

SABINA PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
AND
INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of Sabina Public Company Limited

- (1) I have audited the accompanying consolidated financial statements of Sabina Public Company Limited and its subsidiary, which comprise the consolidated statement of financial position as of December 31, 2014, the related consolidated statements of changes in shareholders' equity, consolidated statement of income, consolidated comprehensive income and consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. I have also audited the separate financial statements for the same period of Sabina Public Company Limited.

(2) Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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.

(3) 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 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.

(4) Opinion

In my opinion, the financial statements present fairly, in all material respects, the consolidated financial position of Sabina Public Company Limited and its subsidiary as of December 31, 2014, and the result of their operations and their cash flows for the year then ended and the financial position of Sabina Public Company Limited as of December 31, 2014, the results of its operations and its cash flows for the year then ended in accordance with financial reporting standards.

(CHAIYUTH ANGSUWITHAYA)
Certified Public Accountant
Registration No. 3885

A.M.T. & ASSOCIATES
Bangkok, Thailand
February 20, 2015

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2014

		Baht			
		Consolidated Financial Statement		Separarate Financial Statement	
	NOTE	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and cash equivalants	4	43,946,590.40	44,197,669.38	13,745,045.23	14,612,617.79
Temporary Investment					
- Mutual funds	5.1	29,825,698.88	6,301,633.41	29,825,698.88	6,301,633.41
- Available-for-sale securities	5.2	77,000,000.00	57,500,000.00	77,000,000.00	57,500,000.00
Trade receivables and other receivables					
Trade receivable - net					
- Related parties	3.1	-	-	261,467,277.19	425,739,171.78
- Other parties	6	304,716,680.62	358,726,523.98	944,957.81	-
Other receivables		4,442,867.01	9,391,778.78	1,251,578.69	798,685.59
Short-term loan to related party	3.2	-	-	416,000,000.00	256,000,000.00
Inventories - net	7	1,225,137,290.60	1,182,023,744.13	144,341,950.80	135,457,637.44
Other current assets					
Prepaid output VAT		69,971,641.13	66,561,499.39	-	-
Others		1,973,736.72	1,910,290.82	471,102.44	392,895.38
Total current assets		1,757,014,505.36	1,726,613,139.89	945,047,611.04	896,802,641.39
NON-CURRENT ASSETS					
Investment in subsidiary company	1.5	-	-	144,849,500.00	144,849,500.00
Property, plant and equipment - net	8	345,045,301.77	368,435,802.05	98,082,479.23	108,722,666.13
Intangible asset	9	6,777,466.22	7,541,339.20	49.00	3,447.32
Deferred tax assets	17.4	133,445,229.03	123,108,740.92	9,356,709.80	10,237,471.60
Others non-current assets					
Leasehold right - net	10	31,453,621.26	35,952,682.64	-	-
Deposit		33,772,284.35	31,756,868.55	-	-
Total non-current assets		550,493,902.63	566,795,433.36	252,288,738.03	263,813,085.05
TOTAL ASSETS		2,307,508,407.99	2,293,408,573.25	1,197,336,349.07	1,160,615,726.44

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2014

		Baht			
		Consolidated Financial Statement		Separate Financial Statement	
	NOTE	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from					
financial institutions	11	431,000,000.00	532,000,000.00	-	-
Trade payables and other payables					
Trade payable					
- related parties	3.3	-	-	1,350,519.74	1,329,135.15
- other parties		112,590,249.60	126,653,066.21	64,687,086.95	70,982,984.05
Other payables	12	111,724,314.72	102,500,442.98	39,121,451.85	34,921,397.27
Other current liabilities					
Accrued income tax		17,368,315.76	28,387,076.48	5,033,717.55	3,987,255.01
Others		15,277,299.08	10,604,410.99	3,028,262.94	3,289,410.86
Total current liabilities		687,960,179.16	800,144,996.66	113,221,039.03	114,510,182.34
NON-CURRENT LIABILITIES					
Employees' benefit obligation	13	50,594,083.99	18,358,907.99	23,523,548.99	8,427,357.99
Employees' deposit		2,695,000.00	2,621,000.00	-	-
Total non-current liabilities		53,289,083.99	20,979,907.99	23,523,548.99	8,427,357.99
Total liabilities		741,249,263.15	821,124,904.65	136,744,588.02	122,937,540.33

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SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2014

NOTE	Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
SHAREHOLDERS' EQUITY				
Share capital - Par value Baht 1 each	14			
Authorized share capital				
Common share 347,500,000 shares of Baht 1 each	347,500,000.00	347,500,000.00	347,500,000.00	347,500,000.00
Issued and paid - up share capital				
Common share 347,500,000 shares of Baht 1 each	347,500,000.00	347,500,000.00	347,500,000.00	347,500,000.00
Premium on share capital	275,164,000.00	275,164,000.00	275,164,000.00	275,164,000.00
Retained earnings				
Appropriated – legal reserve	15	49,250,000.00	45,950,000.00	34,750,000.00
Unappropriated		718,864,625.68	643,789,149.44	430,132,761.05
Total other components of equity		175,480,519.16	159,880,519.16	(26,955,000.00)
Total equity of the Parent		1,566,259,144.84	1,472,283,668.60	1,037,678,186.11
Non-controlling interests		-	-	-
Total shareholders' equity		1,566,259,144.84	1,472,283,668.60	1,037,678,186.11
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,307,508,407.99	2,293,408,573.25	1,160,615,726.44

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2014

BAHT											
	Retained earnings				Other components of equity						
						Others					
					Net book value of subsidiary company which exceed cost of investment (Note 1.5)	Comprehensive Income		Total			
	Issued and paid - up share capital	Premium on share capital	Appropriated legal reserve	Unappropriated		Gain (loss) from valuation of available-for-sale investment	Gain (loss) on actuarial estimates.	Other components of equity	Total Equity of the Parent	Non Controlling Interests	Total Shareholders' Equity
NOTE											
Balance as of January 1, 2013	347,500,000.00	275,164,000.00	41,950,000.00	471,605,942.94	202,435,519.16	(34,260,000.00)	-	168,175,519.16	1,304,395,462.10	-	1,304,395,462.10
The effects of changes in accounting policy											
- Income tax	-	-	-	98,997,506.81	-	(1,495,000.00)	-	(1,495,000.00)	97,502,506.81	-	97,502,506.81
Balance of January 1, 2013, adjusted	347,500,000.00	275,164,000.00	41,950,000.00	570,603,449.75	202,435,519.16	(35,755,000.00)	-	166,680,519.16	1,401,897,968.91	-	1,401,897,968.91
Changes in shareholders' equity for the period											
Appropriated legal reserve			4,000,000.00	(4,000,000.00)							
Dividend Paid	16	-	-	(39,962,500.00)	-	-	-	-	(39,962,500.00)	-	(39,962,500.00)
Total comprehensive income (loss) for the period		-	-	117,148,199.69	-	(6,800,000.00)	-	(6,800,000.00)	110,348,199.69	-	110,348,199.69
Balance as of December 31, 2013	347,500,000.00	275,164,000.00	45,950,000.00	643,789,149.44	202,435,519.16	(42,555,000.00)	-	159,880,519.16	1,472,283,668.60	-	1,472,283,668.60
Balance as of January 1, 2014	347,500,000.00	275,164,000.00	45,950,000.00	643,789,149.44	202,435,519.16	(42,555,000.00)	-	159,880,519.16	1,472,283,668.60	-	1,472,283,668.60
Changes in shareholders' equity for the period											
Total comprehensive income (loss) for the period		-	-	146,916,569.04	-	15,600,000.00	(21,628,592.80)	(6,028,592.80)	140,887,976.24	-	140,887,976.24
Transfer gain (loss) on actuarial estimate											
- to Retained earnings		-	-	(21,628,592.80)	-	-	21,628,592.80	21,628,592.80	-	-	-
Appropriated legal reserve			3,300,000.00	(3,300,000.00)							
Dividend Paid	16	-	-	(46,912,500.00)	-	-	-	-	(46,912,500.00)	-	(46,912,500.00)
Balance as of December 31, 2014	347,500,000.00	275,164,000.00	49,250,000.00	718,864,625.68	202,435,519.16	(26,955,000.00)	-	175,480,519.16	1,566,259,144.84	-	1,566,259,144.84

