

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of NCL International Logistics Public Company Limited

I have audited the accompanying consolidated and separate financial statements of NCL International Logistics Public Company Limited and its subsidiary and of NCL International Logistics Public Company Limited, which comprise the consolidated and separate statements of financial position as at 31 December 2014, and the related consolidated and separate 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 notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

SP Audit Co., Ltd.

Opinion

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial positions of NCL International Logistics Public Company Limited and its subsidiary and of NCL International Logistics Public Company Limited as at 31 December 2014, and its consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

SP Audit Company Limited

(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No. 4306

Bangkok

26 February 2015

NCL International Logistics Public Company Limited and subsidiary

Statement of Financial Position

As at 31 December 2014

(Unit : Baht)

		Consolidated	Separate financial statement	
	Notes	2014	2014	2013
<u>Assets</u>				
Current Assets				
Cash and cash equivalents		84,009,613.63	73,032,448.40	57,216,806.13
Trade and other receivables - related party	6.1,7	118,989.35	118,989.35	60,321.39
Trade and other receivables - third parties	8	105,565,546.02	105,463,427.95	157,259,062.45
Total Current Assets		189,694,149.00	178,614,865.70	214,536,189.97
Non - Current Assets				
Fixed deposits pledged as collateral	9	71,518,288.79	71,518,288.79	59,480,624.95
Investment in associate	10	32,661,104.81	32,750,400.00	-
Investment in subsidiary	11	-	12,469,096.50	-
Property, plant and equipment	12	214,795,034.61	213,681,377.91	169,420,816.90
Intangible assets	13	3,529,558.72	3,529,558.72	974,924.43
Prepaid rental		1,252,695.51	1,252,695.51	1,383,510.51
Withholding taxed		17,733,855.83	17,733,855.83	12,110,263.00
Other non - current assets		2,752,556.24	2,559,700.31	1,924,702.00
Total Non - Current Assets		344,243,094.51	355,494,973.57	245,294,841.79
Total Assets		533,937,243.51	534,109,839.27	459,831,031.76

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

NCL International Logistics Public Company Limited and subsidiary

Statement of Financial Position

As at 31 December 2014

(Unit : Baht)

		Consolidated	Separate financial statement	
	Notes	2014	2014	2013
<u>Liabilities and Shareholders' Equity</u>				
Current Liabilities				
Bank overdraft and short - term loans from financial institutions	14	82,710,333.73	82,710,333.73	125,367,261.48
Other payables - related parties	6.1	210,000.00	210,000.00	2,100,000.00
Trade and other payables - third parties	15	62,307,063.87	62,171,216.98	71,254,878.81
Revenue Department payable		3,499,725.83	3,499,725.83	4,114,498.70
Income tax payable		-	-	1,234,152.03
Current portion				
Long - term loans from financial institutions	16	-	-	1,169,043.41
Obligation under finance leases	17	23,568,018.91	23,568,018.91	31,276,804.11
Total current liabilities		172,295,142.34	172,159,295.45	236,516,638.54
Non - Current Liabilities				
Obligation under finance leases	17	28,164,326.42	28,164,326.42	52,960,414.82
Provision for decommissioning costs		130,856.14	130,856.14	121,473.93
Employee benefit obligations	18	2,885,701.00	2,885,701.00	4,016,308.00
Deferred tax liabilities	19	3,692,715.33	3,692,715.33	1,562,310.95
Other non - current liabilities		1,559,444.30	1,559,444.30	1,400,349.50
Total non - current Liabilities		36,433,043.19	36,433,043.19	60,060,857.20
Total Liabilities		208,728,185.53	208,592,338.64	296,577,495.74

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

NCL International Logistics Public Company Limited and subsidiary

Statement of Financial Position

As at 31 December 2014

(Unit : Baht)

		Consolidated	Separate financial statement	
	Notes	2014	2014	2013
Shareholders' Equity				
Share capital	20			
Authorised share capital				
420,000,000 ordinary shares of Baht 0.25 each		105,000,000.00	105,000,000.00	105,000,000.00
Issued and paid up share capital				
420,000,000 ordinary shares of Baht 0.25 each		105,000,000.00	105,000,000.00	-
325,000,000 ordinary shares of Baht 0.25 each		-	-	81,250,000.00
Premium on ordinary shares	20	190,923,427.26	190,923,427.26	48,750,000.00
Retained earnings				
Appropriated - legal reserve	21	10,500,000.00	10,500,000.00	10,500,000.00
Unappropriated		18,926,761.96	19,094,073.37	22,753,536.02
Other components of shareholders' equity		(141,131.24)	-	-
Total shareholders' equity		325,209,057.98	325,517,500.63	163,253,536.02
Total Liabilities and Shareholders' Equity		533,937,243.51	534,109,839.27	459,831,031.76

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

NCL International Logistics Public Company Limited and subsidiary

Statement of Comprehensive Income

For the year ended 31 December 2014

(Unit : Baht)

	Notes	Consolidated	Separate financial statement	
		2014	2014	2013
Revenues				
Service income		915,424,959.65	915,409,858.54	929,251,605.95
Other income		7,293,705.16	7,293,705.16	6,658,183.90
Total Revenues		922,718,664.81	922,703,563.70	935,909,789.85
Expenses				
Cost of services		753,311,761.59	753,298,654.59	732,261,114.16
Selling expenses		11,287,282.21	11,287,282.21	29,097,613.74
Administrative expenses		103,407,954.49	103,327,944.16	87,606,790.75
Management benefit expense	6.3	18,386,260.00	18,386,260.00	23,146,297.87
Finance cost		10,692,719.31	10,692,719.31	10,371,681.74
Total Expenses		897,085,977.60	896,992,860.27	882,483,498.26
Profit before share of loss from investment in associate		25,632,687.21	25,710,703.43	53,426,291.59
Share of loss from investment in associate		(89,295.19)	-	-
Profit before tax expense		25,543,392.02	25,710,703.43	53,426,291.59
Income tax expense	22	(6,000,750.08)	(6,000,750.08)	(11,809,938.89)
Profit for the year		19,542,641.94	19,709,953.35	41,616,352.70
Other comprehensive income		-	-	-
		(141,131.24)	-	-
Exchange differences on translation Actuarial gain		1,630,584.00	1,630,584.00	-
Total comprehensive income for the year		21,032,094.70	21,340,537.35	41,616,352.70
Exchange differences on translation				
Basic earnings per share	23	0.06	0.06	0.13
Number of share (Unit : share)		339,575,343	339,575,343	325,000,000

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

NCL International Logistics Public Company Limited and subsidiary

Consolidated Statements of Changes in Shareholders's Equity

For the year ended 31 December 2014

(Unit : Baht)

	Note	Issued and paid up share capital	Premium on share capital	Retained earnings		Exchange differences on translation	Total shareholders' equity
				Appropriated legal reseve	Unappropriated		
Balance as at 1 January 2013		81,250,000.00	48,750,000.00	-	(8,362,816.68)	-	121,637,183.32
Changes in equity for the year							
Legal reserve	21	-	-	10,500,000.00	(10,500,000.00)	-	-
Total comprehensive income for the year		-	-	-	41,616,352.70	-	41,616,352.70
Balance as at 31 December 2013		81,250,000.00	48,750,000.00	10,500,000.00	22,753,536.02	-	163,253,536.02
Changes in equity for the year							
Increment of capital	20	23,750,000.00	147,250,000.00	-	-	-	171,000,000.00
Expenses concerning of ordinary shares	20	-	(5,076,572.74)	-	-	-	(5,076,572.74)
Dividend paid	24	-	-	-	(25,000,000.00)	-	(25,000,000.00)
Actuarial gain		-	-	-	1,630,584.00	-	1,630,584.00
Total comprehensive income (loss) for the year		-	-	-	19,542,641.94	(141,131.24)	19,401,510.70
Balance as at 31 December 2014		105,000,000.00	190,923,427.26	10,500,000.00	18,926,761.96	(141,131.24)	325,209,057.98

NCL International Logistics Public Company Limited and subsidiary

Separate Statements of Changes in Shareholders's Equity

For the year ended 31 December 2014

(Unit : Baht)

	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings (deficits)		Total
				Legal reserve	Unappropriated	
Balance as at 1 January 2013		81,250,000.00	48,750,000.00	-	(8,362,816.68)	121,637,183.32
Changes in equity for the year						
Legal reserve	21	-	-	10,500,000.00	(10,500,000.00)	-
Total comprehensive income for the year		-	-	-	41,616,352.70	41,616,352.70
Balance as at 31 December 2013		81,250,000.00	48,750,000.00	10,500,000.00	22,753,536.02	163,253,536.02
Changes in equity for the year						
Increment of capital	20	23,750,000.00	147,250,000.00	-	-	171,000,000.00
Expenses concerning of ordinary shares	20	-	(5,076,572.74)	-	-	(5,076,572.74)
Dividend paid	24	-	-	-	(25,000,000.00)	(25,000,000.00)
Actuarial gain		-	-	-	1,630,584.00	1,630,584.00
Total comprehensive income for the year		-	-	-	19,709,953.35	19,709,953.35
Balance as at 31 December 2014		105,000,000.00	190,923,427.26	10,500,000.00	19,094,073.37	325,517,500.63

