	Mr. Sarit Patanatmarueng	Director	1	1
3	Mr. Kornkrit Jurangkool	Director	1	1
Remuneration Committee				
1	Mr. Kavee Vasuvat	Chairman	2	2
2	Mr. Apinan Na Ranong	Director	2	2
3	Mr. Prinya Waiwatana	Director	2	2
<u>Current</u>				
Nomination and Remuneration Committee				
1	Mr. Kavee Vasuvat	Chairman	1	1
2	Mr. Apinan Na Ranong	Director	1	1
3	Mr. Prinya Waiwatana	Director	1	1
4	Mr. Chatchai Earsakul	Director	1	1

The Board of Directors Meeting No. 3/2014 held on May 6, 2014 resolved to approve to combine the Nomination Committee with the Remuneration Committee. It would later named Nomination and Remuneration Committee and Ms. Sirina Patanatmarueng, General Manager of Business Administration Division, serves as Secretary to the Committee.

The Board of Directors Meeting No. 4/2014 held on August5, 2014, resolved to approve the Nomination and Remuneration Committee's Charter, which has been effective since August 6, 2014. The Charter has been posted on the Company's website for acknowledgement by the Board of Directors, management, employees and stakeholders.

Thai http://www.thaisteelcable.com/investor_information_th.php?id=3&subid=10
 English http://www.thaisteelcable.com/investor_information.php?id=3&subid=10

4. Good Corporate Governance Committee

The Board of Directors Meeting No. 4/2014 held on August 5, 2014 resolved to approve the structure of the Good Corporate Governance Committee which comprises of independent directors as followed:

No.	Name of Directors	Designation	Total number of meetings	Meeting attendance
1	Mr. Kavee Vasuvat	Chairman	1	1
2	Mr. Apinan Na Ranong	Director	1	1
3	Mr. Prinya Waiwatana	Director	1	1
4	Mr. Chatchai Earsakul	Director	1	1

Mrs. Kasita Pitaksongkram (Company Secretary), serves as Secretary to the Good Corporate Governance Committee.

The Board of Directors Meeting No. 4/2014 held on August 5, 2014 passed a resolution to approve the Good Corporate Governance Committee's charters which has been effective since August 6, 2014. The Charter has been posted on the Company's website for acknowledgement by the Board of Directors, management, employees and stakeholders.

Thai http://www.thaisteelcable.com/investor_information_th.php?id=3&subid=10

English http://www.thaisteelcable.com/investor_information.php?id=3&subid=10

5. Risk Management Committee

The Board of Directors Meeting No. 4/2014 held on August 5, 2014 resolved to approve the structure of the Risk Management Committee comprises of the management as followed:

No.	Name of Directors	Designation	Total number of meetings	Meeting attendance
1	Mr. Sarit Patanatmarueng	Chairman	1	1
2	Mr. Chaiyant Savanachai	Vice Chairman	1	1
3	All General Managers	Directors	1	1

The member of Risk Management Committee, as the management of the Company, expressed their intention not to receive remuneration in this matter.

Mrs. Benjamas Tepparit (Supervisor of the Internal Audit Division), serves as Secretary to the Risk Management Committee.

The Board of Directors Meeting No. 4/2014 held on August 5, 2014, passed a resolution to approve the Risk Management Committee's charters which has been effective since August 6, 2014. This Charter has been posted on the Company's website for acknowledgement by the Board, management, employees and stakeholders.

Thai http://www.thaisteelcable.com/investor_information_th.php?id=3&subid=10
 English http://www.thaisteelcable.com/investor_information.php?id=3&subid=10

6. Executives

Name and designation of executive and the management structure are as followed:

No.	Name of Executives	Designation
1	Mr. Sunsum Jurangkool	Chief Executive Officer
2	Mr. Choothong Patanatmarueng	Deputy Chief Executive Officer
3	Mr. Sarit Patanatmarueng	Managing Director, Acting General Manager, Procurement Division
4	Mr. Chaivant Savanachai	Deputy Managing Director, Acting General Manager, Business Operations Division
5	Ms. Sineenuth Srithamma	Manager, Accounting & Finance Department
6	Mr. Kazuhiro Takeshita	Senior General Manager, Research & Development Division
7	Mr. Suthon Prempre	General Manager, Production Division
8	Mr. Sawat Sukaachin	General Manager, Quality Division
9	Ms. Sirina Patanatmarueng	General Manager, Business Administration Division
10	Mr. Naohiro Koizumi	General Manager, Marketing Division

Executive refers to a person holding the first four management positions below the Board of Directors, which includes every person holding a position equivalent to that of the fourth executive, including accounting manager (those in rank 1-5 are the executive according to the said definition).

Scope and authority of the Managing Director

The Managing Director has the duty to perform tasks as assigned by the Board of Directors, with deference to the rules and regulations of the Company. However, such assignation must not allow the Managing Director to approve transactions that either himself or parties with a potential conflict of interest or benefit or any other conflicts with the Company and its subsidiaries. Approval for such transactions must be given by the Meeting of the Board of Directors and/or the Meeting of Shareholders (as may be the case) in line with the regulations of the Company or relevant laws. The exception is approval for items that constitute the normal business of the firm, with a clearly defined scope. The scope of authority for this designation may be summarized as follows.

1. Responsible for the general management of the Company, including for production, sales and other activities constituting the normal business.
2. Coordinate with the Internal Audit Department concerning accounting matters and disbursement-payment of money that does not meet the policies of the Company.

3. Act as a signatory on behalf of the Company with regard to recruitment and employment.
4. Consider budget in conjunction with the Board of Directors.
5. Review documents or contracts pertaining to the normal business operations of the Company; provide recommendations and suggestions in such matters.
6. Conduct any other activity as assigned by the Board of Directors' resolutions.

7. **Company Secretary**

The Board of Directors appointed Mrs. Kasita Pitaksongkram as company secretary whose purview is stipulated in the Securities and Exchange Act B.E. 2535, 4th Amendment Issue B.E. 2551 (2008). The qualifications and the scope of duties are as follows:

Qualifications

Since qualifications of company secretary are not stipulated by the law, it is incumbent upon the Board of Directors to dutifully select a competent person with suitable qualifications to assume these duties. As an employee of the Company, company secretary is not allowed to assume the duties of company secretary in other companies but may assume the duties of company secretary in a subsidiary of the Company.

Scope of duties of company secretary

The Company designates a company secretary to liaise between directors and management, oversee and coordinate various matters concerning relevant laws and regulations, facilitate compliance with corporate governance principles as well as the rules and notifications of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). The company secretary shall have the following duties and responsibilities as prescribed by the bylaws and the Company.

1. Provide preliminary recommendations to directors concerning legal provisions and the Company's rules and regulations; follow up and ensure proper and regular compliance; and report significant changes to directors.
2. Liaise between directors and management; oversee and coordinate various matters concerning relevant laws and regulations; and ensure that actions are taken in conformity with the Board's resolutions.
3. Organize shareholders meeting and board meeting in accordance with statutory requirements, the articles of association of the Company, and pertinent guidelines.
4. Record minutes of shareholders meeting and board meeting. Follow up and ensure compliance with resolutions of shareholders meeting and board meeting.
5. Oversee disclosure of information and issuance of pertinent reports in accordance with regulations and statutory requirements of the SEC and SET.
6. Prepare and keep the following documents:
 - (a) Directors register;
 - (b) Notices of board meeting, minutes of board meeting, and annual reports;
 - (c) Notices of shareholders meeting and minutes of shareholders meeting.
7. Keep conflict of interest reports submitted by directors or management.
8. Perform other tasks stipulated in notifications of the Capital Market Supervisory Board.
9. Organize a new director orientation program, and promote awareness and understanding of good corporate governance among directors, management and employees.
10. Liaise and communicate with shareholders to ensure that they are informed of shareholder's rights and keep them abreast of the Company's news and development.

8. Department head - Internal Audit Department

The Company conducts internal audit to maintain confidence and provide impartial and independent consultation in order to provide added value and improve efficiency and effectiveness of the Company's operation under suitable risk management expenditure. The scope of duties of the head of the Internal Audit Department is as follows:

1. Supervise internal auditors and ensure that internal audit practices adhere to international professional standards of internal auditing.
2. Define objectives, goals and scope of internal audit as well as develop an annual audit plan to be proposed to the Audit Committee for consideration and approval before the plan is carried out.
3. Develop standard operating procedure and review audit performance to ensure compliance with the stipulated standard operating procedure.
4. Review and approve audit program.
5. Review audit findings report and give recommendations for improvement and corrective actions before presenting a proposal to the Audit Committee and the management.
6. Monitor audit performance to ensure consistency with the audit plan in order to increase performance efficiency of the Internal Audit Department when serving the management.
7. Offer advice, opinions and recommendations for compliance with regulations, operating procedures, internal control and relevant bylaws of audited operating units.
8. Organize training to develop capacities of internal auditors to ensure that they can competently conduct audit according to the objectives, and conduct performance evaluation of internal audit staff.
9. Assume the duties of secretary of the Audit Committee by preparing meeting agenda, collecting information, making a summary of discussion and preparing minutes of meeting as well as informing concerned parties of meeting resolutions. Assist the Audit Committee to ensure that the Committee's practices properly comply with the Charter and mandated responsibilities, and administer audit works according to professional standards to support the Audit Committee's actions.
10. Oversee annual budget preparation of the Internal Audit Department.
11. Supervise internal audit coordination by outsourcing internal audit tasks according to defined targets.
12. Perform other tasks assigned by the Audit Committee.