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
SEPARARATE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2014

BAHT								
					Other components of equity			
					Others			
Retained earnings					Comprehensive Income		Total	
					Gain (loss) from	Gain (loss) on	Other	Total
					valuation of	actuarial	components	Shareholders'
					available-for-sale	estimates.	of	Equity
NOTE	Issued and paid - up share capital	Premium on share capital	Appropriated legal reserve	Unappropriated	investment		equity	
Balance as of January 1, 2013	347,500,000.00	275,164,000.00	34,750,000.00	377,420,723.11	(34,260,000.00)	-	(34,260,000.00)	1,000,574,723.11
The effects of changes in accounting policy								
- Income tax	-	-	-	11,711,379.66	(1,495,000.00)	-	(1,495,000.00)	10,216,379.66
Balance of January 1, 2013, adjusted	347,500,000.00	275,164,000.00	34,750,000.00	389,132,102.77	(35,755,000.00)	-	(35,755,000.00)	1,010,791,102.77
Changes in shareholders' equity for the period								
Dividend Paid	16	-	-	(39,962,500.00)	-	-	-	(39,962,500.00)
Total comprehensive income (loss) for the period	-	-	-	73,649,583.34	(6,800,000.00)	-	(6,800,000.00)	66,849,583.34
Balance as of December 31, 2013	347,500,000.00	275,164,000.00	34,750,000.00	422,819,186.11	(42,555,000.00)	-	(42,555,000.00)	1,037,678,186.11
Balance as of January 1, 2014	347,500,000.00	275,164,000.00	34,750,000.00	422,819,186.11	(42,555,000.00)	-	(42,555,000.00)	1,037,678,186.11
Changes in shareholders' equity for the period								
Transfer gain (loss) on actuarial estimate								
- to Retained earnings	-	-	-	(9,496,758.40)	-	9,496,758.40	9,496,758.40	-
Dividend Paid	16	-	-	(46,912,500.00)	-	-	-	(46,912,500.00)
Total comprehensive income (loss) for the period	-	-	-	63,722,833.34	15,600,000.00	(9,496,758.40)	6,103,241.60	69,826,074.94
Balance as of December 31, 2014	347,500,000.00	275,164,000.00	34,750,000.00	430,132,761.05	(26,955,000.00)	-	(26,955,000.00)	1,060,591,761.05

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2014

		B A H T			
		Consolidated Financial Statement		Separarate Financial Statement	
		For the year ended December 31		For the year ended December 31	
	NOTE	2014	2013	2014	2013
REVENUES					
Revenues from sales - net		2,153,428,458.97	2,177,655,463.11	621,354,450.14	723,745,408.37
Revenues from services		-	-	76,051,775.00	63,240,098.80
Other incomes		11,168,049.90	11,775,430.70	14,760,203.09	11,809,978.98
Total Revenues	3.4	2,164,596,508.87	2,189,430,893.81	712,166,428.23	798,795,486.15
EXPENSES					
Cost of sales and services		1,012,120,289.39	1,061,479,869.41	552,960,135.83	630,830,791.42
Selling expenses		733,068,710.91	750,909,661.19	924,041.01	1,440,965.33
Administrative expenses		220,054,452.59	196,844,626.00	82,883,425.56	79,674,069.01
Financial expenses		13,426,486.81	16,080,255.65	5.15	-
Total Expenses	3.4	1,978,669,939.70	2,025,314,412.25	636,767,607.55	711,945,825.76
PROFIT BEFORE INCOME TAX		185,926,569.17	164,116,481.56	75,398,820.68	86,849,660.39
INCOME TAX EXPENSE	17.3	(39,010,000.13)	(46,968,281.87)	(11,675,987.34)	(13,200,077.05)
PROFIT FOR THE PERIODS		146,916,569.04	117,148,199.69	63,722,833.34	73,649,583.34
Net income attributable to :					
Equity holders of the parent		146,916,569.04	117,148,199.69	63,722,833.34	73,649,583.34
Non - controlling interests		-	-	-	-
		146,916,569.04	117,148,199.69	63,722,833.34	73,649,583.34
BASIC EARNINGS PER SHARE					
Earnings (loss) per share (Baht)		0.42	0.34	0.18	0.21
Number of weighted average common shares (shares)		347,500,000	347,500,000	347,500,000	347,500,000

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2014

	B A H T			
	Consolidated Financial Statement		Separate Financial Statement	
	For the year ended December 31		For the year ended December 31	
	2014	2013	2014	2013
NOTE				
PROFIT FOR THE PERIODS	146,916,569.04	117,148,199.69	63,722,833.34	73,649,583.34
Other comprehensive income;				
Gain (loss) from valuation of -				
- available-for-sale investment	19,500,000.00	(8,500,000.00)	19,500,000.00	(8,500,000.00)
Gain (loss) on actuarial estimates.	(27,035,741.00)	-	(11,870,948.00)	-
Income tax related to other components of equity				
- valuation of available-for-sale investment	17.2 (3,900,000.00)	1,700,000.00	(3,900,000.00)	1,700,000.00
- on actuarial estimates.	17.2 5,407,148.20	-	2,374,189.60	-
Other comprehensive income (loss) -				
- for the periods - net of tax	(6,028,592.80)	(6,800,000.00)	6,103,241.60	(6,800,000.00)
Total comprehensive income for the periods	140,887,976.24	110,348,199.69	69,826,074.94	66,849,583.34
Total comprehensive income attributable to :				
Equity holders of the parent	140,887,976.24	110,348,199.69	69,826,074.94	66,849,583.34
Non - controlling interests	-	-	-	-
	140,887,976.24	110,348,199.69	69,826,074.94	66,849,583.34

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

NOTE	B A H T			
	Consolidated Financial Statement		Separate Financial Statement	
	For the year ended December 31		For the year ended December 31	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES :				
Net profit	146,916,569.04	117,148,199.69	63,722,833.34	73,649,583.34
Adjustments to reconcile net profit to net cash proceed (paid)				
Depreciation	8	51,518,894.28	51,238,215.32	13,027,160.66
Amortization	9, 10	6,513,934.36	7,302,395.67	3,398.32
กลับรายการค่าเพื่อหนี้สงสัยจะสูญ		2,181,975.31	-	-
Allowance for obsolete inventories	7	-	2,000,000.00	-
Employees' benefits obligation	13	12,980,107.00	3,087,580.99	7,658,723.00
Loss (gain) from disposal of property		(1,488,464.13)	(633,937.42)	(1,116,666.63)
Unrealised (gain) loss on exchange rate		217,331.69	(696,793.14)	(47,857.67)
Interest expenses		13,426,486.81	16,080,255.65	5.15
Current tax expense	17.1	47,839,340.05	70,874,515.98	12,321,035.94
Deferred tax expense (income)	17.1	(8,829,339.92)	(23,906,234.11)	(645,048.60)
(Increase) decrease in trade receivable - related parties		-	-	164,271,894.59
(Increase) decrease in trade receivable - other parties		51,827,868.05	130,572,813.26	(944,957.81)
(Increase) decrease in other receivable		4,948,911.77	(5,622,600.01)	(452,893.10)
(Increase) decrease in inventories		(43,113,546.47)	(95,985,202.05)	(8,884,313.36)
(Increase) decrease in other current assets		(3,473,587.64)	(20,897,833.97)	(78,207.06)
(Increase) decrease in other non-current assets		(2,015,415.80)	(4,608,164.62)	-
Increase (decrease) in trade payables - related party		-	-	21,384.59
Increase (decrease) in trade payables - other parties		(14,280,148.30)	21,533,105.30	(6,248,039.43)
Increase (decrease) other payables		8,864,592.40	2,131,530.77	4,200,054.58
Increase (decrease) in other current liabilities - others		4,672,888.09	(5,344,637.01)	(261,147.92)
Others non-current liabilities				
- Payment of employees' benefit	13	(7,780,672.00)	(4,320,880.00)	(4,433,480.00)
- Increase (decrease) in - Employee deposit		74,000.00	149,000.00	-
Net cash received (paid) from operation		271,001,724.59	260,101,330.30	242,113,878.59
Payment of interest expenses		(13,067,207.47)	(15,609,411.24)	(5.15)
Payment of Corporate income tax		(58,858,100.76)	(80,749,849.75)	(11,274,573.40)
Net cash provided by (Used in) operating activities		199,076,416.36	163,742,069.31	230,839,300.04