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

NCL International Logistics Public Company Limited and subsidiary

Statements of Cash Flows

For the year ended 31 December 2014

(Unit : Baht)

	Notes	Consolidated	Separate financial statement	
		2014	2014	2013
Cash Flow from Operating Activities				
Profit before income tax expense		25,543,392.02	25,710,703.43	53,426,291.59
Adjustments to reconcile profit before income tax expense for				
cash provided by (used in) operating activities				
Doubtful debt		2,183,748.09	2,183,748.09	4,843,837.61
Unrealised gain from exchange rates		(337,959.68)	(196,709.86)	(538,096.45)
Loss on disposal of property, plant and equipment		774,728.56	774,728.56	154,199.99
Depreciation and amortisation		17,054,720.31	17,048,153.88	13,404,788.11
Loss on replacement assets		174,016.84	174,016.84	-
Loss on write - off assets		123,068.89	123,068.89	219,951.12
Prepaid rental		130,815.00	130,815.00	130,815.00
Employee benefit obligations		971,080.00	971,080.00	833,817.00
Share of loss from investment in associate		89,295.19	-	-
Interest income		(970,052.38)	(970,052.38)	(1,203,954.84)
Interest expenses		10,692,719.31	10,692,719.31	10,371,681.74
Profit from operating activities before changes in operating assets				
and liabilities		56,429,572.15	56,642,271.76	81,643,330.87
(Increase) decrease in trade and other receivables - related party		(58,667.96)	(58,667.96)	342,274.29
(Increase) decrease in trade and other receivables - third parties		49,768,156.87	49,870,274.94	(26,751,079.96)
(Increase) decrease in other non - current assets		(561,454.24)	(368,598.31)	(989,960.84)
Increase (decrease) in other payables - related parties		(1,890,000.00)	(1,890,000.00)	1,552,676.33
Increase (decrease) in trade and other payables - third parties		(8,281,133.14)	(8,416,980.03)	(3,700,112.35)
Increase (decrease) in Revenue Department payable		(614,772.87)	(614,772.87)	2,229,149.66
Increase (decrease) in other non - current liabilities		168,477.01	168,477.01	60,522.50
Cash generated from operation		94,960,177.82	95,332,004.54	54,386,800.50
Cash received from interest		1,061,959.54	1,061,959.54	1,240,413.88
Cash paid for employee benefit		(63,457.00)	(63,457.00)	-
Cash paid for income tax		(9,866,593.37)	(9,866,593.37)	(9,114,609.08)
Net Cash provided by Operating Activities		86,092,086.99	86,463,913.71	46,512,605.30

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

NCL International Logistics Public Company Limited and subsidiary

Statements of Cash Flows

For the year ended 31 December 2014

(Unit : Baht)

	Notes	Consolidated 2014	Separate financial statement 2014	2013
Cash Flow from Investing Activities				
Cash paid for purchase of property, plant and equipment		(67,999,288.86)	(66,879,184.31)	(7,297,843.15)
Cash received from sales of property, plant and equipment		1,993,571.86	1,993,571.86	1,292,282.24
Cash paid for purchase of intangible assets		(2,660,000.00)	(2,660,000.00)	(59,263.00)
Cash paid for investment in associate		(32,750,400.00)	(32,750,400.00)	-
Cash paid for investment in subsidiary		-	(12,469,096.50)	-
(Increase) decrease in fixed deposits pledged as collateral		(12,037,663.84)	(12,037,663.84)	(812,266.86)
Net Cash used in Investing Activities		(113,453,780.84)	(124,802,772.79)	(6,877,090.77)
Cash Flows from Financing Activities				
Increase (decrease) in bank overdraft and short - term loans from financial institutions		(42,656,927.75)	(42,656,927.75)	57,569,933.71
Cash paid for long - term loans from financial institution		(1,169,043.41)	(1,169,043.41)	(7,247,827.00)
Cash paid for obligation under finance leases		(30,751,512.26)	(30,751,512.26)	(28,888,920.34)
Cash paid for interest - obligation under finance leases		(4,746,194.66)	(4,746,194.66)	(6,571,635.50)
Interest paid		(6,176,104.64)	(6,176,104.64)	(3,622,734.56)
Cash received from increment of capital		164,654,284.07	164,654,284.07	-
Dividend paid		(25,000,000.00)	(25,000,000.00)	-
Net Cash provided by Financing Activities		54,154,501.35	54,154,501.35	11,238,816.31
Net Increase (Decrease) in Cash and Cash Equivalent		26,792,807.50	15,815,642.27	50,874,330.84
Cash and Cash Equivalent at Beginning of Year		57,216,806.13	57,216,806.13	6,342,475.29
Cash and Cash Equivalent at End of Year	25.1	84,009,613.63	73,032,448.40	57,216,806.13

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

NCL International Logistics Public Company Limited**Notes to the Financial Statements****As at 31 December 2014**

1. General information

NCL International Logistics Public Company Limited is a public limited company and is incorporated in Thailand. The address of the Company's registered office is 56/9-10 Soi Taksin 12/1, Taksin Road, Bukkalo, Thonburi, Bangkok.

The Market for Alternative Investment (MAI) has granted a listing of the Company's ordinary shares and permitted trading on 6 November 2014.

The principal activities of the Company consisted of land transportation, freight forwarding and non vessel operating common carrier ("NVOCC").

2. Basis of preparation of financial statements

The consolidated and separate financial statements are presented in Thai language and Thai Baht, and in conformity with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Capital Market Supervisory Board under the Securities and Exchange Act B.E.2535 (or 1992).

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

The preparation of financial statements in conformity with Thai Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Actual results may differ from those estimates. Although the management has most well prepared the figures of estimation from the understanding of events and the things that have been done presently.

The financial statements issued for Thai report purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The Federation of Accounting Profession (FAP) has notified to apply the following financial reporting standards to the financial statements having an accounting period beginning on or after 1 January 2014.

- TFRS No. 2 Share-based Payment (revised 2012)
- TFRS No. 3 Business Combinations (revised 2012)
- TFRS No. 5 Non-current Assets Held for Sale and Discontinued Operations (revised 2012)
- TFRS No. 8 Operating Segments (revised 2012)
- TAS No. 1 Presentation of Financial Statements (revised 2012)
- TAS No. 7 Statement of Cash Flows (revised 2012)
- TAS No. 12 Income Taxes (revised 2012)
- TAS No. 17 Leases (revised 2012)
- TAS No. 18 Revenue (revised 2012)
- TAS No. 19 Employee Benefits (revised 2012)
- TAS No. 21 The Effects of Changes in Foreign Exchange Rates (revised 2012)
- TAS No. 24 Related Party Disclosures (revised 2012)
- TAS No. 28 Investments in Associates (revised 2012)
- TAS No. 31 Interests in Joint Ventures (revised 2012)
- TAS No. 34 Interim Financial Reporting (revised 2012)
- TAS No. 36 Impairment of Assets (revised 2012)
- TAS No. 38 Intangible Assets (revised 2012)
- TFRI No. 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities
- TFRI No. 4 Determining whether an Arrangement contains a Lease
- TFRI No. 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- TFRI No. 7 Applying the Restatement Approach under TAS No. 29 Financial Reporting in Hyperinflationary Economies
- TFRI No. 10 Interim Financial Reporting and Impairment
- TFRI No. 12 Service Concession Arrangements
- TFRI No. 13 Customer Loyalty Programmes
- TFRI No. 17 Distributions of Non-cash Assets to Owners
- TFRI No. 18 Transfers of Assets from Customers
- TSI No. 15 Operating Leases-Incentives
- TSI No. 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease
- TSI No. 29 Service Concession Arrangements : Disclosures
- TSI No. 32 Intangible Assets-Web Site Costs

The Group has adopted such financial reporting standards to the financial statements on the current period. The management believes that they don't have any significant impact on the financial statements for the current period.

Moreover, the Federation of Accounting Profession has notified to apply the following financial reporting standards to the financial statements in the future periods.