9. Stock exchange coordinating and investor relations officer

Investor relations activities are vital to listed companies, all types of investors and the capital market. Concerned staff must contact and work with different people, such as stock analysts or investors; facilitate preparation and storage of important documents on behalf of the Company or the Board of Directors; carry out planning and ensure that business operation complies with the securities and exchange law and the public limited company law as well as relevant rules, regulations and bylaws. In addition, they are required to prepare and submit stipulated information and reports in transparent manner. The scope of duties and responsibilities is as follows:

1. Compile key information in the capital market for senior management and company directors.
2. Report publicly disclosed information to senior management.
3. Update information to ensure correctness, completeness and timeliness.
4. Build the Company's credibility by disseminating accurate and complete reports and disclosing information in consistent and systematic manners.

5. Prepare welcoming arrangement for stock analysts and investors.
6. Coordinate and examine matters to be tabled at shareholders meeting and board meeting.
7. Prepare, deliver and keep vital documents and evidences pertaining to policies and regulations approved by shareholders meetings and board meetings in proper and complete manners so that they can be examined later (e.g. directors register, annual report and minutes of meeting).
8. Carry out planning and oversee business operation to ensure compliance with the securities and exchange law and the public limited company law as well as other relevant rules, regulations and bylaws.
9. Prepare information and reports disclosed to the stock exchange and other concerned agencies in accordance with the aforementioned laws and regulations (e.g. annual report, Form 56-1, financial statements, and public announcements in newspapers required by bylaws).
10. Provide preliminary recommendations and advice to company directors and assist them pertaining to legal provisions, guidelines and regulations, and keep them abreast of significant changes of statutory requirements.

10. Nomination of Company Directors and Executives

An initial screening and selection for nomination of company directors, members of various committees, managing director and senior executives is undertaken by the Nomination Committee. Then, a list of nominees will be proposed to the Board of Directors and/or shareholders meeting in accordance with the Company's policy.

Nomination of directors

1. Criteria and method

The Nomination Committee determines suitable qualifications which are consistent with the Board of Directors Charter. A suitable candidate must be competent and can devote sufficient work time for the Company. According to the articles of association, board of directors must comprise at least five members but not more than 12, whereby at least one-half of the total number of directors must be domiciled in Thailand. Directors may or may not be a shareholder of the Company.

2. Appointment: There are two cases of appointment as follows:

Case 1 Director's office is vacated due to retirement by rotation

Shareholders meeting is mandated to cast votes for a new director to replace a director retiring by rotation, whereby a retiring director may be reelected. At each annual shareholders meeting, one-third of the total number of directors shall retire by rotation. If the number of retiring directors is not divisible by three, the number of retiring directors must be rounded to the nearest one-third, and a retiring director may be reelected. Directors retiring from the office in the first or second year after the Company's registration shall draw lots. Then, in the following year the longest-serving director shall vacate the office.

Case 2 Director's office is vacated due to other circumstances, besides retirement by rotation

The Board of Directors shall nominate a qualified candidate as a replacement at the next board meeting. However, if the remaining tenure of resigning director is less than two months, the nominee can serve only the remaining term of the replaced director. Such resolution shall require cast votes of no less than three-fourths of the number of remaining directors.

3. Criteria and method for director's election by shareholders meeting

- Each shareholder is entitled to one vote for each share.
- Each shareholder may cast his entire votes to elect one or several persons as a director. However, he may not split votes unequally for any candidate.
- The candidates receiving the highest number of votes in a successive order shall be elected as directors, and the number of elected candidates shall be equal to the number of directors required in that particular election. In case elected candidates with the least votes receive tie vote and exceed the required number of directors, the meeting chair shall cast a deciding vote.
- Shareholders meeting may pass a resolution to remove any director before the end of a term with no less than three-fourths of the total number of attending shareholders with voting rights that accounts for more than one-half of the number of attending shareholders with voting rights.

Recruiting the top management

To ensure that the Company would have executive with high knowledge and sufficient ability to perform their duties as follows:

1. The Board of Directors set the management development plan in order to create the succession plan for Chief Executive Officer, Deputy Chief Executive Officer, and Managing Director;
2. The Nomination and Remuneration Committee considers the knowledge, competency, and experiences of each position for the selection of those compliant as required for a succession of each position;
3. The Chief Executive Officer evaluates the performance and knowledge of the compliance executive with qualifications with required competency level to develop individualized plans to reduce the competency Gap;
4. The Chief Executive Officer arranges for the job rotation of the compliance executive while assign the Deputy Chief Executive and Managing Director to attend the management meeting to have the understanding, experiences, and readiness in organizational management in the future; and
5. The Nomination and Remuneration Committee reviews and summarizes a succession plan for the Chief Executive Officer, Deputy Chief Executive Officer and Managing Director regularly and report to the Board of Directors at least 2 times a year.

11. Remuneration of Directors and Executives***

The Board of Directors deliberated to prescribe fair and reasonable director's remuneration commensurate with responsibility and in line with financial health of the Company and comparable with SET listed companies which are in the same industry and have a similar business size as detailed below:

(1) Remuneration

(1.1) Remuneration of Directors (on behalf of Director only)

Remuneration of Director within 6,000,000 (six million) Baht as detailed below:

- Meeting allowance (for each meeting attended) is the same as the 2013 rate.
 - Chairman of the Board of Directors 35,000 baht
 - Directors and committee members 25,000 baht

- Bonus is paid to directors at a rate of 1.50% of total dividend payout based on 2013 operating results.

The Company did requested approval of Director's remuneration from the Shareholders meeting.

Details of remuneration of each director in 2014 are as followed:

Name	Remuneration Committee (Baht)						
	Designation	Board of Directors	Audit Committee	Remuneration Committee	Nomination Committee	Bonus	Total
1. Mr. Sunsum Jurangkool	Chairman of the Board	175,000	-	-	-	177,136.36	352,136.36
2. Mr. Choothong Patanatmarueng	Vice Chairman	125,000	-	-	-	177,136.36	302,136.36
3. Mr. Sarit Patanatmarueng	Director	175,000	-	-	25,000	177,136.36	377,136.36
4. Mr. Makoto Teraura	Director	-	-	-	-	177,136.36	177,136.36
5. Mr. Thaveechat Jurangkool	Director	125,000	-	-	25,000	177,136.36	327,136.36
6. Mr. Kornkrit Jurangkool	Director	175,000	-	-	25,000	177,136.36	377,136.36
7. Mr. Kazuhiro Takeshita**	Director	50,000	-	-	-	-	50,000.00
8. Mr. Kavee Vasuvat	Independent Director	175,000	125,000	75,000	-	177,136.36	552,136.36
9. Mr. Apinan Na Ranong	Independent Director	175,000	125,000	75,000	-	177,136.36	552,136.36
10. Mr. Prinya Waiwatana	Independent Director	175,000	125,000	75,000	-	177,136.36	552,136.36
11. Mr. Chatchai Earsakul	Independent Director	175,000	125,000	-	-	177,136.36	477,136.36

*The Nomination and Remuneration Committee has been approved by the Board of Directors Meeting no. 3/2014 held on May 6, 2014 (combining between the Nomination Committee and Remuneration Committee).

** The Good Corporate Governance Committee has been approved by the Board of Directors Meeting no. 4/2014, held on August 5, 201 (re-established).

Total remuneration of the executives***:

Remuneration	2013 Amount (MB Baht)	2014 Amount (MB Baht)
Salaries, bonus etc.	99.87 (10 executives)	134.59 (12 executives)

(1.2) Remuneration of Executives ***

- The remuneration of Chief Executive Officer in 2014 can be adjusted not more than 10% of rate in previous year.
- Remuneration of lower-ranking executives*** depends on the discretion of the Chief Executive Officer.

In 2014, remuneration of 12 executives*** were comprises of salary and bonus in amount of 134.59 million Baht.

- (2) Other compensation
- Other compensation of directors
- None -

- Other compensation of executives***

Provident fund

The Company established a provident fund in which employees are required to contribute 3 or 5% of their salaries and the Company is required to make the same rate of contribution. In 2014, the Company's contribution to the provident fund for 12 executives amounted to 1,419,551 Baht.

Social security

In 2014, the Company's social security contribution for 12 executives. amounted to 52,500 Baht.

***The first four executive positions below the Board of Directors and every individual holding a position equivalent to the fourth executive, not including accounting and finance manager, comprise Chief Executive Officer, Deputy Chief Executive Officer, Managing Director, Deputy Managing Director, and General Manager.

13. Arrangement of internal information usage

The company formulated an Ethic Code to prohibit Directors, executives and employees who received internal information from the data used for their own benefit and others with communication by using internal information in governance manuals for those continuously. The Board of Directors, executive directors and employees of the company are obliged to strictly comply with the rules. In the case there is an act contrary to the policy, it should be reported to the supervisor or Human Resources Department or the Audit Committee, as appropriate which could be summarized as follows:

- Ethics governing conflicts of interest prohibits directors and employees from using internal information to benefit themselves and others. The internal information includes information not be disclosed to the public under the rules of the Stock Exchange of Thailand and other laws relating thereto
- Ethics governing the confidentiality and use of internal information prohibits directors, executives and employees or any person to access to internal information and have a substantial impact on the stock price data, which has not been disclosed in Stock Exchange of Thailand under the Securities Exchange Act 1992 and other rules related to publicly traded securities.

Dividend payment policy

The Company has a dividend policy that pays dividend at a rate of no less than 25% of net profit after deductions of all types of reserve stated in regulations and legal provisions; provided that there is no ground of other necessity and dividend payment will not have significant effects on the Company's normal operations. It is required that proposed dividend payment be approved by Shareholders' meeting. The dividends must be paid within one month after the shareholders' meeting date or board meeting date, where dividend resolution was passed, as the case may be. Moreover, shareholders must be notified about dividend payment via a notification letter or a public notice placed in newspapers.