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SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

		B A H T			
		Consolidated Financial Statement		Separate Financial Statement	
		For the year ended December 31		For the year ended December 31	
NOTE		2014	2013	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES :					
Cash proceed (paid) on sales (purchase)					
- for temporary investment	5.1	(23,524,065.47)	13,817,681.90	(23,524,065.47)	13,817,681.90
Cash paid for short-term loan to subsidiary	3.2	-	-	(160,000,000.00)	(47,000,000.00)
Acquisition of property, plant and equipment	8	(28,130,242.40)	(52,526,622.76)	(2,387,026.76)	(4,781,903.10)
Cash received from sales of property and equipment		1,490,312.53	1,349,777.28	1,116,719.63	570,647.30
Acquisition of intangible assets	9, 10	(1,251,000.00)	(17,105,121.00)	-	-
Net cash provide by (Used in) investing activities		(51,414,995.34)	(54,464,284.58)	(184,794,372.60)	(37,393,573.90)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend Paid	16	(46,912,500.00)	(39,962,500.00)	(46,912,500.00)	(39,962,500.00)
Bank overdrafts and short-term loans received from					
- financial institutions increase(decrease)		(101,000,000.00)	(49,000,000.00)	-	-
Net Cash Provided by (Used in) Financing Activities		(147,912,500.00)	(88,962,500.00)	(46,912,500.00)	(39,962,500.00)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS - NET		(251,078.98)	20,315,284.73	(867,572.56)	10,124,311.35
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIODS	4	44,197,669.38	23,882,384.65	14,612,617.79	4,488,306.44
CASH AND CASH EQUIVALENTS, END OF PERIODS	4	43,946,590.40	44,197,669.38	13,745,045.23	14,612,617.79

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

1. GENERAL INFORMATION

1.1 General matter

SABINA PUBLIC COMPANY LIMITED (Formerly J & D Apparel Company Limited) was incorporated as a limited company under the Civil and Commercial Code on August 17, 1995, and changed its status to a Public Company Limited under the Public Company Limited Act and changed its name to be SABINA PUBLIC COMPANY LIMITED on May 18, 2007. The address of the head office is 177 Moo 8, Wang kaituen Sub-district, Han-ka District, Chai-nart Province. There is a plant as its branch at 236 Moo 10, Doo Tung Sub-district, Mueng District, Yasothon Province. The company gets privilege in investment promotion from The Board of Investment. On December 28, 2010, the company established two factory's branches which located at 81 and 106 Moo 6, Nhong-Boht Sub-district, Nang-Rong District, Burirum province. The company operates its business in Thailand and the main business is producing and distributing ready made clothes which main product is lady's underwear.

SABINA FAREAST COMPANY LIMITED which is a subsidiary, was incorporated as a limited company under the Civil and Commercial Code on January 11, 1977. The address of the head office is 12 Arun-Amarin Road, Arun-Amarin Sub-district, Bangkok Noi District, Bangkok Province. There are plants, which Ta Pra plant located at 93/8 Soi Pet Ka Seam 7, Pet Ka Seam Road, TA PA Sub-district, Bangkok Yai District, Bangkok Province, and Budhamonthon Sai 5 plant located at Rai Keing Sub-district, Sam Pran District, Nakhonpathom Province. The subsidiary company operates its business in Thailand and the main business is producing and distributing ready made clothes which main product is lady's underwear.

1.2 Basis for preparation of financial statements

The company's financial statements have been prepared in accordance with financial reporting standards including guidelines promulgated by the Federation of Accounting Professional

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

An English language version of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict or difference in understanding, the interim financial statements in Thai language shall prevail.

1.3 Basis for preparation of consolidated of interim financial statements

The consolidated financial statements incorporated the financial statements of Sabina Public Company Limited and Sabine Fareast Company Limited, its subsidiary, which 99.90 % of share hold by the Company (treated 100% in the consolidate preparation), and being under common controls with the Company. For the purpose of the consolidation, all significant inter-company transactions and all inter-company account balances have been eliminated.

1.4 Related parties

Enterprises that directly or indirectly control by the Company, or are under common shareholders/ director controls are as follows:

Name	Type of business	Relationship	Share holding (%)
<u>Subsidiary</u>			
- Sabina Fareast Co., Ltd.	Producing and distributing ready made clothes and lady's underwear	Shares holding and joint directors	99.90%

1.5 Restructure of company and its subsidiary's shareholders structure

In March 2007, the Company acquired 448,495 shares of a subsidiary's capital shares from its existing shareholder, who is the related parson, at par value of Baht 100 per share, while the book value of the share as of December 31, 2006 is approximately Baht 247.29 million and booked as investment in subsidiary amounting to Baht 44.85 million, which equivalent to 99.67% of share holding in the subsidiary. Since January 1, 2007, in preparation of consolidated financial statement, the Company assumed that its interest in the subsidiary is equivalent to 100.00%. The Company has presented the difference of Baht 202.44 million, between book value of the subsidiary company of Baht 247.29 million and cost of the investment of Baht 44.85 million as "net book value of subsidiary company which exceed cost of investment" in shareholders' equity of consolidated financial statements.

Subsequently, in April 2007 the subsidiary has increased its registered capital for another Baht 100 million. The Company bought for the whole increased capital of subsidiary of 1 million shares at par value of Baht 100 per share, totaling of Baht 100 million. As a result, the company's investment in subsidiary increased from Baht 44.85 million to Baht 144.85 million. There for the proportion of shareholding in the subsidiary increased to be 99.99%.

1.6 Adoption of new financial reporting standards

1.6.1 Financial reporting standards which are effective for the current year

During the year, the Company and its subsidiaries adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, which are effective for financial statement year beginning on or after January 1, 2014 and relevant to the Group business as follows :

Accounting Standard

- TAS 1 Presentation of Financial Statements (revised 2012)
- TAS 7 Statement of Cash Flows (revised 2012)
- TAS 12 Income Taxes (revised 2012)
- TAS 17 Leases (revised 2012)
- TAS 18 Revenue (revised 2012)
- TAS 19 Employee Benefits (revised 2012)
- TAS 21 The Effects of Changes in Foreign Exchange Rate (revised 2012)
- TAS 24 Related Party Disclosures (revised 2012)
- TAS 28 Investments in Associates (revised 2012)
- TAS 31 Interests in Joint Venture (revised 2012)
- TAS 34 Interim Financial Reporting (revised 2012)
- TAS 36 Impairment of Assets (revised 2012)
- TAS 38 Intangible Assets (revised 2012)

Financial Reporting Standard

- TFRS2 Share - Based Payments (revised 2012)
- TFRS3 Business Combinations (revised 2012)
- TFRS5 Non - current Assets Held for Sale and Discontinued Operations (revised 2012)
- TFRS8 Operating Segments (revised 2012)

Accounting Standard Interpretations

- TSIC 15 Operating Leases - Incentives
- TSIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease
- TSIC 29 Service Concession Arrangements: Disclosures
- TSIC 32 Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations

- TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities
- TFRIC 4 Determining whether an Arrangements contains a Lease
- TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- TFRIC 7 Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
- TFRIC 10 Interim Financial Reporting and Impairment

- TFRIC 12 Service Concession Arrangements
- TFRIC 13 Customer Loyalty Programmers
- TFRIC 17 Distributions of Non - cash Assets to Owners
- TFRIC 18 Transfers of Assets from Customers

Adoption of the above financial reporting standards in the current year does not have material effect on the financial statements.