	<u>Effective date</u>
The Conceptual Framework for Financial Reporting (revised 2014)	January 1, 2015
TFRS No. 2 Share-based Payment (revised 2014)	January 1, 2015
TFRS No. 3 Business Combinations (revised 2014)	January 1, 2015
TFRS No. 5 Non-current Assets Held for Sale and Discontinued Operations (revised 2014)	January 1, 2015
TFRS No. 6 Exploration for and Evaluation of Mineral Resources (revised 2014)	January 1, 2015
TFRS No. 8 Operating Segments (revised 2014)	January 1, 2015
TFRS No. 10 Consolidated Financial Statements	January 1, 2015
TFRS No. 11 Joint Arrangements	January 1, 2015
TFRS No. 12 Disclosure of Interests in Other Entities	January 1, 2015
TFRS No. 13 Fair Value Measurement	January 1, 2015
TAS No. 1 Presentation of Financial Statements (revised 2014)	January 1, 2015
TAS No. 2 Inventories (revised 2014)	January 1, 2015
TAS No. 7 Statement of Cash Flows (revised 2014)	January 1, 2015
TAS No. 8 Accounting Policies, Changes in Accounting Estimates and Errors (revised 2014)	January 1, 2015
TAS No. 10 Events after the Reporting Period (revised 2014)	January 1, 2015
TAS No. 11 Construction Contracts (revised 2014)	January 1, 2015
TAS No. 12 Income Taxes (revised 2014)	January 1, 2015
TAS No. 16 Property, Plant and Equipment (revised 2014)	January 1, 2015
TAS No. 17 Leases (revised 2014)	January 1, 2015
TAS No. 18 Revenue (revised 2014)	January 1, 2015
TAS No. 19 Employee Benefits (revised 2014)	January 1, 2015
TAS No. 20 Accounting for Government Grants and Disclosure of Government Assistance (revised 2014)	January 1, 2015
TAS No. 21 The Effects of Changes in Foreign Exchange Rates (revised 2014)	January 1, 2015
TAS No. 23 Borrowing Costs (revised 2014)	January 1, 2015
TAS No. 24 Related Party Disclosures (revised 2014)	January 1, 2015
TAS No. 26 Accounting and Reporting by Retirement Benefit Plans (revised 2014)	January 1, 2015
TAS No. 27 Separate Financial Statements (revised 2014)	January 1, 2015
TAS No. 28 Investments in Associates and Joint Ventures (revised 2014)	January 1, 2015
TAS No. 29 Financial Reporting in Hyperinflationary Economies (revised 2014)	January 1, 2015
TAS No. 33 Earnings per Share (revised 2014)	January 1, 2015
TAS No. 34 Interim Financial Reporting (revised 2014)	January 1, 2015
TAS No. 36 Impairment of Assets (revised 2014)	January 1, 2015

	<u>Effective date</u>
TAS No. 37 Provisions, Contingent Liabilities and Contingent Assets (revised 2014)	January 1, 2015
TAS No. 38 Intangible Assets (revised 2014)	January 1, 2015
TAS No. 40 Investment Property (revised 2014)	January 1, 2015
TFRIC No. 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities (revised 2014)	January 1, 2015
TFRIC No. 4 Determining whether an Arrangement contains a Lease (revised 2014)	January 1, 2015
TFRIC No. 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (revised 2014)	January 1, 2015
TFRIC No. 7 Applying the Restatement Approach under TAS 29 (revised 2014) Financial Reporting in Hyperinflationary Economies	January 1, 2015
TFRIC No. 10 Interim Financial Reporting and Impairment (revised 2014)	January 1, 2015
TFRIC No. 12 Service Concession Arrangements (revised 2014)	January 1, 2015
TFRIC No. 13 Customer Loyalty Programmes (revised 2014)	January 1, 2015
TFRIC No. 14 TAS 19 (revised 2014) - The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction	January 1, 2015
TFRIC No. 15 Agreements for the Construction of Real Estate (revised 2014)	January 1, 2015
TFRIC No. 17 Distributions of Non-cash Assets to Owners (revised 2014)	January 1, 2015
TFRIC No. 18 Transfers of Assets from Customers (revised 2014)	January 1, 2015
TFRIC No. 20 Stripping Costs in the Production Phase of a Surface Mine	January 1, 2015
TSIC No. 10 Government Assistance – No Specific Relation to Operating Activities (revised 2014)	January 1, 2015
TSIC No. 15 Operating Leases - Incentives (revised 2014)	January 1, 2015
TSIC No. 25 Income Taxes – Changes in the Tax Status of an Entity or its Shareholders (revised 2014)	January 1, 2015
TSIC No. 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease (revised 2014)	January 1, 2015
TSIC No. 29 Service Concession Arrangements : Disclosures (revised 2014)	January 1, 2015
TSIC No. 31 Revenue – Barter Transactions Involving Advertising Services (revised 2014)	January 1, 2015
TSIC No. 32 Intangible Assets – Web Site Costs (revised 2014)	January 1, 2015
TFRS No. 4 Insurance Contracts (revised 2014)	January 1, 2016

The Group has not early adopted such financial reporting standards having the effective date to the financial statements on the future periods before the effective dates. The management believes that they will not have any significant impact on the Group's financial statements for the period in which they are initially adopted.

3. Principles of consolidation financial statements

The consolidated financial statements comprise the financial statements of the Company and its subsidiary. Subsidiary, which are those entities in which the Group has power to govern the financial and operating policies, are consolidated. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group controls another entity.

Subsidiary are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

The consolidated financial statements consisted of the financial statements of NCL International Logistics Public Company Limited, and subsidiary (together referred to as “the Group”) which there was the structure of the Group as follows :

<u>Name of company</u>	<u>Nature of business</u>	<u>Country of incorporation</u>	<u>Percentage of shareholding</u>	
			<u>2014</u>	<u>2013</u>
NCL International Logistics (S) PTE. LTD.	Logistics Provider	Singapore	100.00	-

Balances between the Company and its subsidiary, significant intercompany transactions have been eliminated from the consolidated financial statements.

The financial statements of the subsidiary are prepared using the same significant accounting policies as applied to the Company.

The financial statements of the subsidiary are prepared using the same reporting period as applied to the Company.

The assets and liabilities in the financial statements of overseas subsidiary company is translated to Baht using the exchange rate prevailing at the end of reporting period, and revenues and expenses are translated using monthly average exchange rate. The resulting differences are shown under the caption of “Exchange differences on translation” in the statements of changes in shareholders’ equity.

4. Accounting policies

4.1 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less and free from restrictions.

4.2 Trade receivable

Trade receivable are carried in the statement of financial position at the amount expected to be collectible. For the allowance for doubtful debt considers from those receivable which are likely to be uncollectible. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified.

4.3 Investments in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in associates are accounting for using the cost method of accounting in the separate financial statements less allowance for impairment investment (if any).

Investments in associates are accounted for using the equity method in the consolidated financial statements. Under the equity method, the investment in an associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss of the investee after the date of acquisition. The Company's share of the profit or loss of the investee is recognized in the Company's profit or loss. Where necessary, accounting policies of associates have been changed to ensure consistency with the policies adopted by the Company. The financial statements of the associates are prepared for the same reporting period as the Company.

4.4 Investments in subsidiaries

Investments in subsidiaries are reported by using the cost method of accounting in the separate financial statements less allowance for impairment investment.

4.5 Property, plant and equipment

The Land and assets under construction held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their historical cost less accumulated impairment losses (if any).

Buildings and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their historical cost less accumulated depreciation and accumulated impairment losses (if any).

The cost of an item of asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and the borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (if any).

The Group's depreciation is calculated on the straight-line method to write off the cost of each asset, except for land and assets under construction, to their residual values over their estimated useful life as follows:

Building and building improvement	5 - 30 years
Tool and office equipment	3 - 5 years
Motor vehicles	5 - 20 years

The residual value, the useful life and the depreciation method of an asset will be reviewed at least at each financial year-end

The gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4.6 Intangible assets

Intangible assets that are acquired by the Group, which have finite useful lives, are stated at cost less accumulated amortization and impairment losses (if any). Computer software amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives 10 years.

4.7 Accounting for leases

Where the Company is the lessee

Long term leases which substantially transferred all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged in profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The assets acquired under finance leases while depreciation is carried throughout the useful life of leased asset. However, if there is uncertainty in the right of ownership when the contract is terminated, depreciation is carried according to useful life of leased assets or life of leased contract whichever the period is lower.

Long term leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged in profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Where the Group is the lesser

Operating leases

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Company.

4.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4.9 Impairment of assets

The carrying amounts of the Group's assets and also intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.

The Group will recognise impairment losses in profit or loss, or reduce the revaluation increment in assets in case that those assets are previously revalued. The reversal of impairment losses will be recognised in profit or loss or as a revaluation increment in assets when there is an indication that the impairment losses are no longer exist or decreased.

4.10 Provisions

Provisions are recognised when the Group have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed; the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

4.11 Provision for decommissioning costs

The Group recognises provision for decommissioning costs, which are provided at the onset of completion of the project, for the estimate of the eventual costs that relate to the removal of yard. The recognised provision for decommissioning costs are based on future removal cost estimates and incorporate many assumptions such as abandonment times and future inflation rate and discounted to present value at the discount rate estimated by the management. Those costs are included as part of the yard.