Corporate Governance

Policy Governance

The company is committed to be a world-class manufacturer of automotive control cables by building credibility with stakeholders to conduct business, enhancing corporate value and promoting the sustainable growth of the company, with business management on corporate governance principles as universal. This is to achieve and maintain moral values as the basis of leading the Company; therefore, the company has established a corporate governance framework for the operational aspects as follows:

1. The Board of Directors, executives and employees will comply with the Company's Corporate Governance Manual and business administration at all levels, with faith and understanding of corporate governance as the culture of the organization;
2. The Board of Directors, executives and employees are committed to fairness, treat all stakeholders equally and work for the benefit of the company with their fullest ability, in good faith, transparency and accountability; and
3. The Board of Directors, executives and employees can propose regulatory policy and affairs of the company in accordance with standard business practices and international standards as well as the changing needs of society

The Company manages and conducts its business operation in accordance with the good corporate governance guideline, while recognizing the importance of and accountability to shareholders and stakeholders of the Company, with full commitment and cooperation of all parties, including the Board of Directors, management and every employee. To support this endeavor, the Company already disseminated the Corporate Governance Manual which describes the code of conduct of board members, management and employees as well as business ethics and the code of conduct of investor relations as well as key policies and relevant regulations. The Board, management, employees and concerned parties can read this information on the Company's website.

On October 28, 2014, the Good Corporate Governance Committee' Meeting No. 1/2014 reviewed the Corporate Governance Manual and ensured that the content is up to dated (such will further report to the Board of Directors in Meeting no. 3/2015 on February 10, 2015).

Thai http://www.thaisteelcable.com/upload_images/file/TSC-CG-Handbook-TH-Version-resize.pdf
English http://www.thaisteelcable.com/upload_images/file/TSC-CG-Handbook-ENG-Version-resize.pdf

The Company fosters compliance with the Corporate Governance Manual by implementing the following measures:

1. The Board annually reviews the Corporate Governance Manual.
2. The management is regularly briefed on the essence of the Corporate Governance Manual at an annual management meeting.
3. A training roadmap is developed for each position in order to encourage employees to regularly read and review the Corporate Governance Manual.
4. Promote the Corporate Governance Manual by having it posted on a bulletin board to inform every employee.

Assessment results of concerned agencies

Thai Investors Association

Among 528 participants, the score of the Company for Annual General Meeting of Shareholder of 2013 was 98.75 or at "Excellent" level.

Social Responsibility

The Board of Directors issues a mandate to ensure that the Company operates with responsibility towards the society, environment and stakeholders. The details of relevant policies are described in the Corporate Governance Manual, which has been posted on the Company's website for acknowledgement of the Board of Director, management, employees and stakeholders.

Thai http://www.thaisteelcable.com/upload_images/file/TSC-CG-Handbook-TH-Version-resize.pdf (Page53-75)

English http://www.thaisteelcable.com/upload_images/file/TSC-CG-Handbook-ENG-Version-resize.pdf (Page55-77)

The Board of Directors regularly reviews pertinent policies in the Corporate Governance Manual on annual basis.

Investors can read additional information about security-issuing companies in the Company's Annual Report Form (Form 56-1) shown in www.sec.or.th or its website www.thaisteelcable.com.



Key comments of the Board of Directors

The Audit Committee evaluated the adequacy of the internal control system during 2014 in the meeting of the Board of Directors No. 2/2558 held on November 25, 2014, having the Board of Directors and the Audit Committee Meeting considered the adequacy of the internal controls of the Company set by the management team of the company in 5 various areas which were control within the organization, risk assessment, operational control, information systems and data communications and monitoring systems

The Board were of the opinion, as well as the Audit Committee that the "Overall, the Company had an adequate internal control system and appropriate to the business operations of the Company which the Board of Directors and executive team focusing on good governance, internal control and risk management continuously. This was for the Company to have a good corporate governance, internal controls sufficient to business operations, having acceptable management of risk, accounting and financial reporting to be accurate and reliable, including legal compliance and regulations relating to the business of the company".

The Board of Directors has reviewed the internal control system of the Assessment Report of the Audit Committee and concluded that the evaluation of internal control systems of the various committees that the Company's internal control systems is adequate for all aspects.

The Company provided and maintained a system of internal controls, including a review of the effectiveness of internal control systems regularly. It covered financial control operations, governance and compliance with the relevant laws and regulations, protection of property and risk management that the Company had audited internally by hiring DhammaNiti Audit Co., Ltd. and the Company's Internal Audit Department to continue the monitoring of the performance of the various agencies to adhere to the guidelines set forth by the annual audit plan approved, including the Board of Directors or executive team to verify the special case (if any) and assigned to the Company's internal audit department to continuously monitor and report directly to the Board of Directors.

According to 2014 audit report prepared by DhammaNiti Audit Co., Ltd and the Company's Internal Audit Department, it did not find any significant error. The Company had adequate internal control system, as well as in compliance with regulatory requirements and laws of the various government agencies correctly. Additionally, it had an asset protection to prevent the executive and employees from wrongfully applying, including improvement of the system performance steadily and continuously.

Connected Transactions

(1) Connected transactions with parties having potential conflict of interest in the past year

During the year, the Company had connected transactions with associated companies, wherein the purchase/sale price of products and services to such associated businesses was calculated at comparable prices adopted with outsiders. Furthermore, the various trading conditions for the transactions constituted normal business practice. These transactions with associated companies are disclosed in Item 7 of the Notes to the Financial Statements for year ended September 30, 2014.

(2) Necessity and rationale of connected transactions

The Audit Committee reviewed connected transactions stated in 12.1 and determined that buy-sell transactions of products and services as well as asset purchase between related parties were normal transactions of the Company executed reasonably and necessarily in the normal course of business. Such transactions were engaged with the best interests of the Company and shareholders in mind. Thus, the conditions of connected transactions were consistent with common trade terms and the prices were set under competition mechanism or deemed reasonable. Moreover, such trade terms did not differ from the transactions between the Company and external parties.

(3) Measure or procedure for approval of connected transactions

The Company stipulates a procedure for approval of connected transactions. Importantly, connected transaction must be engaged on the basis of necessity and reason, and practices must be similar to transactions between the Company and external parties. In case of connected transaction between the Company or a party which may have conflict of interest or personal interest or conflict of interest in the future, the Audit Committee will give opinions about necessity of such transaction and suitability of the price deal in this transaction by scrutinizing the conditions to ensure that trade terms are consistent with regular transactions in the normal course of business in the industry and by comparing the price deal with prices quoted by external parties or market prices. Furthermore, in case of significant connected transactions the Company requires approval from the Audit Committee and the Board of Directors as well as shareholders' meeting, as the case.

If the Audit Committee does not have experience in scrutinizing potential connected transaction, the Company will seek an independent expert who can give opinions about such connected transaction which will be scrutinized by the Board of Directors, Audit Committee or shareholders, as the case may be. In this instance, a director who has personal interest in such transaction does not have voting right. In practice, connected transactions are disclosed under the notes to financial statements or subject to oversight of company auditors.

(4) Policy governing or trend of connected transactions

In the future, the Company may need to engage in connected transactions. In this case, it will ensure that such engagement complies with the securities and exchange law; rules, notifications, orders or provisions of the Stock Exchange of Thailand; and accounting standards concerning disclosure of information about related party or business prescribed by the Federation of Accounting Professions, as well as provisions on disclosure of information on connected transactions and related acquisition and disposal.

In case of routine connected transactions, such as engagement to produce pieces of contents, purchase of products and raw materials and product sale, which are continuing transactions in the future, the Company laid out practical guideline and approach to ensure that such transactions conform with general trade terms by referring to fair, suitable and reasonable prices and trade terms. Moreover, such transactions can be examined based on the criteria of routine transactions. To this end, the Audit Committee requires that connected transactions may be examined by internal audit experts to determine whether they comply with the regulations of the Company and the Stock Exchange of Thailand.

If connected transactions do not meet the aforesaid criteria of routine transactions, the Company, however, will adhere to the securities and exchange law; rules, orders or provisions of the Stock Exchange of Thailand; as well as provisions concerning disclosure of information about connected transactions and related acquisition and disposal of company assets. Moreover, the Company discloses connected transactions under the notes to financial statements already audited by company auditors. In case of connected transactions between related parties with personal interest at stake or parties which may have conflict of interest in the future, the Company advises the Audit Committee to give opinions about appropriateness of such transactions. If the Audit Committee does not have expertise in examining certain connected transactions, the Company will seek for knowledgeable and competent individuals, such independent asset valuator, who can give opinions about connected transactions. Therefore, opinions of the Audit Committee and competent individuals will be scrutinized for deliberation by the Board of Directors or shareholders, as the case may be, to ascertain that such transactions do not constitute transfer or shift of interests between the Company and its shareholders but are executed by the Company with the best interest of every shareholder in mind.

Report of the Board of Director's Responsibility to the Financial Reports

The Board of Directors is responsible for the financial statements of Thai Steel Cable Public Company Limited and the financial information contained in the Annual Report. The said financial statements were prepared in accordance with generally accepted accounting standards in Thailand, wherein appropriate accounting policies were adopted for consistent use. Furthermore, prudent judgment was exercised in their preparation. Adequate disclosure of information is also provided in the Notes to the Financial Statements.

The Board of Directors of the Company has implemented an effective system of internal controls, in order to ensure that the recording of accounting transactions is accurate and complete. The Company's financial statements have been audited by EY Office Limited. During such audit, the Board of Directors has provided various supporting information and documentation, to allow the auditors to review and express their opinions in accordance with accounting standards. The opinions of the auditors are presented in the Auditors' Report section of the Annual Report.

Moreover, the Company has established the Audit Committee, comprising Directors who are not Executives, officers or employees of the Company. They are responsible for overseeing the quality of the financial reports, internal control systems, as well as the opinions of the Audit Committee in this regard. These opinions are presented in the Audit Committee's Report.