1.6.2 Financial reporting standards which are not effective for the current year

During the year to present, the Federation of Accounting Professions has issued the revised and new accounting standard, financial reporting standards, accounting standard interpretation and financial reporting standard interpretations, which are effective for financial statements period beginning on or after January 1 in the year indicated as follows:

	<u>Year effective</u>
Accounting Standard	
TAS 1 Presentation of Financial Statements (revised 2014)	2015
TAS 2 Inventories (revised 2014)	2015
TAS 7 Statement of Cash Flows (revised 2014)	2015
TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (revised 2014)	2015
TAS 10 Events After the Reporting Period (revised 2014)	2015
TAS 11 Construction Contracts (revised 2014)	2015
TAS 12 Income Taxes (revised 2014)	2015
TAS 16 Property, Plant and Equipment (revised 2014)	2015
TAS 17 Leases (revised 2014)	2015
TAS 18 Revenue (revised 2014)	2015
TAS 19 Employee Benefits (revised 2014)	2015
TAS 20 Accounting for Government Grants and Disclosure of Government Assistance (revised 2014)	2015
Accounting Standard	
TAS 21 The Effects of Changes in Foreign Exchange Rates	2015
TAS 23 Borrowing Costs (revised 2014)	2015
TAS 24 Related Party Disclosures (revised 2014)	2015
TAS 26 Accounting and Reporting by Retirement Benefit Plans (revised 2014)	2015
TAS 27 Separate Financial Statements (revised 2014)	2015
TAS 28 Investments in Associates and Joint Ventures (revised 2014)	2015
TAS 29 Financial Reporting in Hyperinflationary Economics (revised 2014)	2015
TAS 33 Earnings per Share (revised 2014)	2015
TAS 34 Interim Financial Reporting (revised 2014)	2015
TAS 36 Impairment of Assets (revised 2014)	2015
TAS 37 Provisions, Contingent Liabilities and Contingent Assets (revised 2014)	2015
TAS 38 Intangible assets (revised 2014)	2015
TAS 40 Investment Property (revised 2014)	2015

Financial Reporting Standard

TFRS 2 Share - Based Payment (revised 2014)	2015
TFRS 3 Business Combinations (revised 2014)	2015
TFRS 4 Insurance Contracts (revised 2014)	2016
TFRS 5 Non-current Assets Held for Sale and Discontinued Operations (revised 2014)	2015
TFRS 6 Exploration for and Evaluation of Mineral Resources (revised 2014)	2015
TFRS 8 Operating Segments (revised 2014)	2015
TFRS 10 Consolidated Financial Statements	2015
TFRS 11 Joint Arrangements	2015
TFRS 12 Disclosure of Interests in Other Entities	2015
TFRS 13 Fair Value Measurement	2015

Accounting Standard Interpretations

TSIC 10 Government Assistance – No Specific Relation to Operating Activities (revised 2014)	2015
TSIC 15 Operating Leases - Incentives (revised 2014)	2015
TSIC 25 Income Taxes - Changes in the Tax Status of an Entity or its Shareholders (revised 2014)	2015
TSIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease (revised 2014)	2015
TSIC 29 Service Concession Arrangements (revised 2014)	2015
TSIC 31 Revenue-Barter Transactions Involving Advertising Services(revised 2014)	2015
TSIC 32 Intangible Assets - Web Site Costs (revised 2014)	2015

Financial Reporting Standard Interpretations

TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities (revised 2014)	2015
TFRIC 4 Determining whether an Arrangement contains a Lease (revised 2014)	2015
TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (revised 2014)	2015
TFRIC 7 Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies (revised 2014)	2015
TFRIC 10 Interim Financial Reporting and Impairment (revised 2014)	2015
TFRIC 12 Service Concession Arrangements (revised 2014)	2015
TFRIC 13 Customer Loyalty Programmes (revised 2014)	2015
TFRIC 14 TAS 19 (revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	2015
TFRIC 15 Agreements for the Construction of Real Estate (revised 2014)	2015
TFRIC 17 Distributions of Non-cash Assets to Owners (revised 2014)	2015
TFRIC 18 Transfers of Assets from Customers (revised 2014)	2015
TFRIC 20 Stripping Costs in the Production Phase of a Surface Mine	2015

The management of the Company has assessed that TAS 1, TAS 2, TAS 7, TAS 8, TAS 10, TAS 12, TAS 16, TAS 17, TAS 18, TAS 19, TAS 21, TAS 24, TAS 33, TAS 34, TAS 36, TAS 37 and TFRS 8 will not have material impact on the financial statements when it is applied. For the other TAS, TFRS, TSIC and TFRIC are not relevant to the Company's business, therefore they do not have impact on the financial statement when they are applied.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The company has significant accounting policies as follows:-

2.1 Revenue and expense recognition

Income from Sales are recognized when the significant risks and reward of ownership of products is transferred to the buyer.

Income from Service is recognized when services are rendered.

2.2 Cash and cash equivalents

Cash and cash equivalents presented in the statement of cash flows consist of cash on hand, and banks saving and current deposits with an original maturity of three months or less.

2.3 Temporary investment

Investment which the Company intend to held less than one year period, consists of investment Mutual fund, Trading security, Available-for-sale security, other investment, debts instrument due within one year.

Investment in trading security and mutual fund are presented in fair value. Change in the value of the investments is recorded as gain or loss in the statements of income.

Investment in available-for-sale security is presented in fair value. Change in the value of the investments is recorded as premium on share capital in shareholders' equities.

Fair value of the marketable securities is calculated from the latest bidding price of the securities on the last working day of the year of the Stock Exchange of Thailand.

If the category of investment is changed, the Company will adjust the value of the investment using fair value of the changed date. Differences between the book value and fair value on the changed date is recorded as gain or loss in the statements of income or recorded as capital premium or (deficit) from change in value of shareholders' equities depends on type of the investment that is changed.

2.4 Allowance for doubtful accounts

Allowance for doubtful accounts is estimated based on those receivables that might be un-collectible. The estimation is based upon the experience and the current status of existing receivables.

2.5 Inventories

Inventories, working process and raw material are stated at the lower of cost (FIFO) or net realizable value.

Company has estimated amount of inventory impairment or inventory obsolete to be expenses by considering of the condition of inventories and trend of consumer preference.

2.6 Investments in subsidiary

Investments in subsidiary, which is the companies in which the Group, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to exercise control over the financial and operating policies, has been consolidated. Subsidiary is consolidated from the date on which effective control

is transferred to the Group and is no longer consolidated from the date of disposal. All inter-company transactions, balances and unrealized gains (losses) on transactions between group companies have been eliminated. Investment in subsidiary (in the Separate financial statements) is stated at the cost method.

2.7 Property, plant and equipments

Lands and land improvements are stated at cost.

Building, building improvement and equipment stated at cost less accumulated depreciation.

Depreciation is computed by the straight-line method over the estimated useful life as follows;

	Year
Building and building improvement	20
Machinery and equipment	10
Computer equipment	3
Fixture, equipment and furniture	5
Vehicles	5

2.8 Foreign currency transactions

Transactions in foreign currencies are converted at the exchange rate of the transaction date. Assets and liabilities in foreign currencies at the end of period are converted at average (buying and selling) rate that Bank of Thailand announce at date of statement of financial position. Gain or loss from conversion is included in the Statements of Income.

2.9 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to business combination or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities at the reporting date and tax base of the relating assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.10 Employees benefits

Salaries, wages, bonuses, contributions to the social security fund, provident fund and other benefits are recognized as expenses when incurred.

Severance Payment as specified in Thai Law is recognized as expenses in the income statement along the service period of employees. The Company's post - employment benefit obligations are estimated by a qualified actuary under the actuarial assumption using the Projected Unit Credit Method. However, the actual benefit obligation may be different from the estimate.

The Company recognized the actuarial gains or losses arising from defined benefit plan in the period incurred in other comprehensive income.

2.11 Accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ.

2.12 Basic earnings (loss) per share

Basic earnings (loss) per share is determined by dividing the net profit (loss) by the weighted average number of issued and paid-up of common shares at the end of accounting period.

3. RELATED PARTY TRANSACTIONS

The Company had certain accounting transactions with its subsidiary and related persons, which were considered as a normal business practice. The transactions were based on the general market price and in cases where market price was not available, the contract price was used.