4.12 Revenue recognition

Revenue from outward freight forwarding is recognised upon shipment. Revenue from inward freight forwarding is recognised when delivery order (D/O) are delivered. Revenues from transportation are recognised when goods and delivered.

Revenues from warehouse and distribution management and custom brokerage services are recognised when services have been rendered.

Rental income is recognised as income over the lease period.

Income interest is recognised on an accrual basis unless collectability is in doubt.

4.13 Retirement benefit costs

Defined contribution plan

The Group operates a provident fund which is funded by payments from employees and by the Group. The assets for which are held in a separate trust fund. Contributions to the provident fund are recognised in profit or loss in the period in which they are incurred.

Defined benefit plan

The Group has the employee benefit obligation in case of retirement or termination under the labor law. The Group hires an actuary to calculate on an actuarial technique the said employee benefit obligation. The said employee benefit obligation is discounted using the projected unit credit method by reference to an interest rate of a government bond to determine the present value of the employee benefit obligation, related past service cost and current service cost. All actuarial gains and losses are recognised immediately in profit or loss.

4.14 Foreign currency transactions

The Group translates foreign currency transactions into Baht using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities at the end of the reporting period denominated in foreign currencies are translated into Baht at the exchange rate prevailing at that date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

4.15 Income tax

The Group recognises the unpaid current tax for current period as a liability in the statement of financial position. In a case where the amount already paid in respect of current period exceeds the amount due for such period, the excess will be recognised as an asset in the statement of financial position.

The Group recognises a deferred tax liability for all taxable temporary difference, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which affects neither accounting profit nor taxable profit at the time of the transaction. The Group recognises a deferred tax asset for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

The Group measures the current tax liabilities and assets for the current period using the tax rate that have been enacted by the end of the reporting period. And the deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rate that have been enacted or substantively enacted by the end of the reporting period.

The Group recognises the current and deferred tax as an income or an expense and includes it in profit or loss for the period, except the current and deferred tax for items that are recognised in the other comprehensive income or directly in the equity will be recognised in the other comprehensive income or directly in the equity.

4.16 Financial instruments

Financial assets and liabilities carried on the statement of financial position include cash and cash equivalents, trade and other receivables, trade and other payables, and loan receivables and payables. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies found in this Note.

4.17 The important accounting estimation, supposition and judgment application

The estimation, supposition and judgment application have been continuously reviewed and assessed and they are on the background of the history experience and other factors that include the expectation of the event in the future which believe that there are reasons in that situation.

Plant, equipment and intangible assets

Management determines the estimated useful lives and residual values for the Group's plant, equipment and intangible assets. Management will revise the depreciation charge where useful lives and residual values are different to previously estimated, or its will write off or write down technically obsolete or assets that have been sold or abandoned.

Financial lease/ Operation lease

The Group has entered into lease agreements for rental vehicle and equipment. The Group has determined, based on an evaluation on terms and conditions of the arrangements, that the lease transfers ownership of these assets to the lessee, and so accounts for the contracts as financial leases.

5. Change in accounting estimates

For the year ended 31 December 2014, the Group reviews the estimation of the useful life and the residual value of vehicles by increasing the useful life of such assets from 8 years to 10 years and decreasing the residual value of such assets in accordance with the expansion of useful life so as to reflect the use of such assets to match the actual use. The Group adopts the prospective treatment for such change. The change in accounting estimate effects that the depreciation for the year ended 31 December 2014 and 2015, increases in the amount of Baht 4.39 million and Baht 5.45 million, respectively in the statement of comprehensive income.

6. Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

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

As at 31 December 2014, Phuathavornskul family is a major shareholder, holding 59.05% (2013 : 76.31%) of the share capital of the NCL International Logistics Public Company Limited. Transactions related to companies in which the Phuathavornskul family is the principal shareholders or directors are recognised as related parties to the Company.

The transactions with related parties for the years ended 31 December 2014 and 2013 and as follows:

6.1 Inter-assets and liabilities

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Trade receivable		
Great&Grammer (Thailand) Co.,Ltd.	118,989.35	33,057.63
Other receivable		
Great&Grammer (Thailand) Co.,Ltd.	-	27,263.76
Total trade and other receivables	118,989.35	60,321.39
Accrued bonus		
Director	210,000.00	2,100,000.00

6.2 Inter-revenue and expenses

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Freight forwarder income		
Great&Grammer (Thailand) Co.,Ltd.	249,054.73	559,916.63
Rental fee		
Director	1,440,000.00	1,440,000.00
Closed of family of director	94,740.00	94,740.00
	1,534,740.00	1,534,740.00

6.3 Management benefit expenses

(Unit : Baht)

Consolidate/Separate financial statements

	<u>2014</u>	<u>2013</u>
Short-term employee benefits	18,202,881.00	22,991,494.87
Post-employment benefits	183,379.00	154,803.00
	18,386,260.00	23,146,297.87
	18,386,260.00	23,146,297.87

6.4 Nature of relationship

<u>Company</u>	<u>Relationship</u>
Unitrans Global Co.,Ltd.	Mutual management.
VP International Logistics (Thailand) Co.,Ltd.	Shareholding and common directors
Petchsurat Trading Co.,Ltd.	Mutual management.
Sevenday Dialysis Co.,Ltd.	Held by closed family of director
Great&Grammer (Thailand) Co.,Ltd.	Mutual shareholders

6.5 Pricing policies

<u>Trading transactions</u>	<u>Policy of pricing</u>
Purchase - sales of prime remover and trailer	Based on finance leases and financial leases minus 10%.
Inter - management fee	2% of transport income
Inter - transportation fee	Price similar to outsider
Inter – freight forwarder	Cost + 10 - 27%
Inter - rental fee	Based on appraised value by an independent appraiser + 24%
Inter - rental fee	Contract price

6.6 Obligation

As at 31 December 2014 and 2013, the Company entered a lease agreement for land with structures with a director in 1 contract for a period of three years with option to renew. The Company is committed to pay for such rental in amount of Baht 1.44 million per year.

As at 31 December 2014 and 2013, the Company entered a lease agreement for land with structures with a closed of family of director in 1 contract for a period of three years with option to renew. The Company was committed to pay for such rental in amount of Baht 0.09 million per year.

7. Trade and other receivable – related party

Consisted of

(Unit : Baht)

	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Trade receivable	118,989.35	33,057.63
Other receivables	-	27,263.76
Total	118,989.35	60,321.39

Outstanding trade receivable – related party can be aged as follow:

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Within credit term	105,744.15	33,057.63
Overdue less than 3 months	13,245.20	-
Overdue 3 – 6 months	-	-
Overdue 6 – 12 months	-	-
Overdue over 12 months	-	-
Total	118,989.35	33,057.63

8. Trade and other receivable – third parties

Consisted of

(Unit : Baht)

	Consolidate	Separate financial statements	
	<u>2014</u>	<u>2014</u>	<u>2013</u>
Trade receivables			
Post dated cheques	970,495.31	970,495.31	2,721,960.43
Trade receivables	101,920,172.84	101,905,344.44	142,337,944.00
Total	102,890,668.15	102,875,839.75	145,059,904.43
<u>Less</u> Allowance for doubtful debts	(9,985,845.29)	(9,985,845.29)	(7,770,015.71)
Net	92,904,822.86	92,889,994.46	137,289,888.72
Other receivables			
Custom brokerage receivable	3,855,706.18	3,855,706.18	12,239,607.75
<u>Less</u> Allowance for doubtful debts	(1,549.41)	(1,549.41)	(33,630.90)
Net	3,854,156.77	3,854,156.77	12,205,976.85
Other receivables	4,654,689.86	4,567,400.19	5,044,148.05
<u>Less</u> Allowance for doubtful debts	(87,418.16)	(87,418.16)	(87,418.16)
Net	4,567,271.70	4,479,982.03	4,956,729.89
Deposit payment	1,599,586.86	1,599,586.86	14,607.54
Prepaid insurance	2,639,707.83	2,639,707.83	2,791,859.45
Total other receivables	12,660,723.16	12,573,433.49	19,969,173.73
Total trade and other receivables	105,565,546.02	105,463,427.95	157,259,062.45

Outstanding trade receivable – third parties can be aged as follow:

(Unit : Baht)

Consolidate	Separate financial statements
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	<u>2014</u>	<u>2014</u>	<u>2013</u>
Within credit term	52,322,338.54	52,307,510.14	66,278,467.72
Overdue less than 3 months	39,109,949.76	39,109,949.76	67,107,035.68
Overdue 3 – 6 months	1,282,872.11	1,282,872.11	346,982.65
Overdue 6 – 12 months	209,644.31	209,644.31	5,583,878.02
Overdue over 12 months	9,965,863.43	9,965,863.43	5,743,540.36
Total	102,890,668.15	102,875,839.75	145,059,904.43
<u>Less</u> Allowance for doubtful debts	(9,985,845.29)	(9,985,845.29)	(7,770,015.71)
Net	92,904,822.86	92,889,994.46	137,289,888.72