The Board of Directors of the Company is of the opinion that overall, the Company's internal control systems are of a satisfactory level, and are able to engender reasonable confidence in the credibility of the Company's annual financial statements for the year ended September 30, 2014. The Company has complied with generally accepted accounting principles and also complied with the relevant Laws and regulations.



(Sarit Patanatmarueng)
Managing Director



(Sunsum Jurangkool)
Chairman of the Board of Directors

Report of the Audit Committee

The Audit Committee of Thai Steel Cable Public Company Limited has been appointed by the Board of Directors. There are four committee members whose qualifications fully conform to the Audit Committee Charter and statutory requirements of the Office of the Securities and Exchange Commission. The names of committee members are listed below:

- | | |
|--------------------------|---------------------------------|
| 1. Mr. Kavee Vasuvat | Chairman of the Audit Committee |
| 2. Mr. Apinan Na Ranong | Audit Committee |
| 3. Mr. Prinya Waiwatana | Audit Committee |
| 4. Mr. Chatchai Earsakul | Audit Committee |

The Audit Committee performed its duties under the scope, duties and responsibilities as assigned by the Board of Directors in consistence with the Stock Exchange of Thailand.

In 2014 (start date of October 1, 2013 to September 30, 2014), the Audit Committee met 5 times and sometimes had meetings with executives. The performance of the Audit Committee could be summarized as follows:

1. Reviewing the quarterly financial statements and annual financial statements to ensure that the financial statements of the Company have been prepared correctly and reliable. The Audit Committee agreed with the auditor that such financial statements were accurate as it should, in all respects with the accounting standards and accounting principles generally accepted in accounting practices, including having meetings with the external auditors without executive team every quarter;
2. Reviewing the Company's internal control system and internal audits was sufficient and effective by hiring an expert to conduct an internal investigation to determine. Moreover, the Internal Audit Department monitored the internal audit plan for the year that the Audit Committee considered and approved covering the important work and assigned to monitor the correction of defect inspection report. The Committee saw that the Company's internal controls were adequate and appropriate to the nature of the business and no defects or weaknesses of the significant system of internal controls. Assets are properly maintained, including the disclosure in its entirety.

In addition, the Committee reviewed the internal audit by considering the scope of missions, duties, responsibilities, man power force and independence of internal audit by setting the internal audit to report audit results to the Audit Committee and report on executive matter to the Managing Director that the internal audit of the Company was independent adequate and effective.

3. Reviewing of risk management that the Company hired a consultant to provide knowledge and coordinated risk management of the company as a whole (Enterprise Risk Management: ERM), the Company is an indicator of risk, risk assessment, internal and external factors, risk management and track the progress of each agency with the advice of consultant to ensure that it could be done with the goal set. In the event that may affect the achievement of the organization, it could manage the risks to an acceptable level timely. The Audit Committee was of the opinion that the Company has adequate risk management systems and should be monitored in order to improve the effectiveness of risk management continuously.

4. Reviewing that the Company complied with the Securities and Exchange Commission, requirements of the Exchange Act or other laws relating to the business of the company, the Committee was of the opinion that there was no significant defects in terms of non-compliance with the law and regulations reviewed.
5. Reviewing and commented on the transaction of business related or items that may have a conflict of interest, compliance with the Code of Conduct and Ethics of the Committee, executives and staff. There was no items posed as conflict of interest. The Company disclosed in this matter correctly, as well as to comply with the Code of Ethics set appropriately.
6. Considering the selection of auditor and remuneration to the Board of Directors for approval at the AGM, the Audit Committee considered the performance of the external auditor in the past year, including knowledge specialization and independence and submitted to the Board for approval at the AGM by appointing Mr. Krisda Lerdwana and / or Ms. Vissuta Jariyatanakorn and / or Mrs. Poonnath Poacharoen of the EY Office Co., Ltd. as auditors for 2015 (the period from October 1, 2014 - September 30, 2015) with the audit fee in total of 1,100,000 Baht (excluding monitoring of compliance with the terms of the Investment Promotion Act for 225,000 baht)

In summary, overall the Audit Committee fulfilled its obligations set out in the Charter of the Audit Committee approved by the Board of Directors and was of the opinion that the Company had correctly and completely financial reports and business operations. There were proper and effective internal control system, internal audit and risk management and in compliance with legal requirements and obligations for compliance with the transaction correctly. In addition, the operation was performed with good governance, transparency, adequately and reliably, including considering the independence of the auditor to be appointed and remuneration of auditors.



(Kavee Vasuvat)
Chairman of the Audit Committee

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF THAI STEEL CABLE PUBLIC COMPANY LIMITED

I have audited the accompanying financial statements of Thai Steel Cable Public Company Limited, which comprise the statement of financial position as at 30 September 2014, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 financial statements referred to above present fairly, in all material respects, the financial position of Thai Steel Cable Public Company Limited as at 30 September 2014, and its financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Emphasis of matter

I draw attention to Note 3 to the financial statements regarding the change in accounting policy due to the adoption of Thai Accounting Standard 12 *Income Taxes*. The Company has restated the financial statements for the year ended 30 September 2013, presented herein as comparative information, to reflect the adjustment resulting from such change. The Company has also presented the statements of financial position as at 1 October 2012 as comparative information, using the newly adopted accounting policy for income taxes. My opinion is not qualified in respect of this matter.

Other matter

The financial statements of Thai Steel Cable Public Company Limited for the year ended 30 September 2013 (before restatement) and as at 30 September 2012 (which have been used for preparing the statement of financial position as at 1 October 2012 as described in the preceding paragraph) were audited by other auditors, who expressed unqualified opinions on those statements, under their reports dated 25 November 2013 and 26 November 2012, respectively.

Khitsada Lerdwana
Certified Public Accountant (Thailand) No. 4958
EY Office Limited

Bangkok: 25 November 2014

Thai Steel Cable Public Company Limited
Statement of financial position
As at 30 September 2014

			(Unit: Baht)	
	Note	30 September 2014	30 September 2013	1 October 2012
			(Restated)	
Assets				
Current assets				
Cash and cash equivalents	8	412,761,478	213,006,575	140,999,572
Current investments		100,651	99,354	97,286
Trade and other receivables	9	492,492,034	615,765,904	663,697,655
Inventories	10	308,564,833	414,201,305	415,162,392
Other current assets		6,590,844	7,016,150	15,183,823
Total current assets		1,220,509,840	1,250,089,288	1,235,140,728
Non-current assets				
Long-term investment	11	25,704,000	25,704,000	25,704,000
Investment properties	12	133,672,096	135,922,607	138,002,815
Property, plant and equipment	13	1,228,182,379	1,137,113,834	977,129,697
Intangible assets	14	20,942,520	23,714,453	28,103,660
Deferred tax assets	23	7,451,996	7,233,078	44,500
Other non-current assets		53,130,623	24,144,089	23,209,500
Total non-current assets		1,469,083,614	1,353,832,061	1,192,194,172
Total assets		2,689,593,454	2,603,921,349	2,427,334,900

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

Thai Steel Cable Public Company Limited
Statement of financial position (continued)
As at 30 September 2014

			(Unit: Baht)	
	Note	30 September 2014	30 September 2013	1 October 2012
			(Restated)	
Liabilities and shareholders' equity				
Current liabilities				
Short-term loans from banks	15	400,000,000	100,000,000	-
Trade and other payables	16	528,314,323	646,754,275	695,728,015
Current portion of long-term loan from bank	17	18,750,000	75,000,000	56,250,000
Current portion of hire-purchase payables	18	4,302,198	6,770,521	6,386,230
Other current liabilities		7,813,603	20,940,461	7,773,495
Total current liabilities		959,180,124	849,465,257	766,137,740
Non-current liabilities				
Long-term loan from bank - net of current portion	17	-	18,750,000	52,250,000
Hire-purchase payables - net of current portion	18	2,291,010	4,811,266	8,495,691
Provision for long-term employee benefits	19	36,013,386	33,544,883	22,652,053
Provisions	20	15,901,435	18,077,143	18,572,258
Other non-current liabilities		154,855	66,856	98,456
Total non-current liabilities		54,360,686	75,250,148	102,068,458
Total liabilities		1,013,540,810	924,715,405	868,206,198

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

		(Unit: Baht)		
	Note	30 September 2014	30 September 2013 (Restated)	1 October 2012
Shareholders' equity				
Share capital				
Registered				
268,500,000 ordinary shares of Baht 1 each		268,500,000	268,500,000	268,500,000
Issued and paid-up				
259,800,000 ordinary shares of Baht 1 each		259,800,000	259,800,000	259,800,000
Share premium		464,870,185	464,870,185	464,870,185
Retained earnings				
Appropriated - statutory reserve	21	26,850,000	26,850,000	26,850,000
Unappropriated		930,639,583	933,792,883	807,608,517
Other component of shareholders' equity		(6,107,124)	(6,107,124)	-
Total shareholders' equity		1,676,052,644	1,679,205,944	1,559,128,702
Total liabilities and shareholders' equity		2,689,593,454	2,603,921,349	2,427,334,900

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

Thai Steel Cable Public Company Limited
Statement of comprehensive income
For the year ended 30 September 2014

(Unit: Baht)