Balance of assets and liabilities, accounting and business transactions with subsidiary and related person presented in the statements of financial position as of December 31, 2014 and 2013 are as follows:

	BAHT			
	<u>Consolidated Financial Statement</u>		<u>Separate Financial Statement</u>	
	<u>Dec-31, 2014</u>	<u>Dec-31, 2013</u>	<u>Dec-31, 2014</u>	<u>Dec-31, 2013</u>
<u>ASSETS</u>				
3.1 Trade Receivable				
<u>Subsidiary Company</u>				
Sabina Fareast Co., Ltd.	-	-	261,467,277.19	425,739,171.78
Less : Allowance for doubtful account	-	-	-	-
Trade receivable – Related parties net	-	-	261,467,277.19	425,739,171.78

The outstanding balance of above trade receivable is undue amount.

3.2 Short-term loan to related party

Movement of short - term loan to related party is as follows;

	Baht				Transfer Pricing Policy
	Balance As of	Increase	Decrease	Balance As of	
	December 31, 2013			December 31, 2014	
<u>Subsidiary Company</u>					
Sabina Fareast Co., Ltd.	256,000,000.00	235,000,000.00	75,000,000.00	416,000,000.00	3.20% p.a.
	<u>256,000,000.00</u>	<u>235,000,000.00</u>	<u>75,000,000.00</u>	<u>416,000,000.00</u>	

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
<u>Liability</u>				
<u>3.3 Account Payable</u>				
<u>Subsidiary Company</u>				
Sabina Fareast Co., Ltd.	-	-	1,350,519.74	1,329,135.15
Accounts payable – Related parties	-	-	1,350,519.74	1,329,135.15

3.4 Related party transactions for the year ended December 31, 2014 and 2013 are as follows:

	BAHT				Transfer
	Consolidated Financial Statement		Separate Financial Statement		Pricing
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013	Policy
<u>Subsidiary company</u>					
Sales of finished goods	-	-	599,516,840.84	723,745,408.37	Contract price
Sawing service cost	-	-	76,051,775.00	63,240,098.80	"
Purchase of raw materials	-	-	10,080,966.17	11,738,308.89	"
Rent of office space and warehouse	-	-	1,994,000.00	1,845,500.00	"
Cutting service cost	-	-	9,403,824.91	10,285,666.10	"
Interest income	-	-	10,648,183.15	8,558,835.46	"

3.5 MANAGEMENT REMUNERATIONS

Management remunerations consist of salary, bonus, director attendance fee etc.

Management remuneration for the year ended December 31, 2014 and 2013 as follow;

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	2014	2013	2014	2013
Benefits – Short-term	41,124,345.35	40,030,097.16	41,124,345.35	40,030,097.16
Benefits – After retirement	3,816,060.00	-	3,816,060.00	-
Benefits – Long-term	-	-	-	-
Total	<u>44,940,405.35</u>	<u>40,030,097.16</u>	<u>44,940,405.35</u>	<u>40,030,097.16</u>

4. CASH AND CASH EQUIVALENTS

For the purpose of preparation of the statement of cash flows with relevant accounting standards, as of December 31, 2014 and 2013 are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Cash	971,928.00	1,052,237.50	275,373.00	252,682.00
Cash at banks and financial institutions	42,974,662.40	43,145,431.88	13,469,672.23	14,359,935.79
Total Cash and Cash Equivalents	43,946,590.40	44,197,669.38	13,745,045.23	14,612,617.79

5. TEMPORARY INVESTMENT

Temporary investment as of December 31, 2014 and 2013 are consisted as follows:

5.1 INVESTMENT IN MUTUAL FUND

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Investment in Commercial paper fund				
K-Treasury Fund	29,825,698.88	6,301,633.41	29,825,698.88	6,301,633.41
Total Temporary Investments	29,825,698.88	6,301,633.41	29,825,698.88	6,301,633.41

5.2 INVESTMENT IN AVAILABLE-FOR-SALE SECURITIES

As of December 31, 2014 and 2013 Investment in available-for-sale securities of the Company and its subsidiary are as follow;

	BAHT					
	Consolidated Financial Statement / Separate Financial Statement					
	December 31, 2014			December 31, 2013		
	Cost	Unrealized Profit (loss)	Fair Value	Cost	Unrealized Profit (loss)	Fair Value
Marketable Security	100,260,000.00	(23,260,000.00)	77,000,000.00	100,260,000.00	(42,760,000.00)	57,500,000.00
Total	100,260,000.00	(23,260,000.00)	77,000,000.00	100,260,000.00	(42,760,000.00)	57,500,000.00

Movement of the unrealized profit (loss) of the available-for-sale securities for the year ended December 31, 2014 is as follow;

	BAHT	
	Consolidated Financial Statement	Separate Financial Statement
Balance as of January 1, 2014	57,500,000.00	57,500,000.00
Movement during the period	19,500,000.00	19,500,000.00
Balance as of December 31, 2014	77,000,000.00	77,000,000.00

6. TRADE RECEIVABLES – OTHER PARTIES - NET

Trade receivables – other parties as of December 31, 2014 and 2013 are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Trade receivables– other parties	304,716,680.62	360,908,499.29	944,957.81	-
<u>Less:</u> Allowance for doubtful account	-	(2,181,975.31)	-	-
Trade receivables–other parties - net	304,716,680.62	358,726,523.98	944,957.81	-

As of December 31, 2014 and 2013, trade receivables–other parties were classified by aging of debt outstanding as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Trade receivables– other parties				
- Current	286,084,429.91	357,776,707.45	944,957.81	-
- Overdue 0 - 3 months	10,684,247.71	3,131,791.84	-	-
- Overdue 4 - 6 months	7,948,003.00	-	-	-
- Overdue 7 - 12 months	-	-	-	-
- Overdue over 12 month	-	-	-	-
Total	304,716,680.62	360,908,499.29	944,957.81	-
<u>Less:</u> Allowance for doubtful accounts	-	(2,181,975.31)	-	-
Trade receivables–other parties - net	304,716,680.62	358,726,523.98	944,957.81	-

Movement of allowance for doubtful accounts for the year ended December 31, 2014 is as follow;

	BAHT	
	Consolidated Financial Statement	Consolidated Financial Statement
Beginning balance	2,181,975.31	-
Increase during the year	-	-
Reversal due to collection	-	-
Decrease due to receivable written off	(2,181,975.31)	-
Ending balance	-	-

7. INVENTORIES - NET

As of December 31, 2014 and 2013, inventories – net are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Finished goods	1,003,618,053.06	962,726,244.21	1,154,907.97	-
Work in process	140,636,292.43	117,771,586.82	90,449,213.04	67,767,630.96
Raw materials	80,073,634.79	101,513,988.85	45,435,044.68	59,514,218.35
Supplies	13,774,587.43	12,965,826.21	7,275,421.22	8,175,788.13
Inventories in transit	34,722.89	46,098.04	27,363.89	-
Total	1,238,137,290.60	1,195,023,744.13	144,341,950.80	135,457,637.44
Less: Allowance for obsolete	(13,000,000.00)	(13,000,000.00)	-	-
Inventories – net	1,225,137,290.60	1,182,023,744.13	144,341,950.80	135,457,637.44

As of December 31, 2014 and 2013, the balance of inventories in subsidiary's account which purchased from the Company have been presented net from profit in inventories totaling of Baht 144,521,000.00 and Baht 117,020,547.54 respectively (eliminated in consolidated financial statement).