The movement allowance for doubtful debts – trade receivable – third parties for the year ended 31 December 2014 and 2013 are as follow : -

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Beginning balance	(7,770,015.71)	(2,538,913.63)
Additions during the year	(2,215,829.58)	(5,572,114.87)
Collect during the year	-	341,012.79
Ending balance	(9,985,845.29)	(7,770,015.71)

Outstanding custom brokerage receivable can be aged as follow:

(Unit : Baht)

Consolidate/Separate financial statements

	<u>2014</u>	<u>2013</u>
Within credit term	2,043,103.22	5,284,541.37
Overdue less than 3 months	1,780,514.40	6,889,141.97
Overdue 3 – 6 months	30,539.15	56,375.00
Overdue 6 – 12 months	-	8,000.00
Overdue over 12 months	1,549.41	1,549.41
Total	<u>3,855,706.18</u>	<u>12,239,607.75</u>
<u>Less</u> Allowance for doubtful debts	(1,549.41)	(33,630.90)
Net	<u>3,854,156.77</u>	<u>12,205,976.85</u>

The movement allowance for doubtful debts – custom brokerage receivable for the year ended 31 December 2014 and 2013 are as follow : -

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Beginning balance	(33,630.90)	(33,630.90)
Additions during the year	-	-
Collect during the year	32,081.49	-
Ending balance	<u>(1,549.41)</u>	<u>(33,630.90)</u>

The movement allowance for doubtful debts – other receivables for the year ended 31 December 2014 and 2013 are as follow : -

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Beginning balance	(87,418.16)	(87,418.16)
Additions during the year	-	-
Collect during the year	-	-
Ending balance	<u>(87,418.16)</u>	<u>(87,418.16)</u>

The Company provides credit term to its customers for a period not exceeding 60 days.

The Company has a policy of allowance for doubtful accounts receivable at 100% of the debtor which no contact with the Company anymore and overdue more than 181 days. (If the same customer has the outstanding both

debtor and creditor. The Company will recorded the allowance for doubtful by the amount of debtor deducted by amount of creditor).

9. Fixed deposit pledged as collateral

The whole amount is the fixed deposits which are pledged as collateral so as to guarantee against credit facility that the Company received from several commercial banks.

10. Investment in associate

The nature and carrying value of investment in associate can be summarized as follows:-

Name of company	Nature of business	Country of incorporation	(Unit : Million SGD)		Percentage		(Unit : Million Bath)			
			Paid-up capital		% of holding		Equity Method		Cost Method	
			2014	2013	2014	2013	2014	2013	2014	2013
TRANSOFFSHORE LOGISTICS PTE. LTD.	Logistics Provider	Singapore	1.00	-	22.22%	-	32.66	-	32.75	-

On 22 December, 2014 the Company purchases 222,222 common shares of TRANSOFFSHORE LOGISTICS PTE. LTD. in an amount of Baht 147.38 per share. It is equal to 22.22% paid-up shares capital. The Company assigned a representation as the investee's board of directors.

The financial information of the associated can be summarized as follows:-

	(Unit : Baht)	
	2014	2013
Total assets	66,906,739.65	-
Total liabilities	(43,440,614.21)	-
Net assets	23,466,125.44	-

	(Unit : Baht)	
	2014	2013
Total revenues	5,679,243.33	-
Total expense	(6,081,111.85)	-
Total loss for the year	(401,868.52)	-

11. Investment in subsidiary

The nature and carrying value of investment in associate can be summarized as follows:-

Name of	Nature of	Country of	(Unit : Million SGD)	Percentage	(Unit : Million Bath)
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<u>company</u>	<u>business</u>	<u>incorporation</u>	<u>Paid-up capital</u>		<u>% of holding</u>		<u>Cost Method</u>	
			<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
NCL International Logistics (S) PTE. LTD.	Logistics Provider	Singapore	0.50	-	100.00%	-	12.47	-

12. Property, plant and equipment

Consisted of

	Consolidate					(Unit : Baht)
	Land and land improvement	Buildings and building improvement	Vehicles	Office equipment and fixture	Assets under construction	Total
Cost :-						
As at 1 January 2014	6,847,001.36	18,773,151.34	176,526,648.73	9,696,273.59	-	211,843,075.02
Additions	-	1,115,778.15	446,672.90	2,248,696.91	64,284,119.90	68,095,267.86
Transfer in	-	860,000.00	-	-	-	860,000.00
Transfer out	-	-	-	(185,675.00)	(860,000.00)	(1,045,675.00)
Disposal	-	-	(7,317,005.98)	-	-	(7,317,005.98)
Write off	-	(662,267.75)	(586,480.00)	(106,810.00)	-	(1,355,557.75)
Exchange differences on translation	-	-	-	-	-	-
As at 31 December 2014	6,847,001.36	20,086,661.74	169,069,835.65	11,652,485.50	63,424,119.90	271,080,104.15
Accumulated depreciation :-						
As at 1 January 2014	(72,873.55)	(9,790,642.88)	(26,836,224.59)	(5,722,517.10)	-	(42,422,258.12)
Depreciation charges for the year	(50,346.62)	(836,541.21)	(14,961,509.85)	(1,607,681.49)	-	(17,456,079.17)
Transfer out	-	-	-	5,732.93	-	5,732.93
Disposal	-	-	2,795,344.22	-	-	2,795,344.22
Write off	-	488,250.91	210,110.84	93,710.27	-	792,072.02
Exchange differences on translation	-	118.58	-	-	-	118.58
As at 31 December 2014	(123,220.17)	(10,138,814.60)	(38,792,279.38)	(7,230,755.39)	-	(56,285,069.54)
Net book value :-						
As at 31 December 2014	6,723,781.19	9,947,847.14	130,277,556.27	4,421,730.11	63,424,119.90	214,795,034.61

Depreciation for the year ended 31 December 2014

17,456,079.17

	Separate financial statements					(Unit : Baht)
	Land and land improvement	Buildings and building improvement	Vehicles	Office equipment and fixture	Assets under construction	Total
Cost :-						
As at 1 January 2014	6,847,001.36	18,773,151.34	176,526,648.73	9,696,273.59	-	211,843,075.02
Additions	-	710,758.50	446,672.90	2,248,696.91	63,569,035.00	66,975,163.31
Transfer in	-	860,000.00	-	-	-	860,000.00
Transfer out	-	-	-	(185,675.00)	(860,000.00)	(1,045,675.00)
Disposal	-	-	(7,317,005.98)	-	-	(7,317,005.98)
Write off	-	(662,267.75)	(586,480.00)	(106,810.00)	-	(1,355,557.75)
As at 31 December 2014	6,847,001.36	19,681,642.09	169,069,835.65	11,652,485.50	62,709,035.00	269,959,999.60
Accumulated depreciation :-						
As at 1 January 2014	(72,873.55)	(9,790,642.88)	(26,836,224.59)	(5,722,517.10)	-	(42,422,258.12)
Depreciation charges for the year	(50,346.62)	(829,974.78)	(14,961,509.85)	(1,607,681.49)	-	(17,449,512.74)
Transfer out	-	-	-	5,732.93	-	5,732.93
Disposal	-	-	2,795,344.22	-	-	2,795,344.22
Write off	-	488,250.91	210,110.84	93,710.27	-	792,072.02
As at 31 December 2014	(123,220.17)	(10,132,366.75)	(38,792,279.38)	(7,230,755.39)	-	(56,278,621.69)
Net book value :-						
As at 31 December 2014	6,723,781.19	9,549,275.34	130,277,556.27	4,421,730.11	62,709,035.00	213,681,377.91
Depreciation for the year ended 31 December 2014						17,449,512.74

	Separate financial statements					(Unit : Baht)
	Land and land improvement	Buildings and building improvement	Vehicles	Office equipment and fixture	Assets under construction	Total
Cost :-						
As at 1 January 2013	6,725,527.43	18,106,867.95	142,783,207.74	11,348,876.35	22,631.97	178,987,111.44
Additions	-	643,651.42	36,074,228.96	2,105,897.39	-	38,823,777.77
Transfer in	121,473.93	22,631.97	-	-	-	144,105.90
Transfer out	-	-	-	-	(22,631.97)	(22,631.97)
Disposal	-	-	(2,330,787.97)	(134,982.34)	-	(2,465,770.31)
Write off	-	-	-	(3,623,517.81)	-	(3,623,517.81)
As at 31 December 2013	6,847,001.36	18,773,151.34	176,526,648.73	9,696,273.59	-	211,843,075.02
Accumulated depreciation :-						
As at 1 January 2013	(27,903.35)	(8,984,417.06)	(16,825,723.07)	(7,166,139.63)	-	(33,004,183.11)
Depreciation charges for the year	(44,970.20)	(806,225.82)	(11,009,138.33)	(1,996,103.84)	-	(13,856,438.19)
Disposal	-	-	998,636.81	36,159.68	-	1,034,796.49
Write off	-	-	-	3,403,566.69	-	3,403,566.69
As at 31 December 2013	(72,873.55)	(9,790,642.88)	(26,836,224.59)	(5,722,517.10)	-	(42,422,258.12)
Net book value :-						
As at 31 December 2013	6,774,127.81	8,982,508.46	149,690,424.14	3,973,756.49	-	169,420,816.90
Depreciation for the year ended 31 December 2013						13,856,438.19

As at 31 December 2014, the gross carrying amounts of certain property, plant and equipment items of the Group totaling Baht 11.38 million were fully depreciated but these items are still in active use. (2013 : Baht 8.27 million).