	Note	2014	2013
			(Restated)
Profit or loss:			
Revenues			
Sales	24	2,731,858,056	3,655,872,054
Other income		28,176,294	123,277,789
Total revenues		2,760,034,350	3,779,149,843
Expenses			
Cost of sales		2,230,752,608	2,941,502,783
Selling expenses		92,029,095	109,292,016
Administrative expenses		295,476,379	375,208,365
Total expenses		2,618,258,082	3,426,003,164
Profit before finance cost and income tax expenses		141,776,268	353,146,679
Finance cost		(14,561,361)	(9,702,923)
Profit before income tax expenses		127,214,907	343,443,756
Income tax expenses	23	(468,207)	(9,419,390)
Profit for the year		126,746,700	334,024,366
Other comprehensive income:			
Actuarial loss, net of income tax		-	(6,107,124)
Total comprehensive income for the year		126,746,700	327,917,242
Earnings per share	25		
Basic earnings per share			
Profit attributable to equity holders of the Company		0.49	1.29
Weighted average number of ordinary shares (shares)		259,800,000	259,800,000

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

Thai Steel Cable Public Company Limited
Cash flows statement
For the year ended 30 September 2014

(Unit: Baht)

	2014	2013
Cash flows from operating activities		
Profit before tax	127,214,907	343,443,756
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities		
Depreciation and amortisation	130,296,436	111,149,604
Allowance for doubtful accounts	644,825	39,277,341
Reduction of inventory to net realisable value	2,196,520	-
Gain on disposal/write-off of equipment	(1,095,606)	(10,210,936)
Provisions	5,219,010	11,457,911
Provision for long-term employee benefits	3,607,416	6,313,553
Unrealised gain on exchange	(1,277,545)	(370,232)
Interest income	(1,043,098)	(796,921)
Interest expenses	14,561,361	9,702,923
Profit from operating activities before changes in operating assets and liabilities	280,324,226	509,966,999
Operating assets (increase) decrease		
Trade and other receivables	123,436,103	8,830,243
Inventories	103,439,952	961,087
Other current assets	(573,264)	8,167,674
Other non-current assets	(28,986,534)	(934,590)
Operating liabilities increase (decrease)		
Trade and other payables	(112,039,876)	(30,378,562)
Other current liabilities	(501,803)	(71,489)
Other non-current liabilities	(8,445,630)	(13,637,108)

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

Thai Steel Cable Public Company Limited

Cash flows statement (continued)

For the year ended 30 September 2014

(Unit: Baht)

	2014	2013
Cash flows from operating activities	356,653,174	482,904,254
Cash paid for interest expenses	(14,552,141)	(9,681,515)
Cash paid for income tax	(12,313,611)	(3,244,876)
Net cash flows from operating activities	329,787,422	469,977,863
Cash flows from investing activities		
Increase in current investments	(1,297)	(2,068)
Cash paid for purchase of equipment	(222,547,985)	(286,634,817)
Cash paid for purchase of intangible assets	(558,950)	(4,657,699)
Proceeds from sales of equipment	4,666,468	22,429,702
Interest income	1,043,097	796,921
Net cash flows used in investing activities	(217,398,667)	(268,067,961)
Cash flows from financing activities		
Increase in short-term loans from banks	300,000,000	100,000,000
Repayment of long-term loan	(75,000,000)	(14,750,000)
Repayment of hire-purchase payables	(7,733,852)	(7,312,899)
Dividend paid	(129,900,000)	(207,840,000)
Net cash flows from (used in) financing activities	87,366,148	(129,902,899)
Net increase in cash and cash equivalents	199,754,903	72,007,003
Cash and cash equivalents at beginning of year	213,006,575	140,999,572
Cash and cash equivalents at end of year (Note 8)	412,761,478	213,006,575
Non-cash items		
Decrease in other payables from purchase of equipment	5,938,809	18,422,188
Purchases of equipment under hire-purchase agreements	2,745,272	4,012,764
Transfer equipment to intangible assets	6,030,610	-

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

Thai Steel Cable Public Company Limited
Statement of changes in shareholders' equity
For the year ended 30 September 2014

(Unit: Baht)

	Issued and paid-up share capital	Share premium	Retained earnings		Other component of equity	Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	Other comprehensive income	
					Actuarial gains (losses)	
Balance as at 1 October 2012 - as previously reported	259,800,000	464,870,185	26,850,000	807,564,017	-	1,559,084,202
Cumulative effect of change in accounting policy for						
income taxes (Note 4)	-	-	-	44,500	-	44,500
Balance as at 1 October 2012 - restated	259,800,000	464,870,185	26,850,000	807,608,517	-	1,559,128,702
Dividend paid (Note 28)	-	-	-	(207,840,000)	-	(207,840,000)
Total comprehensive income for the year - restated	-	-	-	334,024,366	(6,107,124)	327,917,242
Balance as at 30 September 2013 - restated	<u>259,800,000</u>	<u>464,870,185</u>	<u>26,850,000</u>	<u>933,792,883</u>	<u>(6,107,124)</u>	<u>1,679,205,944</u>
Balance as at 1 October 2013 - as previously reported	259,800,000	464,870,185	26,850,000	926,684,440	(6,231,759)	1,671,972,866
Cumulative effect of change in accounting policy for						
income taxes (Note 4)	-	-	-	7,108,443	124,635	7,233,078
Balance as at 1 October 2013 - restated	259,800,000	464,870,185	26,850,000	933,792,883	(6,107,124)	1,679,205,944
Dividend paid (Note 28)	-	-	-	(129,900,000)	-	(129,900,000)
Total comprehensive income for the year	-	-	-	126,746,700	-	126,746,700
Balance as at 30 September 2014	<u>259,800,000</u>	<u>464,870,185</u>	<u>26,850,000</u>	<u>930,639,583</u>	<u>(6,107,124)</u>	<u>1,676,052,644</u>

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

Thai Steel Cable Public Company Limited

Notes to financial statements

For the year ended 30 September 2014

1. General information

Thai Steel Cable Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of control cable of automobiles and motorcycles and window regulator of automobiles. The registered office of the Company is at Amatanakorn Industrial Estate 700/737, Moo 1, TambolPanthong, AmphurPanthong, Chonburi.

2. Basis for the preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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

3. New accounting standards

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

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

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Financial Reporting Standard:

TFRS 8	Operating Segments
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Accounting Standard Interpretations:

TSIC10	Government Assistance - No Specific Relation to Operating Activities
TSIC21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

Accounting Treatment Guidance for Transfers of Financial Assets

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements, except for the following accounting standard.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company has changed this accounting policy in this current period and restated the prior year's financial statements, presented as comparative information, as though the Company had initially recognised the tax effects as deferred tax assets or liabilities. The cumulative effect of this change in accounting policy has been presented in Note 4 to the financial statements.

(b) Accounting standards that will become effective in the future

	<u>Effective date</u>
Accounting Standards:	
Conceptual Framework for Financial Reporting (revised 2014)	Immediately effective
TAS 1 (revised 2012) Presentation of Financial Statements	1 January 2014
TAS 7 (revised 2012) Statement of Cash Flows	1 January 2014
TAS 12 (revised 2012) Income Taxes	1 January 2014
TAS 17 (revised 2012) Leases	1 January 2014
TAS 18 (revised 2012) Revenue	1 January 2014
TAS 19 (revised 2012) Employee Benefits	1 January 2014
TAS 21 (revised 2012) The Effects of Changes in Foreign Exchange Rates	1 January 2014
TAS 24 (revised 2012) Related Party Disclosures	1 January 2014
TAS 28 (revised 2012) Investments in Associates	1 January 2014
TAS 31 (revised 2012) Interests in Joint Ventures	1 January 2014
TAS 34 (revised 2012) Interim Financial Reporting	1 January 2014
TAS 36 (revised 2012) Impairment of Assets	1 January 2014
TAS 38 (revised 2012) Intangible Assets	1 January 2014
Financial Reporting Standards:	
TFRS 2 (revised 2012) Share-based Payment	1 January 2014
TFRS 3 (revised 2012) Business Combinations	1 January 2014
TFRS 4 Insurance Contracts	1 January 2016
TFRS 5 (revised 2012) Non-current Assets Held for Sale and Discontinued Operations	1 January 2014
TFRS 8 (revised 2012) Operating Segments	1 January 2014

		<u>Effective date</u>
Accounting Standard Interpretations:		
TSIC 15	Operating Leases - Incentives	1 January 2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32	Intangible Assets - Web Site Costs	1 January 2014
Financial Reporting Standard Interpretations:		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non-cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

The Company's management believes that these accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standards interpretations will not have any significant impact on the financial statements for the year when they are initially applied.

4. Cumulative effect of changes in accounting policies due to the adoption of new accounting standard

During the current year, the Company made the changes described in Note 3 to the financial statements to its significant accounting policies, as a result of the adoption of Thai Accounting Standard 12 Income Taxes. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

(Unit: Thousand Baht)

	As at 30 September 2014	As at 30 September 2013	As at 1 October 2012
Statements of financial position			
Increase in deferred tax assets	7,452	7,233	45
Increase in unappropriated retained earnings	7,327	7,108	45
Increase in other component of shareholders' equity	125	125	-

(Unit: Thousand Baht)

	2014	2013
Statements of comprehensive income		
Profit or loss:		
Decrease in income tax expenses	219	7,189
Increase in profit attributable to equity holders of the Company	219	7,189
Increase in basic earnings per share (Baht)	0.001	0.028

5. Significant accounting policies

5.1 Revenue recognition

Sales of goods

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

Interest income

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

5.2 Cash and cash equivalents

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

5.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

5.4 Inventories

Finished goods and work in process are valued at the lower of standard cost (which approximates actual cost) and net realisable value. Standard cost includes all production costs and attributable factory overheads.

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

5.5 Investment

Investment in non-marketable equity security, which the Company classifies as other investment, are stated at cost net of allowance for impairment loss (if any).