Movement of allowance for obsolete inventories account for the year ended December 31, 2014 is as follow;

	BAHT	
	Consolidated	Separate
	Financial Statement	Financial Statement
Beginning balance	13,000,000.00	-
Increase during the period	-	-
Ending balance	13,000,000.00	-

8. PROPERTY, PLANT AND EQUIPMENT - NET

	BAHT					
	Consolidated Financial Statement					
	As of					As of
	Dec-31, 2013	Increase	Decrease	Transfer - In	Transfer –	Dec-31, 2014
<u>COST :</u>						
Land	117,316,674.50	1,176,000.00	-	-	-	118,492,674.50
Building & building improvement	310,020,988.93	2,661,000.00	-	-	-	312,681,988.93
Machinery & equipment	271,503,584.09	2,844,000.00	(853,284.00)	-	-	273,494,300.09
Tools & supplies	11,323,117.89	314,481.82	(13,289.81)	-	-	11,624,309.90
Furniture & fixture	89,595,130.13	379,379.34	(2,501,511.35)	15,454,471.51	-	102,927,469.63
Office equipments	51,786,155.43	2,345,499.94	(1,066,427.36)	65,660.00	-	53,130,888.01
Vehicles	54,764,129.58	-	(3,343,330.84)	-	-	51,420,798.74
Other equipments	891,977.77	10,271.03	-	-	-	902,248.80
Construction in progress	-	-	-	257,500.00	(257,500.00)	-
Computer & equipment	35,940,826.42	6,880,717.29	(2,225,499.94)	-	-	40,596,043.77
Assets installation in progress	4,606,846.00	11,518,892.98	-	-	(15,520,131.51)	605,607.47
Total cost	347,749,430.74	28,130,242.40	(10,003,343.30)	15,777,631.51	(15,777,631.51)	965,876,329.84
<u>Less: Accumulated depreciation</u>						
Building & building improvement	(181,144,089.57)	(15,086,509.38)	-	-	-	(196,230,598.95)
Machinery & equipment	(226,352,320.53)	(9,734,243.66)	852,649.00	-	-	(235,233,915.19)
Tools & supplies	(10,321,346.24)	(400,714.06)	13,272.81	-	-	(10,708,787.49)
Furniture & fixture	(32,865,002.38)	(17,896,357.86)	2,500,737.35	-	-	(48,260,622.89)
Office equipments	(48,445,825.76)	(1,530,982.31)	1,066,367.36	-	-	(48,910,440.71)
Vehicles	(51,444,953.19)	(1,577,684.78)	3,343,324.84	-	-	(49,679,313.13)
Other equipments	(887,833.52)	(3,127.78)	-	-	-	(890,961.30)
Computer & equipment	(27,852,257.50)	(5,289,274.45)	2,225,143.54	-	-	(30,916,388.41)
Total accumulated depreciation	(579,313,628.69)	(51,518,894.28)	10,001,494.90	-	-	(620,831,028.07)
Property, plants and equipment-net	368,435,802.05					345,045,301.77

Depreciation for the year ended December 31, 2014 and 2013 has been included in cost of goods sold, and selling and administrative expenses as follows:

	BAHT	
	December 31, 2014	December 31, 2013
Cost of goods sold	25,423,817.50	31,017,332.50
Selling and administrative expenses	26,095,076.78	20,220,882.82
Total	51,518,894.28	51,238,215.32

	BAHT				
	Separate Financial Statement				
	As of Dec-31, 2013	Increase	Decrease	Transfer	As of Dec-31,2014
COST :					
Land	17,424,744.50	-	-	-	17,424,744.50
Building & building improvement	143,477,160.57	257,500.00	-	-	143,734,660.57
Machinery & equipment	158,374,045.85	1,378,000.00	-	-	159,752,045.85
Tools & supplies	3,764,330.97	199,475.52	(4,230.00)	-	3,959,576.49
Furniture & fixture	10,020,393.81	82,483.73	-	-	10,102,877.54
Office equipments	7,993,736.78	459,296.48	(307,950.00)	-	8,145,083.26
Vehicles	20,950,876.87	-	(2,550,514.02)	-	18,400,362.85
Other equipments	891,977.77	10,271.03	-	-	902,248.80
Construction in progress	-	-	-	257,500.00	(257,500.00)
Assets installation in progress	-	-	-	-	-
Total cost	362,897,267.12	2,274,616.56	(2,862,694.02)	257,500.00	362,421,599.86
Less: Accumulated depreciation			-	-	
Building & building improvement	(76,570,654.95)	(7,181,020.15)	-	-	(83,751,675.10)
Machinery & equipment	(135,984,086.17)	(4,776,170.00)	-	-	(140,760,256.17)
Tools & supplies	(3,287,992.46)	(194,359.62)	4,216.00	-	(3,478,136.08)
Furniture & fixture	(9,418,884.34)	(382,123.73)	-	-	(9,801,008.07)
Office equipments	(7,362,286.74)	(365,959.58)	307,914.00	-	(7,420,332.32)
Vehicles	(20,662,862.81)	(124,399.80)	2,550,511.02	-	(18,236,751.59)
Other equipments	(887,833.52)	(3,127.78)	-	-	(890,961.30)
Total accumulated depreciation	(254,174,600.99)	(13,027,160.66)	2,862,641.02	-	(264,339,120.63)
Property, plants and equipment -net	108,722,666.13				98,082,479.23

Depreciation for the year ended December 31,2014 and 2013 has been included in cost of goods sold, and selling and administrative expenses as follows:

	BAHT	
	December 31, 2014	December 31, 2013
Cost of goods sold	12,275,949.57	16,104,425.59
Selling and administrative expenses	751,211.09	1,846,429.35
Total	13,027,160.66	17,950,854.94

The Company has pledged a part of land, buildings and machineries owned by company and subsidiary as collateral with banks for the Company's credit facilities.

9. INTANGIBLE ASSETS

	BAHT				
	Consolidated Financial Statement				
	As of Dec-31, 2013	Increase	Decrease	Transfer	
				in	out
As of Dec-31, 2014					
Cost:					
Computer Software	26,248,594.09	-	-	780,000.00	-
Software under installation	234,000.00	546,000.00	-	-	(780,000.00)
Total	26,482,594.09	546,000.00	-	780,000.00	(780,000.00)
Less: Accumulated amortization expense					
Computer Software	(18,941,254.89)	(1,309,872.98)	-	-	-
Total	(18,941,254.89)	(1,309,872.98)	-	-	-
Intangible assets – net	7,541,339.20				

Amortization expenses for the year ended December 31, 2014 and 2013 has been included as selling and administrative expenses in the consolidated financial statement are as follow;

	BAHT	
	December 31, 2014	December 31, 2013
Cost of goods sold	202,281.83	202,281.83
Selling and administrative expenses	1,107,591.15	1,204,631.92
Total	1,309,872.98	1,406,913.75

	BAHT				
	Separate Financial Statement				
	As of Dec-31, 2013	Increase	Decrease	Transfer	As of Dec-31, 2014
Cost:					
Computer Software	2,469,288.38	-	-	-	2,469,288.38
Total	2,469,288.38	-	-	-	2,469,288.38
Less: Accumulated amortization expenses					
Computer Software	(2,465,841.06)	(3,398.32)	-	-	(2,469,239.38)
Total	(2,465,841.06)	(3,398.32)	-	-	(2,469,239.38)
Intangible assets – net	3,447.32				49.00

Amortization expenses for the year ended December 31, 2014 and 2013 has been included as selling and administrative expenses in the consolidated financial statement are as follow;

	BAHT	
	December 31, 2014	December 31, 2013
Cost of goods sold	-	-
Selling and administrative expenses	3,398.32	182,782.67
Total	3,398.32	182,782.67

10. LEASEHOLD RIGHT -NET

As of December 31, 2014, leasehold right – net are consisted as follows:

	BAHT				
	Consolidated Financial Statement				
	As of Dec-31, 2013	Increase	Decrease	Transfer	As of Dec-31, 2014
<u>LEASEHOLD RIGHT</u>					
COST	72,963,916.67	705,000.00	-	-	73,668,916.67
<u>Less : Accumulated</u>					
Amortization	(37,011,234.03)	(5,204,061.38)	-	-	(42,215,295.41)
Intangible assets - net	35,952,682.64				31,453,621.26

Amortization for the year ended December 31, 2014 and 2013, has been included in cost of goods sold, and selling and administrative expenses as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	2014	2013	2014	2013
Selling expenses	5,204,061.38	5,895,481.92	-	-
Total	5,204,061.38	5,895,481.92	-	-

11. BANK OVERDRAFTS AND SHORT TERM LOAN S FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short term loans from financial institution as of December 31, 2014 and 2013 were consisted of the follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Bank overdrafts	-	-	-	-
Short term loan	431,000,000.00	532,000,000.00	-	-
Loan on trust receipt	-	-	-	-
Total	431,000,000.00	532,000,000.00	-	-

The Company and its subsidiary have entered into the bank overdraft and short term loan agreement with several banks. The interest rate was ranging from 2.60% to 8.125% per annum. The Company and its subsidiary pledged its land, buildings and machinery as collateral with the banks. Besides, the company's director and shareholder are also guarantor for the loans.