As at 31 December 2014, the Group has mortgaged the land plus property with carrying amounts of Baht 20.56 million (2013 : Baht 20.56 million) in order to guarantee against credit facility that the Group receives from one commercial bank in the credit line of Baht 80.00 million.

As at 31 December 2014, leased assets included above, where the Group are lessee under finance leases, comprise equipment and motor vehicle with net book value of Baht 118.03 million (2013 : Baht 140.54 million).

13. Intangible assets

Consisted of

	(Unit : Baht)		
	Consolidate/Separate financial statement		
	Computer software	Computer software during installation	Total
Cost :-			
As at 1 January 2014	1,899,763.00	-	1,899,763.00
Addition	332,000.00	2,328,000.00	2,660,000.00
Transfer in	185,675.00	-	185,675.00
As at 31 December 2014	2,417,438.00	2,328,000.00	4,745,438.00
Accumulated amortization :-			
As at 1 January 2014	(924,838.57)	-	(924,838.57)
Amortization charge for the year	(285,307.78)	-	(285,307.78)
Transfer in	(5,732.93)	-	(5,732.93)
As at 31 December 2014	(1,215,879.28)	-	(1,215,879.28)
Net book value :-			
As at 31 December 2014	1,201,558.72	2,328,000.00	3,529,558.72
Amortization charges for the year ended 31 December 2014			285,307.78

	(Unit : Baht)
	Separate financial statements
	<u>Computer software</u>
Cost :-	
As at 1 January 2013	1,840,500.00
Purchase	59,263.00
Transfer in	-
As at 31 December 2013	<u>1,899,763.00</u>
Accumulated amortization :-	
As at 1 January 2013	(689,822.00)
Amortization for the year	(235,016.57)
Transfer in	-
As at 31 December 2013	<u>(924,838.57)</u>
Net book value :-	
As at 31 December 2013	<u>974,924.43</u>
Amortization charges for the year ended 31 December 2013	235,016.57

14. Bank overdraft and short – term loans from financial institutions

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Bank overdrafts	5,090,798.63	13,367,261.48
Short – term loans	77,619,535.10	112,000,000.00
Total	<u>82,710,333.73</u>	<u>125,367,261.48</u>

As at 31 December 2014, the Group held bank overdraft and short – term loans facilities from several commercial banks in the amount of Baht 2 5 9 . 0 0 million (2013 : Baht 149.00 million), carried interest rate of 3.43% - 4.00% per annum (2013 : 3.70% - 4.75% per annum).

The credit facilities were secured by the Group's fixed deposits and bills of exchange and also guaranteed by one director.

15. Trade and other payables-third parties

Consisted of

(Unit : Baht)

	Consolidate	Separate financial statements	
	<u>2014</u>	<u>2014</u>	<u>2013</u>
Trade payables	46,242,962.14	46,241,440.17	49,062,790.51
Accrued expenses	9,187,925.77	9,167,830.41	13,317,248.42
Other payables	6,876,175.96	6,761,946.40	8,874,839.88
Total	62,307,063.87	62,171,216.98	71,254,878.81

16. Long – term loans from financial institutions

Consisted of

(Unit : Baht)

	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Long – term loans from financial institutions	-	1,169,043.41
<u>Less</u> Current portion	-	(1,169,043.41)
Net	-	-

As at 31 December 2014, the Group comprises long term loan with one financial institution in the credit line of Baht 20.00 million (2013 : Baht 20.00 million), carried interest rate of 6.50% per annum (2013 : 6.50% per annum). The loan principal is repayable not less than Baht 300,000.00. As at 31 December 2014, no outstanding balance of such loan.

The credit facility is secured by the Group's land and property and also guaranteed by one director of the Group.

Long-term loans – minimum loan payments:

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Not later than 1 year	-	1,169,043.41
2 - 5 years	-	-
Total	-	1,169,043.41

17. Obligation under finance lease

Obligation under finance lease - minimum lease payments

	(Unit : Baht)		
	Consolidate/Separate financial statements		
	As at 31 December 2014		
	Obligation under <u>finance lease</u>	Deferred finance <u>lease charges</u>	<u>Net</u>
Not later than 1 year	26,262,536.37	(2,694,517.46)	23,568,018.91
Later than 1 year but not later than 5 years	29,753,562.03	(1,589,235.61)	28,164,326.42
Total	56,016,098.40	(4,283,753.07)	51,732,345.33

	(Unit : Baht)		
	Separate financial statements		
	As at 31 December 2013		
	Obligation under <u>finance lease</u>	Deferred finance <u>lease charges</u>	<u>Net</u>
Not later than 1 year	36,117,344.13	(4,840,540.02)	31,276,804.11
Later than 1 year but not later than 5 years	57,334,405.34	(4,373,990.52)	52,960,414.82
Total	93,451,749.47	(9,214,530.54)	84,237,218.93

As at 31 December 2014, the Group performs the contract of long term financial leased with several leasing companies so as to lease equipment and vehicle by number of 117 contracts (2013 : number 131 contracts). The leased contracts determine leased fee repayment as monthly installment from Baht 5,887.85 per month to Baht 140,296.26 per month (2013 : Baht 5,887.85 per month to Baht 140,296.26 per month). The leased period is carried from 3 years to 5 years. Such leased contract comprises the Group's directors as guarantors. In addition, ownership of such vehicle and equipment will transfer to ownership of the Group when the Group pays the final installment in accordance with the leased contract.

The Group amortised the interest according to the financial leased contract for the year ended 31 December 2014 and 2013 in the amount of Baht 4.75 million and Baht 6.57 million which was recorded as "Finance cost" in the statement of comprehensive income, respectively.

18. Employee benefit obligation

As at 31 December 2014 and 2013 the Group has the employee benefit obligation in case of retirement or termination of employment under the labor law. The Group hires an actuary to calculate on an actuarial technique the said employee benefit obligation. The said employee benefit obligation is discounted using the projected unit credit method by reference to an interest rate of a government bond to determine the present value of the employee benefit obligation, related past service cost and current service cost.

As at 31 December 2014, the Group recognises the employee benefit obligation in case of retirement or termination of employment under the labor law as the liability in amount of Baht 2.89 million (2013 : Baht 4.02 million).

Changes in the present value of the employee benefit obligation for the years ended 31 December 2014 and 2013 are as follows :

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
As at January 1,	4,016,308.00	3,182,491.00
Current service cost	826,895.00	722,489.00
Interest cost	144,185.00	111,328.00
Paid employee benefit	(63,457.00)	-
Actuarial gain	(2,038,230.00)	-
As at December 31,	<u>2,885,701.00</u>	<u>4,016,308.00</u>

Principal actuarial assumptions as at 31 December 2014 and 2013 are as follows :

	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Discount rate at end of year	3.59%	3.59%
Future salary increase	5%	5%
Proportion of employees opting for early retirement	20%	20%

19. Deferred tax liabilities

The movements of deferred tax assets and liabilities for the year ended December 31, 2014 and 2013 are as follow:-

	(Unit : Baht)					
	Consolidate/Separate financial statements					
	1 January 2013	Recognized in profit or loss	31 December 2013	Recognized in profit or loss	Recognized in comprehensive income	31 December 2014
Trade and other receivable	531,992.54	519,853.77	1,051,846.31	-	-	1,051,846.31
Property, plant and equipment	63,416.90	-	63,416.90	-	-	63,416.90
Obligation under finance lease	(1,333,040.81)	(2,147,794.95)	(3,480,835.76)	(1,904,282.98)	-	(5,385,118.74)
Employee benefits obligation	636,498.20	166,763.40	803,261.60	181,524.60	(407,646.00)	577,140.20
Deferred tax liabilities	(101,133.17)	(1,461,177.78)	(1,562,310.95)	(1,722,758.38)	(407,646.00)	(3,692,715.33)

The deferred tax asset is not recognized in the statement of financial position; consisted of :-

	(Unit : Baht)		
	Consolidate <u>2014</u>	Separate financial statements <u>2014</u>	<u>2013</u>
Unused tax losses			
- Expire in next 1 year	-	-	-
- Expire in next 2 – 5 years	-	-	-
Temporary differences	436,749.62	436,749.62	-
Total	436,749.62	436,749.62	-