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

5.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years and 40 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

5.7 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

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

Land improvement	-	20 years
Building	-	40 years
Building improvement	-	5 - 20 years
Machinery and equipment	-	3 - 15 years
Tools	-	3 - 10 years
Molds	-	3 - 10 years
Furniture, fixtures and office equipment	-	3 - 10 years
Motor vehicles	-	10 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation and construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.8 Intangible assets

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss. A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 - 10 years

5.9 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company. They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

5.10 Long-term leases

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

5.11 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency. Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period. Gains and losses on exchange are included in determining income.

5.12 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

5.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plan and other long-term employee benefits

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plan. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

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

Actuarial gains and losses arising from post-employment benefits are recognised in other comprehensive income and actuarial gains and losses arising from other long-term benefits are recognised in profit and loss.

5.14 Provisions

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

5.15 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

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

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

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

6. Significant accounting judgments and estimates

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

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of investment

The Company treats other investment as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment of the management.

Property plant and equipment/Depreciation

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

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

Intangible assets

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

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

7. Related party transactions

Relationship between the Company and those related parties are as follows:

Company's name	Relationship
Hi-Lex Corporation	The Company's shareholder
Summit Auto Body Industry Co., Ltd	Common directors and shareholder with the Company
Summit Auto Seat Industry Co., Ltd.	Common directors and shareholder with the Company
Summit Otsuka Manufacturing Co., Ltd.	Common directors and shareholder with the Company
Summit Laemchabang Auto Seats Manufacturing Co., Ltd.	Common directors and shareholder with the Company
Complete Autoparts Co., Ltd.	Common directors and shareholder with the Company
Complete Auto Rubber Manufacturing Co., Ltd.	Common directors and shareholder with the Company
Johnson Controls & Summit Interiors Ltd.	Common directors and shareholder with the Company
Summit Ansei Auto Parts Co., Ltd.	Common directors and shareholder with the Company
Thai Auto Industry Co., Ltd.	Common directors and shareholder with the Company
Summit Chugoku Seira Co., Ltd.	Common directors and shareholder with the Company
Summit R&D Center Co., Ltd.	Common directors and shareholder with the Company
Armstrong Auto Parts SDN.BHD.	Common shareholder with the Company
Hi-Lex Vietnam Co., Ltd.	Common directors and shareholder with the Company
PT. Hi-Lex Indonesia	Common directors and shareholder with the Company
Hi-Lex India Private Limited	Common directors and shareholder with the Company
TSK (Korea) Co., Ltd.	Common directors and shareholder with the Company
Yantai TSK Cable System Co., Ltd.	Common directors and shareholder with the Company
Hi-Lex Hungary KFT Co., Ltd.	Common directors and shareholder with the Company
Chongqing Hi-Lex Cable System Co., Ltd.	Common directors and shareholder with the Company
Hi-Lex America Co., Ltd.	Common directors and shareholder with the Company
Chongqing Hi-Lex Control Cable System Co., Ltd.	Common directors and shareholder with the Company
Hi-Lex Mexicana S.A. DE C.V.	Common directors and shareholder with the Company
Hi-Lex Controls, Inc.	Common directors and shareholder with the Company
Guangdong Hi-Lex Cable System Co., Ltd.	Common directors and shareholder with the Company

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	2014	2013	Transfer Pricing Policy
<u>Transactions with related companies</u>			
Sales of goods	159	122	Market price
Purchases of raw materials and finished goods	398	729	Market price
Purchases of assets	3	25	Agreed upon basis
Royalty fee	42	54	2.0% on the net sales amount
As at 30 September 2014 and 2013, the balances of the accounts between the Company and those related companies are as follows:			

(Unit: Thousand Baht)

	2014	2013
Trade and other receivables - related parties (Note 9)		
<u>Trade receivables - related parties</u>		
Related companies	24,732	29,789
<u>Other receivables - related parties</u>		
Related companies	154	140
Trade and other payables - related parties (Note 16)		
<u>Trade payables - related parties</u>		
Related companies	72,618	88,355
<u>Other payables - related parties</u>		
Related companies	369	515
<u>Accrued royalty - related party</u>		
Related company	10,451	13,279

Directors and management's benefits

During the years ended 30 September 2014 and 2013, the Company had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	2014	2013
Short-term employee benefits	93,624	102,691
Post-employee benefits	170	687
Total	93,794	103,378

8. Cash and cash equivalents

(Unit: Thousand Baht)

	2014	2013
Cash	253	331
Bank deposits	412,508	212,676
Total	412,761	213,007

As at 30 September 2014, bank deposits in saving accounts carried interests between 1.04 and 1.55 percent per annum (2013: between 1.57 and 2.05 percent per annum).

9. Trade and other receivables

(Unit: Thousand Baht)

	2014	2013
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	24,725	27,549
Past due up to 3 months	7	2,240
Total trade receivables - related parties	24,732	29,789
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	435,456	553,954
Past due		
Up to 3 months	2,124	3,496
3 - 6 months	573	116
Over 12 months	13,009	12,761
Total	451,162	570,327
Less: Allowance for doubtful debts	(13,009)	(12,361)
Total trade receivables - unrelated parties - net	438,153	557,966
Total trade receivables - net	462,885	587,755
<u>Other receivables</u>		
Other receivables - related parties	154	140
Other receivables - unrelated parties	56,366	54,787
Total	56,520	54,927
Less: Allowance for doubtful debts	(26,913)	(26,916)
Total other receivables - net	29,607	28,011
Total trade and other receivables - net	492,492	615,766

10. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realizable value		Inventories - net	
	2014	2013	2014	2013	2014	2013
Finished goods	73,877	82,186	(1,095)	-	72,782	82,186
Work in process	45,437	42,341	(139)	-	45,298	42,341
Raw materials	164,021	255,803	(962)	-	163,059	255,803
Goods in transit	27,426	33,871	-	-	27,426	33,871
Total	<u>310,761</u>	<u>414,201</u>	<u>(2,196)</u>	<u>-</u>	<u>308,565</u>	<u>414,201</u>

11. Long-term investment

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Cost	
			2014	2013	2014	2013	2014	2013
					(%)	(%)		
Hi-Lex Vietnam Co., Ltd.	Manufacture automobile parts	Vietnam	USD 11,150,000	USD 11,150,000	6.28	6.28	<u>25,704</u>	<u>25,704</u>

12. Investment properties

The net book value of investment properties of the Company as at 30 September 2014 and 2013 is presented below.

(Unit: Thousand Baht)

	Land and land improvement	Building and building improvement	Total
30 September 2014:			
Cost	93,510	161,877	255,387
Less: Accumulated depreciation	(4,076)	(117,638)	(121,714)
Net book value	<u>89,434</u>	<u>44,239</u>	<u>133,673</u>
30 September 2013:			
Cost	93,510	161,877	255,387
Less: Accumulated depreciation	(4,076)	(115,388)	(119,464)
Net book value	<u>89,434</u>	<u>46,489</u>	<u>135,923</u>

A reconciliation of the net book value of investment properties for the years 2014 and 2013 is presented below.

	(Unit: Thousand Baht)	
	2014	2013
Net book value at beginning of year	135,923	138,003
Depreciation	(2,250)	(2,080)
Net book value at end of year	133,673	135,923

As at 30 September 2014, the Company has the fair value of the investment properties amounting to Baht 327 million (2013: Baht 327 million). The fair values of the land and building have been determined based on market prices performed by independent valuer.

13. Property, plant and equipment

(Unit: Thousand Baht)

	Land and land improvement	Building and building improvement	Machinery, equipment and other factory equipment	Motor vehicles	Furniture, fixtures, equipment and other operating equipment	Asset under installation and construction	Total
Cost							
1 October 2012	140,922	362,601	840,563	31,349	91,473	156,901	1,623,809
Additions	-	16,727	120,227	-	14,499	120,772	272,225
Disposals/write-off	-	-	(18,777)	-	(758)	-	(19,535)
Transfers in (out)	-	178,016	22,873	-	(3,890)	(196,999)	-
30 September 2013	140,922	557,344	964,886	31,349	101,324	80,674	1,876,499
Additions	-	151	17,949	-	6,151	195,104	219,355
Disposals/write-off	-	-	(63,490)	-	(7,220)	-	(70,710)
Transfers in (out)	-	9,827	164,000	-	-	(179,858)	(6,031)
30 September 2014	140,922	567,322	1,083,345	31,349	100,255	95,920	2,019,113
Accumulated depreciation							
1 October 2012	(15)	(102,216)	(475,131)	(19,694)	(49,623)	-	(646,679)
Depreciation for the year	(6)	(12,096)	(75,215)	(3,132)	(9,573)	-	(100,022)
Depreciation on disposals/ write-off	-	-	6,628	-	688	-	7,316
30 September 2013	(21)	(114,312)	(543,718)	(22,826)	(58,508)	-	(739,385)
Depreciation for the year	(6)	(14,102)	(87,693)	(3,135)	(13,749)	-	(118,685)
Depreciation on disposals/ write-off	-	-	60,487	-	6,652	-	67,139
30 September 2014	(27)	(128,414)	(570,924)	(25,961)	(65,605)	-	(790,931)
Net book value							
1 October 2012	140,907	260,385	305,432	11,655	41,850	156,901	977,130
30 September 2013	140,901	443,032	421,168	8,523	42,816	80,674	1,137,114
30 September 2014	140,895	438,908	512,421	5,388	34,650	95,920	1,228,182

Depreciation for the year

2013 (Baht 86 million included in cost of sales, and the balance in selling and administrative expenses)	100,022
2014 (Baht 103 million included in cost of sales, and the balance in selling and administrative expenses)	118,685

As at 30 September 2014, the Company had equipment under hire-purchase agreements with net book values amounting to Baht 5 million (2013: Baht 7 million).

As at 30 September 2014, certain plant and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 298 million (2013: Baht 269 million).

14. Intangible assets

The net book value of intangible assets as at 30 September 2014 and 2013 is presented below.