12. OTHER PAYABLES

As of December 31, 2014 and 2013 other payables are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Advance for merchandise	4,253,975.16	1,171,063.86	2,867,990.22	-
Accrued expenses	106,155,670.26	101,294,264.64	34,938,792.33	34,886,282.79
Accrued dividend	1,314,669.30	35,114.48	1,314,669.30	35,114.48
Total	111,724,314.72	102,500,442.98	39,121,451.85	34,921,397.27

13. EMPLOYEES' BENEFIT OBLIGATION

Movements of present value of employee benefit obligation for the year ended December 31, 2014 and December 31, 2013 were as follows:

	Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	For the year	For the year	For the year	For the year
	ended	ended	ended	ended
	Dec-31, 2014	Dec-31, 2013	Dec-31, 2014	Dec-31, 2013
Employee benefits obligation as of beginning of periods	18,358,907.99	19,592,207.00	8,427,357.99	10,159,042.00
Payment of Employees' benefit	(7,780,672.00)	(4,320,880.00)	(4,433,480.00)	(2,580,780.00)
Current service cost and interest cost	12,980,107.00	3,087,580.99	7,658,723.00	849,095.99
Gain (loss) from estimate of actuarial assumptions	27,035,741.00	-	11,870,948.00	-
Employee benefits obligation as of ending of periods	<u>50,594,083.99</u>	<u>18,358,907.99</u>	<u>23,523,548.99</u>	<u>8,427,357.99</u>

Expenses recognized in statements of income for the year ended December 31, 2014 and 2013 are as follow;

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	2014	2013	2014	2013
Current service cost	10,913,315.00	2,725,963.30	6,612,075.00	751,167.26
Interest cost	2,066,792.00	361,617.69	1,046,648.00	97,928.73
Total	<u>12,980,107.00</u>	<u>3,087,580.99</u>	<u>7,658,723.00</u>	<u>849,095.99</u>

The principle actuarial assumptions used to calculate the provision under the retirement benefit obligation as of December 31, 2014 and 2013 are as follows:

	Consolidated	Separate
	Financial Statement	Financial Statement
Discount rate	3.6492 %	3.6492 %
Salary scale increase rate	3.00 %	3.00 %
Employee with voluntary resignation before retirement ratio	0-56 %*	0-56 %*
Mortality rate	TMO 2008 **	TMO 2008 **

* Based on rate weighted by age group of employee

** Reference to Thai Mortality ordinary Table of 2008 common type

14. REGISTERED CAPITAL

14.1 On May 15, 2008 the Company common shares have been approved to be a registered security in SET and the share initial trading has been started since that date.

14.2 On July 26, 2012, an extra ordinary shareholder meeting no 1/2012 had approved a resolution to change number of shares and par value of the share capital from; a registered capital of Baht 347,500,000 with 69,500,000 shares at Baht 5.00 par value to a registered capital of Baht 347,500,000 with 347,500,000 shares at Baht 1.00 par value. The change was registered with the Ministry Commerce on July 27, 2012.

15. LEGAL RESERVE

According to public company legislation 1992, the Company has to allocate a portion of net profit for the year to be Legal Reserve not less than 5% of profit of the year. The allocation of Legal Reserve should be deducted with the beginning balance of deficit (if any) until the balance of Legal Reserve not less than 10% of registered capital. The Company cannot pay dividend from the Legal Reserve.

16. DIVIDEND PAYMENT

On April 10, 2013, the shareholder meeting no. 1/2013 has approved to pay dividend for the year 2012 to shareholders, at Baht 0.05 per share for the 347.5 million shares, total amount of Baht 17.375 million.

On August 14, 2013, the board of director meeting no. 3/2013 has approved to pay interim dividend for the first months operation of 2013 to shareholders, at Baht 0.065 per share for the 347.50 million shares, total amount of Baht 22.5875 million.

On April 9, 2014, the shareholder meeting no. 1/2014 has approved to pay dividend for the year 2013 to shareholders, at Baht 0.065 per share for the 347.5 million shares, total amount of Baht 22.5875 million.

On August 13, 2014, the board of director meeting no. 3/2014 has approved to pay interim dividend for retained earnings, at Baht 0.07 per share for the 347.50 million shares, total amount of Baht 24.3250 million.

17. INCOME TAX EXPENSE

In accordance with taxable conditions on Thailand's revenue code, the Company and its subsidiaries have calculated its net taxable profit (loss) by taking both any forbidding expenditures and any reduced or exceptionable accounting transactions to adding - up or deducting from net profit (loss) under accounting base.

The Company has calculated income tax on its taxable profit for the years 2014 and 2013 at the rate 20%.

17.1 Income tax expense for the year ended December 31, 2014 and 2013, consisted of;

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Income tax charge of current periods	47,839,340.05	70,874,515.98	12,321,035.94	11,521,168.99
Deferred income tax Expense (Revenue)				
from temporary difference	(8,829,339.92)	(23,906,234.11)	(645,048.60)	1,678,908.06
Effects of deferred income tax				
from change of tax rates	-	-	-	-
Income tax expense presented				
in the statement of income	39,010,000.13	46,968,281.87	11,675,987.34	13,200,077.05

17.2 Income tax relating to components of statements of comprehensive income – other for the year ended December 31, 2014 and 2013 consisted of :

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Deferred income tax relating to;				
- Investment in marketable securities	(3,900,000.00)	1,700,000.00	(3,900,000.00)	1,700,000.00
- actuarial estimates.	5,407,148.20	-	2,374,189.60	-
Deferred tax expense (income) presented				
in statement of comprehensive income	1,507,148.20	1,700,000.00	(1,525,810.40)	1,700,000.00

17.3 The reconciliation of the income tax expense and the result of the multiplying of the accounting profit with tax rate for the year ended December 31, 2014 and 2013 are presented as the following:

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Accounting profit before corporate income	213,427,021.63	198,830,029.10	75,398,820.68	86,849,660.39
Corporate income tax rates	20%	20%	20%	20%
Accounting profit before corporate income				
Multiply by tax rates	42,685,404.33	39,766,005.85	15,079,764.14	17,369,932.08
Effects to deferred income tax				
From change of income tax rates	(8,829,339.91)	(23,906,234.11)	(645,048.60)	1,678,908.06
Income tax effects that is nondeductible in				
Calculation of profit:				
- BOI Privileges	(3,017,573.17)	(5,394,225.70)	(3,017,573.17)	(5,394,225.70)
- Revenue exempted in tax calculation	6,781,912.25	35,705,931.34	(1,007,540.66)	(764,680.85)
-Nondeductible expenses	1,389,596.63	796,804.52	1,266,385.63	310,143.46
Income tax expense presented in the -				
Statement of Income	39,010,000.13	46,968,281.87	11,675,987.34	13,200,077.05

17.4 Components of deferred tax assets and deferred tax liabilities comprised of the following items;

	BAHT			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	Dec-31, 2014	Dec-31, 2013	Dec-31, 2014	Dec-31, 2013
<u>Deferred tax assets</u>				
Investment in marketable securities	4,652,000.20	8,552,000.00	4,652,000.00	8,552,000.00
Allowance for doubtful account	-	436,395.06	-	-
Consignment receivable	199,918,974.66	190,175,712.55	-	-
Allowance for impairment of	2,600,000.00	2,600,000.00	-	-
Employee benefit obligation	10,118,816.80	3,671,781.60	4,704,709.80	1,685,471.60
Total	217,289,791.46	205,435,889.21	9,356,709.80	10,237,471.60
<u>Deferred tax liabilities</u>				
Consignment inventories	(83,844,562.43)	(82,327,148.29)	-	-
Total	(83,844,562.43)	(82,327,148.29)	-	-
<u>Deferred tax assets – net</u>	133,445,229.03	123,108,740.92	9,356,709.80	10,237,471.60

18. PROVIDENT FUND

During year 2005, the Company and its employees agreed to establish employees' provident fund under authorization from Ministry of Finance as per provident fund legislation 1987. This provident fund is comprised of a portion of not less than 3% from employee's salary and a portion that contributed at the same amount from the Company. Employees entitle to receive money from provident fund if he/she resign and comply with its regulation. The provident fund is managed by MFC Public Co., Ltd.