The deferred tax assets and liabilities, which is not recognized in the statement of financial position, arises from undistributed profits associated with investments in subsidiaries, jointly controlled companies and associates; consisted of :-

	(Unit : Baht)	
	Consolidated	
	<u>2014</u>	<u>2013</u>
Deferred tax assets are not recognized :		
- Associates	17,859.62	-
- Subsidiary	15,602.72	-
Total	33,462.34	-

20. Share capital

The movements of share capital for the year ended 31 December 2014 and 2013 are as follow:

	Number of shares	Ordinary shares
	<u>(Unit : share)</u>	<u>(Unit : Baht)</u>
Share capital		
As at 1 January 2013	8,125,000	81,250,000.00
Convert former par value of Baht 10.00 per share to par value of Baht 0.25 per share on 26 June 2013	325,000,000	81,250,000.00
Issue of share during the year	95,000,000	23,750,000.00
As at 31 December 2013	420,000,000	105,000,000.00
Issue of share during the year	-	-
As at 31 December 2014	420,000,000	105,000,000.00

	Number of shares (Unit : share)	Ordinary shares (Unit : Baht)	Premium on ordinary shares (Unit : Baht)	Total (Unit : Baht)
Issued and paid – up share capital				
As at 1 January 2013	8,125,000	81,250,000.00	48,750,000.00	130,000,000.00
Convert former par value of Baht 10.00 per share to par value of Baht 0.25 per share on 26 June 2013	325,000,000	81,250,000.00	48,750,000.00	130,000,000.00
As at 31 December 2013	325,000,000	81,250,000.00	48,750,000.00	130,000,000.00
Issue of share during the year	95,000,000	23,750,000.00	147,250,000.00	171,000,000.00
Expenses concerning of ordinary shares	-	-	(5,076,572.74)	(5,076,572.74)
As at 31 December 2014	420,000,000	105,000,000.00	190,923,427.26	295,923,427.26

In accordance with the resolution of the ordinary shareholders meeting no.2/2013 on 20 June 2013, it resolves as follows :

- Correction of par value of the Company's shares from the formerly value of Baht 10.00 per shares to be value of Baht 0.25 per share. As the results, the number of shares of the Company increased from 8,125,000 shares to 325,000,000 shares. The Company had registered such resolution with the Ministry of Commerce on 26 June 2013.

- Approval to increase of the Company's share capital Baht 23.75 million from Baht 81.25 million to Baht 105.00 million by issuing ordinary shares of 95,000,000 shares at par value of Baht 0.25 per share The Company had registered such resolution with the Ministry of Commerce on 26 June 2013.

- Approval the allotment of new ordinary shares of the Company in number of 95,000,000 shares at par value of Baht 0.25 per share as follows.

1. The amount does not exceed 89,100,000 shares for offer general public.
2. The amount does not exceed 5,900,000 shares for the exercise of warrants to purchase ordinary shares to management and employees.

- Approval to issue Employee Stock Option Plan: ESOP in the amount of 5,900,000 warrants to the management and employees. The details of warrants are described below:

1. It is the type of specific warrant's holder and not transferable and no secondary market of warrant
2. To offer to management and employees that their working age more than 5 years at the price of Baht 0.00 per unit.
3. The date the warrants are issued on the initial offering general public date.
4. The age of warrant is 5 years since the initial offering general public date.
5. The rate of warrants right exercise is one unit over one ordinary share.
6. The exercised price is Baht 0.25 per share.
7. The warrant can be exercise is every year since the initial offering general public date.

In accordance with Meeting of Shareholders 1/2014 held on 25 April 2014, the meeting has approved as follows:

- Approval of cancellation the ESOP plan to issue and offer warrants to its management and employees.

On 3 – 5 November 2014, the Company offers ordinary shares by number of 95.00 million shares to general public as the first time. Such ordinary shares comprises par value of Baht 0.25 per share. Shares are offered in the price of Baht 1.80 per share aggregating to total amount of Baht 171.00 million. The Company recorded expenses in respect of shares distribution net of income tax by amount of Baht 5.08 millions as deducted transactions in the premium or share capital. In addition, the shares increment is registered for paid-up from Baht 81.25 million to Baht 105.00 million equivalent to ordinary shares by number of 420.00 million shares in the par value of Baht 0.25 per share at the Ministry of Commerce on 6 November, 2014.

The capital management

The Group constitutes purpose with respect to capital management in order to remain for ability in the continued operation and ability to appropriately provide remuneration to various group of participating interest while the Group will maintain capital in the level with the least risk.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt obligations.

21. Legal 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 income, after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of its registered share capital. The statutory reserve is not available for dividend distribution.

As at December 31, 2013, the Company has appropriated net income in amount of Baht 10.50 millions to the legal reserve

22. Income tax expenses

The income tax expenses recognised in profit for the year ended 31 December 2014 and 2013 are as follow :-

	(Unit : Baht)		
	Consolidate	Separate financial statement	
	<u>2014</u>	<u>2014</u>	<u>2013</u>
Current tax expense	4,277,991.70	4,277,991.70	10,348,761.11
Deferred tax expense relating to the origination and reversal of temporary differences	1,722,758.38	1,722,758.38	1,461,177.78
Total income tax expense recognized in profit or loss	<u>6,000,750.08</u>	<u>6,000,750.08</u>	<u>11,809,938.89</u>

The relationship between tax expense and accounting profit for the year ended 31 December 2014 and 2013 are as follow :-

	(Unit : Baht)		
	Consolidate	Separate financial statement	
	<u>2014</u>	<u>2014</u>	<u>2013</u>
Accounting profit (loss)	25,543,392.02	25,710,703.69	53,426,291.59
Tax rate used	20%	20%	20%
Tax at the applicable tax rate	5,108,678.40	5,142,140.74	10,685,258.32
Effect of loss that is exempt from taxation	481,601.05	481,601.05	1,153,292.72
Effect of expenses that are deductible in determining taxation profit	(59,741.33)	(59,741.33)	(28,612.15)
Share of loss form investment in associate	17,859.62	-	-
Loss from operation of subsidiary	15,602.72	-	-
Temporary difference not recognized as a deferred tax asset	436,749.62	436,749.62	-
Income tax expense	<u>6,000,750.08</u>	<u>6,000,750.08</u>	<u>11,809,938.89</u>

The income tax expenses recognized in shareholders' equity for the year ended 31 December 2014 and 2013 are as follow :-

	(Unit : Baht)		
	Consolidate	Separate financial statement	
	<u>2014</u>	<u>2014</u>	<u>2013</u>
Current tax expense			
Expenses concerning of ordinary shares	(1,269,143.19)	(1,269,143.19)	-
Total income tax expense recognized in shareholders' equity	<u>(1,269,143.19)</u>	<u>(1,269,143.19)</u>	-

23. Basic earnings per share

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

24. Dividend payment

In accordance with Meeting of Shareholders 1/2014 held on 25 April 2014, the meeting has approved to pay the dividend from the Company's operation results of the year 2013 to shareholders at the rate of Baht 0.046154 per share for the total amount of Baht 15.00 million. The Company paid such dividend in April 2014.

In accordance with Board of Directors meeting 4/2014 held on 13 August 2014, the meeting has approved to pay the interim dividend from the Company's operation results of the six-month period ended 30 June 2014 to shareholders at the rate of Baht 0.03076923 per share for the total amount of Baht 10.00 million. The Company paid such dividend in August 2014.

25. Supplemental disclosures of cash flow information

25.1 Cash and cash equivalents consisted of

	(Unit : Baht)		
	Consolidated	Separate financial statements	
	<u>2014</u>	<u>2014</u>	<u>2013</u>
Cash	860,000.00	860,000.00	990,110.75
Cash deposits-Saving accounts	43,186,216.40	32,209,051.17	31,595,242.41
Cash deposits-Current accounts	39,963,397.23	39,963,397.23	24,631,452.97
Total	<u>84,009,613.63</u>	<u>73,032,448.40</u>	<u>57,216,806.13</u>

25.2 Non - cash items

	(Unit : Baht)		
	Consolidated	Separate financial statements	
	<u>2014</u>	<u>2014</u>	<u>2013</u>
Amortisation of gain on sale and leaseback	686,666.64	686,666.64	686,666.64
Purchases fixed assets but not yet paid	95,979.00	95,979.00	-
Purchase of assets under lease agreement	-	-	31,525,934.62
Reversal other receivable due to sale of assets	-	-	15,508.41
Transfer withholding tax at source to non – current assets	-	-	1,796,983.48
Provision for commissioning cost	-	-	121,473.93
Transfer property plant and equipment to intangibal assets	179,942.07	179,942.07	-

26. Employee benefit

26.1 Provident fund

The Group established a registered provident fund, in accordance with the Provident Fund Act B.E.2530. The Group appointed and authorised fund manager to manage the fund on 27 September 2013. Under the plan, employees must contribute 5% of their basic salary and the Group is required to make monthly contributions to the fund at the same rate of employees. In 2014, the Company contributes to the provident fund in the amount of Baht 2.37 million in consolidated and separate financial statement. (2013 : Baht 0.57 million in separate financial statement).