(Unit: Thousand Baht)

	Computer software	Computer software under installation	Total
As at 30 September 2014:			
Cost	51,753	2,515	54,268
Less: Accumulated amortisation	(33,325)	-	(33,325)
Net book value	18,428	2,515	20,943
As at 30 September 2013:			
Cost	45,163	2,515	47,678
Less: Accumulated amortisation	(23,964)	-	(23,964)
Net book value	21,199	2,515	23,714

A reconciliation of the net book value of intangible assets for the years 2014 and 2013 is presented below.

(Unit: Thousand Baht)

	2014	2013
Net book value at beginning year	23,714	28,104
Additions	559	4,658
Transferred in - at a net book value	6,031	-
Amortisation	(9,361)	(9,048)
Net book value at end of year	20,943	23,714

15. Short-term loans from banks

(Unit: Thousand Baht)

	Interest rate (% per annum)	2014	2013
Promissory notes	MMR	400,000	100,000

The short-term loans from banks are clean and denominated in Baht.

16. Trade and other payables

(Unit: Thousand Baht)

	2014	2013
Trade payables - related parties	72,618	88,355
Trade payables - unrelated parties	301,740	353,092
Other payables	44,081	52,076
Accrued expenses	109,875	153,231
Total	528,314	646,754

17. Long-term loan from bank

(Unit: Thousand Baht)

Interest rate (% per annum)	Repayment schedule	2014	2013
MLR - 2.40	Payment of principal in monthly installments of Baht 6.25 million commencing in January 2013	18,750	93,750
Less: Current portion		(18,750)	(75,000)
Long-term loan from bank - net of current portion		-	18,750

Movements in the long-term loan from bank account during the year ended 30 September 2014 are summarised below.

(Unit: Thousand Baht)

Balance as at 1 October 2013	93,750
Less: Repayment	(75,000)
Balance as at 30 September 2014	18,750

The loan agreement contains covenants as specified in the agreement that, among other things, require the Company to maintain certain debt to equity and debt service coverage ratios according to the agreement.

18. Liabilities under hire-purchase agreements

(Unit: Thousand Baht)

	2014	2013
Liabilities under hire-purchase agreements	6,968	12,396
Less: Deferred interest expenses	(375)	(814)
Total	6,593	11,582
Less: Portion due within one year	(4,302)	(6,771)
Liabilities under hire-purchase agreements - net of current portion	2,291	4,811

The Company has entered into the hire-purchase agreements with leasing companies for rental of equipment for use in its operation, whereby it is committed to pay rental on a monthly basis. The term of the agreements is 3 years.

Future minimum lease payments required under the hire-purchase agreements were as follows:

(Unit: Thousand Baht)

	As at 30 September 2014		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	4,585	2,383	6,968
Deferred interest expenses	(283)	(92)	(375)
Present value of future minimum lease payments	4,302	2,291	6,593

(Unit: Thousand Baht)

	As at 30 September 2013		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	7,382	5,014	12,396
Deferred interest expenses	(611)	(203)	(814)
Present value of future minimum lease payments	6,771	4,811	11,582

19. Provision for long-term employee benefits

(Unit: Thousand Baht)

	Provision for employee retirement benefits	Provision for other long-term employee benefits	Total
Provision for long-term employee benefits as at 1 October 2012	21,032	1,620	22,652
Current service cost	5,759	849	6,608
Interest cost	624	267	891
Benefit paid during the year	(1,489)	(1,349)	(2,838)
Actuarial losses	6,232	-	6,232
Provision for long-term employee benefits as at 30 September 2013	32,158	1,387	33,545
Current service cost	2,544	258	2,802
Interest cost	753	52	805
Benefit paid during the year	(989)	(150)	(1,139)
Provision for long-term employee benefits as at 30 September 2014	34,466	1,547	36,013

Long-term employee benefit expenses included in the profit or loss was as follows:

(Unit: Thousand Baht)

	2014	2013
Current service cost	2,802	6,608
Interest cost	805	891
Total expense recognised in profit or loss	3,607	7,499

The cumulative amount of actuarial losses recognised in other comprehensive income and taken as part of retained earnings of the Company as at 30 September 2013 amounted to Baht 6 million.

Principal actuarial assumptions at the valuation date were as follows:

	2014 (% per annum)	2013 (% per annum)
Discount rate	4.4	4.4
Future salary increase rate	0.0 - 7.0	0.0 - 7.0
Staff turnover rate (depending on age)	0.0 - 20.0	0.0 - 20.0

Amounts of defined benefit obligation and experience adjustments on the obligation for the current and previous two years are as follows:

(Unit: Thousand Baht)

	Defined benefit obligation			Experience adjustments on the obligation		
	Provision for employee retirement benefits	Provision for other long-term employee benefits	Total	Provision for employee retirement benefits	Provision for other long-term employee benefits	Total
Year 2014	34,466	1,547	36,013	-	-	-
Year 2013	32,158	1,387	33,545	6,155	296	6,451
Year 2012	21,032	1,620	22,652	-	-	-

20. Provisions

These provisions are provisions for product warranty which have movements during the years ended 30 September 2014 and 2013 summarised below.

(Unit: Thousand Baht)

Balance as at 1 October 2012	18,572
Increase during the year	11,458
Utilised	(11,953)
Balance as at 30 September 2013	18,077
Increase during the year	5,219
Utilised	(1,675)
Reversal of provisions	(5,720)
Balance as at 30 September 2014	15,901

Provisions for product warranty is recognised at a percentage of sales. The rate used in the calculation is based on historical data of actual expenses.

21. Statutory reserve

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

22. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	2014	2013
Salary and wages and other employee benefits	517,600	588,041
Depreciation	120,935	102,102
Amortisation expenses	9,361	9,048
Loss on exchange	4,892	-
Warranty provisions	5,219	11,458
Rental expenses from operating lease agreements	19,256	19,696
Raw materials and consumables used	1,322,167	1,934,297
Changes in inventories of finished goods and work in process	5,213	5,548
Loss on reduction of inventories to net realisable value	2,196	-

23. Income tax

Income tax expenses for the years ended 30 September 2014 and 2013 are made up as follows:

(Unit: Thousand Baht)

	2014	2013
		(Restated)
Current income tax:		
Current income tax charge	687	16,483
Deferred tax:		
Relating to origination and reversal of temporary differences	(219)	(7,064)
Income tax expenses reported in the statement of comprehensive income	468	9,419

The amounts of income tax relating to each component of other comprehensive income for the years ended 30 September 2014 and 2013 are as follows:

(Unit: Thousand Baht)

	2014	2013
		(Restated)
Deferred tax relating to actuarial loss	-	125
Total	-	125

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 30 September 2014 and 2013.

(Unit: Thousand Baht)

	2014	2013 (Restated)
Accounting profit before tax	127,215	343,444
Applicable tax rate	20%	23%
Accounting profit before tax multiplied by applicable tax rate	25,443	78,992
Adjustment in respect of current income tax of previous year	(9,874)	(2,143)
Effects of:		
Promotional privileges (Note 24)	(19,518)	(76,105)
Non-deductible expenses	1,167	1,303
Additional expense deductions allowed	(247)	(147)
Others	3,497	7,519
Total	(15,101)	(67,430)
Income tax expenses reported in the statement of comprehensive income	468	9,419

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

(Unit: Thousand Baht)

	As at 30 September 2014	As at 30 September 2013 (Restated)	As at 1 October 2012
Deferred tax assets			
Allowance for doubtful accounts	7,098	6,973	-
Allowance for diminution in value of inventories	44	-	-
Provision for long-term employee benefits	720	671	458
Warranty provisions	318	361	393
Accrued rebate	47	19	9
	8,227	8,024	860
Deferred tax liabilities			
Accumulated depreciation - investment properties	739	772	809
Others	36	19	6
	775	791	815
Net	7,452	7,233	45

In October 2011, the cabinet passed a resolution to reduce the corporate income tax rate from 30 percent to 23 percent in 2012, and then to 20 percent from 2013. In addition, in order to comply with the resolution of the cabinet, in December 2011, the decreases in tax rates for 2012 - 2014 were enacted through a royal decree. The Company has reflected the changes in the income tax rates in its deferred tax calculation, as presented above.

24. Promotional privileges

The Company was granted investment promotional privileges by the Board of Investment (BOI) under the Investment Promotion Act B.E. 2520. As at 30 September 2014, important tax privileges granted to the Company are summarised below.

	Investment promotion certificate no.	Exemption from import duty on machines	Exemption from corporate income tax for the periods	Commencing from
Manufacture of control cable of vehicles and window regulator of automobiles	7017(2)/2549	Expired	7 years	1 January 2007
Manufacture of control cable of vehicles and window regulator of automobiles	1827(2)/2550	Expired	8 years	1 July 2007
Manufacture of control cable of vehicles and window regulator of automobiles	1715(2)/2555	Will expire on 7 December 2014	7 years	28 February 2013
Manufacture of control cable of vehicles and window regulator of automobiles	1006(2)/2557	Will expire on 3 July 2016	7 years	9 December 2013
Manufacture of control cable of vehicles and window regulator of automobiles	1539(2)/2557	Will expire on 28 October 2016	7 years	Not yet utilised

The Company's operating revenues for the years are below shown divided according to promoted and non-promoted operations.

(Unit: Thousand Baht)

	Promoted operations		Non-promoted operations		Total	
	2014	2013	2014	2013	2014	2013
Sales						
Domestic sales	1,881,418	3,380,627	728,087	206,026	2,609,505	3,586,653
Exports sales	32,260	34,182	90,093	35,037	122,353	69,219
Total sales	<u>1,913,678</u>	<u>3,414,809</u>	<u>818,180</u>	<u>241,063</u>	<u>2,731,858</u>	<u>3,655,872</u>

25. Earnings per share

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

26. Segment information

The Company is principally engaged in the manufacture and distribution of control cable of automobiles and motorcycles and window regulator of automobiles. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

27. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 - 5 percent of basic salary. The fund, which is managed by AIA Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2014, the Company contributed Baht 7 million (2013: Baht 6 million) to the fund.