19. COMMITMENT**19.1 Lease agreement and long term services**

19.1.1 On June 1, 2010, company has entered into the lease of buildings agreement with Sabina Far East Co., Ltd., to use the buildings as company's office and warehouse for 3 years. The Company has a right to renew the lease agreement for 3 times at 3 years each. However the Company has to inform landlord by written in advance not less than 180 days. The rental is Baht 142,500 per month; landlord is responsible for municipal taxes. Landlord promised that it will not sell or dispose the assets in 12 years.

19.1.2 On June 12, 2009, the subsidiary has entered into another lease contract with the department store and for extension the lease period to another 10 years, which will expire in June 2019. The subsidiary had paid for the leasehold right for the 10 years approximately amounting to Baht 13.71 million.

The commitment for the long-term lease, which should be paid the rent and service in the future, as of December 31, 2014 are as follow;

The Company

<u>For the period</u>	<u>Unit (Million baht)</u>
Not over 1 year	0.71
Over 1 year but not over 5 years	1.71
Over 5 years	-
Total	<u>2.42</u>

The Subsidiary Company

<u>For the period</u>	<u>Unit (Million baht)</u>
Not over 1 year	63.00
Over 1 year but not over 5 years	43.04
Over 5 years	1.75
Total	<u>107.79</u>

19.2 Letter of bank guarantee

As of December 31, 2014 and 2013, the Company has letter of guarantee which issuing by the bank on behalf of company as follows:

Objective	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
1. Guarantee for Custom Department	1.37	1.91	-	-
2. Others	3.25	2.12	1.34	1.34
Total	4.62	4.03	1.54	1.34

20. DISCLOSURE FOR FINANCIAL INSTRUMENTSRisk from foreign exchange rate

The Company and its subsidiary encounters risk in foreign exchange rate because company has foreign receivables and payables. However, the credit terms given or received from the receivables and payables are short period.

As of December 31, 2014 and 2013, the Company and its subsidiary have assets and liabilities in foreign currencies as follows:

	Amount in Foreign Currencies			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
<u>ASSETS</u>				
US Dollar	396,749.47	96,722.06	41,452.11	655.40
Hong Kong Dollar	-	-	-	-
Euro Dollar	-	-	-	-
Pound Sterling	545,478.28	531,173.28	-	-
<u>LIABILITIES</u>				
US Dollar	190,641.13	317,740.60	170,135.02	89,687.91
Hong Kong Dollar	195.50	27,328.75	-	-
Euro Dollar	81.00	-	-	-
Pound Sterling	6,948.97	20,566.82	-	-

Risk from interest rate

The interest rate risk depends on the fluctuation of interest rate in financial market. The fluctuation of the interest rate may have impact on the company's operation and cash flows. However, management believes that risk is insignificant in the current financial market because company can generate enough income and cash flows to pay interest.

Risk from credit term

Credit risk refers to the risk that trade accounts receivable may default in its obligations resulting in a financial loss to company. However, since the company currently sells its products to creditworthy customers, it does not anticipate any material problem in collecting its debt. The concentration of credit risk with respect to trade receivable is limited because company's debtors are spread over in different area and type of business. Account receivable showed in the statement of financial position, net of a portion of allowance for doubtful debts, represents the maximum exposure to credit risk.

Fair value

The management believes that the fair value of company's financial assets and liabilities does not materially differ from accounting carrying value.

21. PRIVILEGES FROM BOARD OF INVESTMENT (BOI)

The Company received privileges from BOI as stated in the BOI certificate number 1837/2538 and 1653(2)/2545 dated November 28, 1995 and October 24, 2002 respectively, which accordance with investment legislative 1977, for manufacturing of lingerie and related products. The privilege includes exempt of corporate income tax, but the Company has to comply with the conditions indicated in the BOI certificates.

22. FINANCIAL INFORMATION BY SEGMENT OF BUSINESS

Statements of income segmented by business for the year ended December 30, 2014 and 2013 as follows:

	Consolidated Financial Statement (Million Baht)					
	December 31, 2014			December 31, 2013		
	Export	Domestic	Total	Export	Domestic	Total
Revenue						
Sales – net	271.62	1,881.81	2,153.43	212.86	1,964.80	2,177.66
Services income	-	-	-	-	-	-
	<u>271.62</u>	<u>1,881.81</u>	<u>2,153.43</u>	<u>212.86</u>	<u>1,964.80</u>	<u>2,177.66</u>
Cost of sales			(1,012.12)			(1,061.48)
Gross profit			1,141.31			1,116.18
Selling and administrative expenses			(953.12)			(947.75)
Net profit from operation			<u>188.19</u>			<u>168.43</u>
Other income and expenses						
Other income			11.17			11.77
Financial cost			(13.43)			(16.08)
Total other income and expenses			<u>(2.26)</u>			<u>(4.31)</u>
Profit before income tax			185.93			164.12
Income tax expense			(39.01)			(46.97)
Net profit			<u>146.92</u>			<u>117.15</u>

Property, plant and equipment of company have been commonly used for export and domestic operations.

Separate Financial Statement (million Baht)						
	December 31, 2014			December 31, 2013		
	Export	Domestic	Total	Export	Domestic	Total
Revenue						
Sales – net	21.84	599.51	621.35	-	723.75	723.75
Services income	-	76.05	76.05	-	63.24	63.24
Total revenue	<u>21.84</u>	<u>675.57</u>	697.40	<u>-</u>	<u>786.99</u>	786.99
Cost of sales			(552.96)			(630.83)
Gross profit			144.44			156.16
Selling and administrative			(83.80)			(81.12)
Net profit from operation			60.64			75.04
Other income and expenses						
Other income			14.76			11.81
Financial cost			-			-
Total other income and expenses			14.76			11.81
Profit before income tax			75.40			86.85
Income tax expense			(11.68)			(13.20)
Net profit			<u>63.72</u>			<u>73.65</u>

Property, plant and equipment of the Company have been commonly used for export and domestic operations.

Major customer information

During the year 2014, the Company has earned from 3 major customers from Thailand and Overseas operating segment amounting to Baht 772.26 million.

23. EXPENSE BY NATURE

The significant expenses for the year ended December 31, 2014 and 2013 classified by nature are as follow;

	Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2014	2013	2014	2013
Changes in finished goods -				
- and work in process	63,756,514.46	111,464,680.55	23,836,490.05	(8,248,588.34)
Purchase of finished goods	37,677,710.13	38,173,503.64	-	-
Raw material and supply usage	521,182,280.13	587,658,743.08	308,552,057.50	334,911,384.20
Employees' expenses -				
- (Exclude management)	522,424,718.72	518,496,677.19	97,696,704.16	97,769,250.63
Depreciation and Amortization	58,032,828.64	58,540,610.99	13,030,558.98	18,133,637.61
Transportation expense	11,848,855.62	12,846,585.31	10,597.00	20,617.00
Chemical supplies and cost of analysis	2,627,132.08	2,951,423.84	127,140.00	99,775.00
Advertising and promotion	84,140,058.14	63,770,153.97	587,131.31	1,030,110.29

24. EVENTS AFTER THE REPORTING PERIOD

On February 20, 2015 the Company board of director no 18/2015 has resolution to pay dividend for year 2014 from the net profit of 2014 to its shareholder at Baht 0.10 per share each, for the total 347.5 million shares totaling of Baht 34.75 million , and propose to the Company shareholder meeting no 1/2015 for approval.

25. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the authorize director on February 20, 2015.

(Signed)Director (Signed).....Director