26.2 Retirement or termination under the labor law employee benefit

For the year ended 31 December 2014 and 2013, the Group recognises the employee benefit expense in case of retirement or termination under the labor law employee benefit, as follows :-

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Current service cost	826,895.00	722,489.00
Interest cost	144,185.00	111,328.00
Total	971,080.00	833,817.00

An item of the employee benefit expense in case of retirement or termination under the labor law for the year ended 31 December 2014 and 2013 is inclusively presented in the line items, as follows :-

	(Unit : Baht)	
	Consolidate/Separate financial statements	
	<u>2014</u>	<u>2013</u>
Cost of services	236,795.33	190,776.00
Administrative expenses	550,905.67	488,238.00
Management benefit expenses	183,379.00	154,803.00
Total	971,080.00	833,817.00

27. Expenses by nature

The following expenditure items of expense have been classified by nature for the year ended 31 December 2014 and 2013 :

	(Unit : Baht)		
	Consolidate	Separate financial statements	
	<u>2014</u>	<u>2014</u>	<u>2013</u>
Employee benefit expenses	80,257,427.07	80,257,427.07	75,271,165.68
Management benefit expenses	18,386,260.00	18,386,260.00	23,146,297.87
Depreciation	17,456,079.17	17,449,512.74	13,856,438.19
Amortisation	285,307.78	285,307.78	235,016.57
Ocean and air freight expenses	524,361,462.64	524,349,368.14	532,843,488.72
Custom clearance expenses	38,967,068.17	38,967,068.17	30,639,723.40
Refund freight	40,654,279.35	40,654,279.35	69,517,173.49
Transportation expenses	66,167,306.57	66,167,306.57	42,678,909.88
Ocean and air service expenses	4,895,592.37	4,895,592.37	6,362,484.60

28. Operating segments

The Group identifies the operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and assess its performance and discloses the amount reported for each operating segment item to be the measure reported to the Group's chief operating decision maker for the purpose of allocating resources to the segment and assessing its performance.

The Group discloses the operating segments based on type of service. It's operating segment consists of three segments, land transportation, freight forwarding, and non – vessel operating common carrier (“NVOCC”).

The Group measures the profit or loss for each segment from the gross margin excluding the items of other income, interest revenue, gain on exchange rate, other central expenses and finance cost.

The principal activities of the Group consisted of land transportation, freight forwarding, and non – vessel operating common carrier (“NVOCC”). The detail of operation segment for the year ended 31 December 2014 and 2013 are as follows:

	Consolidate						(Unit : Million Baht)	
	Land transportation		Freight forwarder		Non – vessel operating common carrier (NVOCC)		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Services income	125.26	117.87	491.80	528.30	298.36	283.08	915.42	929.25
Gross margin	23.44	28.62	74.51	103.17	64.16	65.20	162.11	196.99
Other income							7.29	6.66
Selling expenses							(11.29)	(29.10)
Administrative expenses							(103.40)	(87.61)
Management benefit expense							(18.39)	(23.15)
Finance cost							(10.69)	(10.37)
Share of loss from investment in associate							(0.09)	-
Profit before income tax							25.54	53.42

The reconciliations of each segment total assets to the Company’s assets and other material items.

	Financial statement in which the equity method is applied								(Unit : Million Baht)	
	Land transportation		Freight forwarder		Non – vessel operating common carrier (NVOCC)		Central		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Assets	121.72	147.61	65.35	97.71	42.20	30.22	304.67	184.29	533.94	459.83
Depreciation	11.34	7.44	-	-	-	-	6.12	6.42	17.51	13.86
Amortisation	-	-	-	-	-	-	0.29	0.24	0.29	0.24

In 2014, the Group has the service income with 1 major customer earned by freight forwarder segment in the amount of Baht 131.46 million. (2013, the Group has the service income with 1 major customer earned by freight forwarder segment in the amount of Baht 183.22 million).

29. Financial instruments

The principle financial risks faced by the Group are interest rate risk, foreign exchange rate risk and credit risk. However, the Group did not speculate in or engage in trading of any derivative financial instruments.

29.1 Interest rate risk

Risk from interest rates is derived from fluctuation of market interest rate in the future which affect upon operating result and cash flow. Risk from interest rates remains due to bank deposit, credit facilities owing to the commercial bank, short – term loan from related parties and obligation under financial leases. Due to the fact that such financial assets and liabilities constitute interest rates which are always closed to market interest rate; as a result, the Group anticipates of non material risk from interest rates.

	Consolidate			
	<u>2014</u>			
	Amount	Interest rate		
	(Unit : Baht)	(% : per annum)		
Cash deposits-Saving accounts	43,186,216.40	0.50%		
Fixed deposit pledged as collateral	71,518,288.79	0.629%-2.50%		
Bank overdrafts	4,596,593.40	3.95% - 4.75%		
Short – term loans from financial institutions	77,619,535.10	3.25%-4.00%		
Obligation under financial leases	51,732,345.33	6.50%		
	Amount (Unit : Baht)	Interest rate (% : per annum)		
	Separate financial statements			
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash deposits-Saving accounts	32,557,174.36	31,595,242.41	0.50%	0.50%
Fixed deposit pledged as collateral	71,518,288.79	59,480,624.95	0.629%-2.50%	0.629%-2.50%
Bank overdrafts	4,596,593.40	13,367,261.48	3.95% - 4.75%	3.95% - 4.75%
Short – term loans from financial institutions	77,619,535.10	112,000,000.00	3.25%-4.00%	3.70%-3.95%
Long – term loans from financial institutions	-	1,169,043.41	6.50%	6.50%
Obligation under financial leases	51,732,345.33	84,237,218.93	2.99%-5.00%	2.99%-5.00%

29.2 Exchange rate risk

The Group constitutes material risk from exchange rates in overseas currencies which has been trade accounts receivable and payable those are foreign currency. The management has managed risk from exchange rates by performing the forward foreign currencies contract dependent on each case.

As at 31 December 2014 and 2013, the Group has foreign currency assets and liabilities are as follows:-

Consolidate				
<u>2014</u>				
	<u>Assets</u>	<u>Liabilities</u>		
USD	731,972.25	459,671.03		
GBP	3,031.96	3,783.26		
EUR	-	1,086.00		
SGD	-	23,608.55		

Separate financial statements				
<u>2014</u>			<u>2013</u>	
<u>Foreign currency</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
USD	731,403.85	459,656.03	603,136.31	325,548.52
GBP	3,031.96	3,783.26	-	15,329.86
EUR	-	1,086.00	8,956.91	1,193.92
NZD	-	-	-	739.00
SGD	-	23,608.55	165.45	10,802.45

29.3 Credit risk

Credit risk is the risk that counterparties is unable or unwilling to meet a commitment that they have entered into with the Group. This risk is controlled by analyzing the financial position of its counterparty and limited to credit approval. The maximum exposure to credit risk is the carrying amount of those assets net of allowance for doubtful debts, as shown in the statement of financial position. In addition, the Group has no significant concentration of credit risk.

29.4 Fair value

The carrying amounts of cash and cash equivalent, trade and other receivable, trade and other payable, bank overdraft and short-term loan from financial institutions close to their fair value due to these financial assets and liabilities are short term. Obligations under finance lease and long-term loans carry interest at rate close to current market rate so that the carrying value of such obligations under finance lease and long-term loan close to their fair value.

30. Obligation and contingent liabilities

30.1 As at 31 December 2014, the Group has performed the lease and service agreement with many third parties while there are the period 1 – 3 years with option to renew. The Company has obligation to repay lease and service fee in amount of Baht 373,117.17 per month (2013 : Baht 270,940.00 per month).

30.2 As at 31 December 2014 and 2013, the Group has commitments under letterd of guarantee issued on behalf of domestic banks in amount of Baht 3.03 million and Baht 2.83 million, respectively.

30.3 As at December 31, 2014, the Group Companies has the obligation under the architectural structure design for office building agreement entered into with an outside person with the contractual value of Baht 2.02 million.

31. Events after the reporting period

The Board of Directors' Meeting with held on February 26, 2015, has the following resolutions

- Approved the resolution to propose the 2015 Annual General Meeting to approve the dividend payment from the 2014 operation result to the shareholders at Baht 0.023809 per share, aggregated to Baht 10.00 million. The dividend payment will be made to the shareholders on May 15, 2015.

- Approved the resolution to propose the 2015 Annual General Meeting to approve the purchase of land located in Suratthani province from a director at the appraised price.

32. Approval of financial statements

These consolidated and separated financial statements were authorized for issue by the Company's board of directors on 26 February, 2015.