28. Dividend

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for the year ended 30 September 2012	The Annual General Meeting of the Company's shareholders on 29 January 2013	129,900	0.50
Interim dividends for the year ended 30 September 2013	The meeting of the Company's Board of Directors on 9 May 2013	77,940	0.30
Total dividends for year 2013		<u>207,840</u>	<u>0.80</u>
Final dividends for the year ended 30 September 2013	The Annual General Meeting of the Company's shareholders on 28 January 2014	<u>129,900</u>	<u>0.50</u>

29. Commitments and contingent liabilities

29.1 Capital commitments

As at 30 September 2014, the Company had capital commitments of approximately Baht 33 million and USD 0.3 million (2013: Baht 19 million), relating to the purchase of equipment.

29.2 Operating lease and service commitments

The Company has entered into several operating lease agreements in respect of the lease of vehicles and equipment and service agreements. The terms of the agreements are generally between 1 and 5 years.

The Company had future minimum lease and service payments required under these non-cancellable operating leases and service agreements as follows.

(Unit: Million Baht)

Payable	2014	2013
In up to 1 year	39	28
In over 1and up to 3 years	59	2

29.3 Long-term service commitments

The Company has entered into license and technical assistance agreement with an overseas related company for the use of a trademark and the receipt of information related to the manufacture and assembly of control cable of automobiles and motorcycles. Under the conditions of the license agreement, the Company is to pay the fee twice a year as stipulated in the agreement. The fees for the year ended 30 September 2014 amounting to approximately Baht 42 million (2013: Baht 54 million) were recognised as expenses.

29.4 Guarantees

As at 30 September 2014, there were outstanding bank guarantees of approximately Baht 3 million and USD 0.04 million (2013: Baht 3 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee to guarantee electricity use, among others.

30. Financial instruments

30.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, investments, short-term loans and long-term loan. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables as stated in the statement of financial position.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts, short-term borrowing and long-term borrowings with interest. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

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

(Unit: Million Baht)

As at 30 September 2014					
	Fixed interest rates within 1 year	Floating interest rate	Non - interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>					
Cash and cash equivalent	-	391.1	21.6	412.7	0.125 - 0.50
Current investments	0.1	-	-	0.1	1.04 - 2.55
Trade and other receivables	-	-	492.5	492.5	-
	0.1	391.1	514.1	905.3	
<u>Financial liabilities</u>					
Short-term loans from banks	-	400.0	-	400.0	3.15 - 3.47
Trade and other payables	-	-	528.3	528.3	-
Long-term loan from bank	-	18.8	-	18.8	4.85 - 4.98
	-	418.8	528.3	947.1	

(Unit: Million Baht)

As at 30 September 2013					
	Fixed interest rates within 1 year	Floating interest rate	Non - interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>					
Cash and cash equivalent	-	194.8	18.2	213.0	0.125-0.625
Current investments	0.1	-	-	0.1	1.57 - 2.05
Trade and other receivables	-	-	615.8	615.8	-
	0.1	194.8	634.0	828.9	
<u>Financial liabilities</u>					
Short-term loans from banks	-	100.0	-	100.0	3.15-3.47
Trade and other payables	-	-	646.8	646.8	-
Long-term loan from bank	-	93.8	-	93.8	4.85-4.98
	-	193.8	646.8	840.6	

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from purchase and sale finished goods transactions that are denominated in foreign currencies. The Company has no forward contracts to reduce the exposure.

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at		as at		as at 30 September	
	30 September		30 September			
	2014	2013	2014	2013	2014	2013
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	0.9	1.0	1.3	0.8	32.37	31.39
Japanese yen	3.3	1.8	133.0	174.0	0.30	0.32

30.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature, loans bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

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

31. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 30 September 2014, the Company's debt-to-equity ratio was 0.60:1 (2013: 0.55:1).

32. Event after the reporting period

The Meeting of the Company's Board of Directors, held on 25 November 2014, passed the resolution to propose the payment of a dividend for the year 2014 of Baht 0.50 per share, amounting to Baht 129.9 million. The Board of Directors will propose the dividend payment for approval by the Annual General Meeting of the Company's shareholders for the year 2014.

33. Reclassification

Except for the cumulative effect of the change in accounting policy as described in Note 4 to the financial statements, certain amounts in the statements of financial position as at 30 September 2013 and as at 1 October 2012, and statements of comprehensive income for the year ended 30 September 2013 have been reclassified to conform to the current year's classification but with no effect to previously reported profit or shareholders' equity. The reclassifications are as follows:

(Unit: Thousand Baht)

	As at 30 September 2013		As at 1 October 2012	
	As reclassified	As previously reported	As reclassified	As previously reported
Statement of financial position				
Trade and other receivables	615,766	620,624	663,698	674,736
Other current assets	7,016	25,283	15,184	26,336
Other non-current assets	24,144	1,019	23,209	1,019
Trade and other payables	646,754	640,921	695,728	658,736
Asset payables	-	21,296	-	39,718
Other current liabilities	20,940	6,864	7,773	6,667
Provision for long-term employee benefits	33,545	32,158	22,652	21,032

(Unit: Thousand Baht)

	As reclassified	As previously reported
Statement of comprehensive income		
Other income	123,278	77,575
Cost of sales	2,941,503	2,895,085
Administrative expenses	375,208	288,519
Directors and management' remuneration	-	86,026
Finance cost	9,703	11,081

34. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 November 2014.

1. Audit fee

No.	Name of paying company	Auditor's name	Type of audit	Audit fee
1	Thai Steel Cable PCL.	EY Office Limited	Accounting audit	1,050,000
2			BOI audit	200,000
Total audit fee				1,250,000

The Company considered the change of its auditor company in 2014, despite the auditor performed its duties well without any relationship or conflict of interest with the company, executives, majority shareholders or any person related in any way.

2. Non-audit fee

No.	Name of paying company	Type of non-audit service	Service provider	Non-audit service fee	
				Amount paid in the accounting period	Amount to be paid in the future
1	Thai Steel Cable PCL.	Accounting system consultant	PwC*		630,000
2		RiskPolicy services consultant	Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.	625,671	
3		harmonized system codeservices consultant	Taxpro Co., Ltd.	384,020	
4		Legalservices consultant	Weerawong, Chinnavat&Pean gpanor Ltd.	277,612	
5		Legalservices consultant	Nitirathaphum Law Office	150,000	
Total non-audit fee				1,437,303	630,000

*PwC = PricewaterhouseCoopers ABAS Ltd.

Management Discussion and Analysis (MD&A)

Financial Position

Unit : Million Baht	2012 At Sep 30,12	2013 At Sep 30,13	2014 At Sep 30,14
Current asset	1,235.14	1,250.09	1,220.51
Total Assets	2,427.33	2,603.92	2,689.59
Current Liabilities	766.14	849.47	959.18
Total liabilities	868.21	924.71	1,013.54
Total equity	1,559.13	1,679.21	1,676.05

Ratio	2012 (Jan 1, 12 – Sep 30,12)	2013 (Oct 1, 12 - Sep 30, 13)	2014 (Oct 1, 13 – Sep 30, 14)
Gross Profit Ratio	17.13%	19.54%	18.34%
ROE	9.88%	19.52%	7.56%
Current Ratio	1.61	1.47	1.27
Debt/Equity Ratio	0.56	0.55	0.60

Gross profit ratio and return on equity of this year was lower than 2013 as the proportion of fixed cost was increased while the sales had slowdown.

The drop of current ratio was due to the short term loan from a commercial bank using as the working capital.

Debt per equity ratio was mainly higher as per the short term loan for machine investment.

TSC focus on improvement of production and people in order to cope with the arrival of ASEAN economy which will enable the southeast Asian region to be the central of automobile, spare parts, and components in the coming years.

Performance

Unit : Million Baht	2012 (Jan1, 12 - Sep 30, 12)	% on sale	2013 (Oct 1, 12 - Sep 30, 13)	% on sale	2014 (Oct 1, 13 - Sep 30, 14)	% on sale
Revenue from sales	2,354.73	100%	3,655.87	100%	2,731.86	100%
Cost of goods sold	(1,951.38)	(82.87%)	(2,941.50)	(80.46%)	(2,230.75)	(81.66%)
Selling & administrative expenses	(239.56)	(10.17%)	(361.22)	(9.88%)	(359.34)	(13.15%)
Finance cost	(1.01)	(0.04%)	(9.70)	(0.27%)	(14.56)	(0.53%)
Income tax	(8.61)	(0.37%)	(9.42)	(0.26%)	(0.46)	(0.02%)
Gain (loss) on change estimate the actuarial	-	-	(6.11)	-	-	-
Total comprehensive income	154.17	6.55%	327.92	8.97%	126.75	4.64%

Total revenue from sales in 2014 was 2,731.86 million Baht, which was 924.01 million Baht or 25.27% lower from same period of last year due to economic decline in Thailand.

Net profit of 2014 was equal to 126.75 million Baht. It was less than 2013 that the net profit was 327.92 million Baht or 61.35% mainly due to the significant drop of sales volume.

Since there were none positive factor to trigger the market demand, plus that the political instability had been lingering for longer than 6 months in 2014. The automobile industry was in recession.

Nevertheless, according to new Government and new economic stimulation scheme, Thai economy is expected to resume its potential in 2015.



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THAI STEEL CABLE PUBLIC CO. LTD. (AMATA NAKORN)
ISO14001 ISO/TS16949

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