



TOYO-THAI CORPORATION PUBLIC COMPANY LIMITED



JOY OF ENGINEERING AND ACHIEVEMENT

ANNUAL REPORT 2013





TTCL is to be “High Efficiency
International Engineering Company”

JOY OF ENGINEERING AND ACHIEVEMENT

TTCL aims to be a company where everybody
works with joy of engineering and achievement

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Company Profile & Highlights

Toyo-Thai Corporation Public Company Limited (TTCL), the First and only Integrated Engineering, Procurement and Construction (Integrated EPC) company in Thailand, was incorporated on 24 April, 1985 with a startup capital of 20 Million Baht, formed by the joint venture of Italian-Thai Development Public Company Limited, the largest contractor in Thailand, and Toyo Engineering Corporation, a leading international engineering company in Japan with the shareholder stake of 49% and 51% respectively. TTCL has experience and expertise in providing integrated design and engineering, procurement of machinery & equipment, and construction (integrated EPC) of turnkey projects for industrial and process plants, mainly in petroleum, petrochemical and energy industries.



The Company has observed an increasing and continual growth in demand of Integrated EPC services from both domestic and overseas customers, especially for power and petrochemical industries. The Company's competitive advantage in terms of cost and specialized engineering teams for operating mega projects and complex technologies enable TTCL to expand its international businesses to overseas market, particularly Vietnam, China, United States of America, Malaysia, Myanmar and Middle East regions. In June 2008, TTCL became a listed company in the Stock Exchange of Thailand with registered capital THB 480 million and fully paid-up, enhancing the company's credibility to international investors.

- 2010 - TTCL's business network and alliance was strengthened by having Chiyoda Corporation, the Second Largest Engineering Contractor in Japan, as one of its major shareholders, with a shareholder stake of 33,600,000 shares, accounting for 7.0% of the registered capital.
- 2011 - TTCL stock has been qualified and added into SET100 index. In addition the Company made joint investments in power plant projects with the aim of stabilizing its long term earnings.

2012 - TTCL signed Memorandum of Agreement with the Department of Electric Power, Republic of the Union of Myanmar, for the development of a 120 MW power plant in Ahlone, Yangon. Estimation for the total investment of this project approximates USD 170 million with the project completion schedule in 2014. This movement exhibits another key development for TTCL, both in terms of business expansion and overseas investment.

2013 - In anticipation of development in further power plant investment projects, TTCL established Toyo Thai Power Holdings Pte. Ltd. ("TTPHD"), a holding company which currently holds 100% stake in Toyo Thai Power Corporations Pte. Ltd. ("TTPSG"), with TTPSG holding 95% stake in Toyo Thai Power Myanmar Co., Ltd. ("TTPMC"), bringing the net proportion that TTCL holds over TTPMC both directly and indirectly to 71.5%.

- TTCL signed Memorandum of Understanding with the Department of Electric Power, Republic of the Union of Myanmar, for the feasibility study of developing a 1,000MW Ultra Supercritical Coal-fired power plant in Thilawa, Yangon. The said study is to be completed within one year from the signing date.
- TTCL increased its registered capital to 560 Million Baht, for the issuance of new shares to existing shareholders and general public, with the objective of supporting the working capital requirements and investment in power plants.

With almost 30 years of experience, TTCL is proud to be the first Thai EPC company trusted by leading Thai and foreign project's owners, undertaking over 200 projects of the process plants and facilities. With our policies and strong commitment, we highly concern on the quality of work, on-time delivery, safety, social responsibility and environmental friendly engineering.

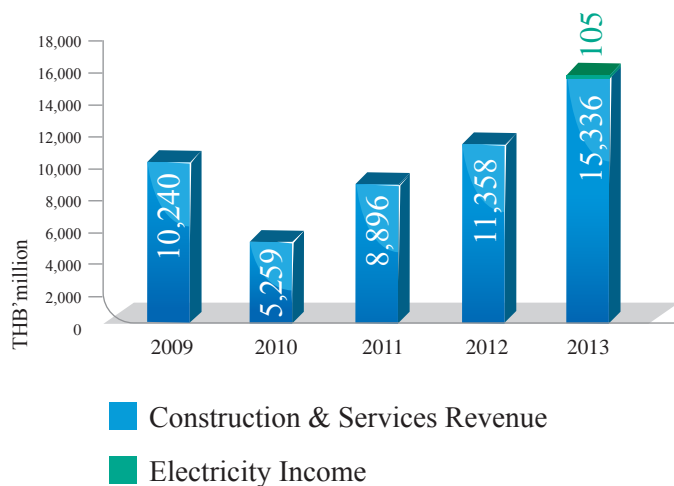


Financial Highlights

(Unit : Million Baht)

Year Ended Result	2011	2012	2013
Profit			
Construction and Service Revenues	8,896.43	11,358.30	15,335.48
Electricity Income	-	-	105.10
Total Revenues	8,995.13	11,520.01	15,464.58
Gross Profit	1,043.24	1,275.62	1,453.42
Net Profit	403.67	573.50	631.95
Financial Ratio			
Gross Profit Margin (%)	11.73	11.23	9.41
Net Profit Margin (%)	4.49	5.05	4.09
Return on Assets (%)	5.85	7.49	4.42
Return on Equity (%)	24.00	24.71	11.52
Earnings Per Share (Baht per Share)	0.83	1.19	1.23

1) Construction & Services Revenue & Electricity Income



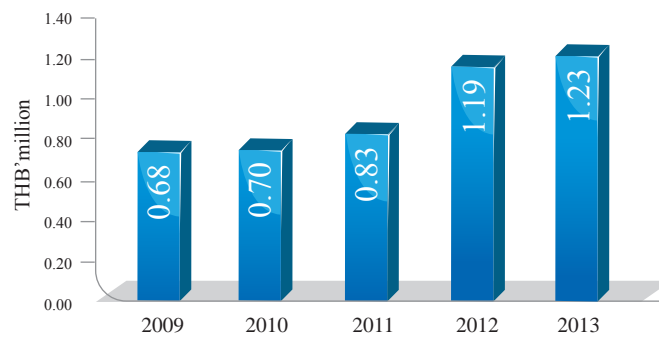
2) Gross Profit & Net Profit



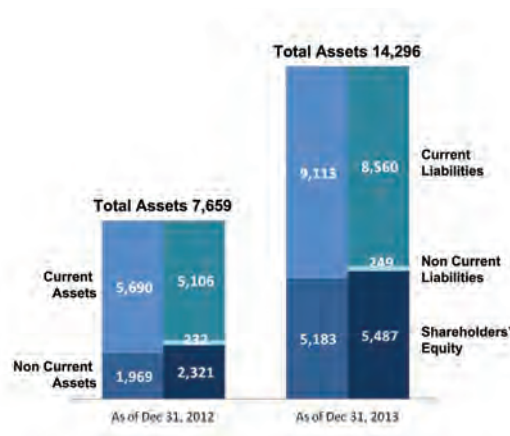
3) Profitability



4) Earning Per Share



5) Balance Sheet



Message from President & CEO

Dear Shareholders,

2013 marked another critical milestone for Toyo-Thai Corporation Public Company Limited (TTCL), after gaining approval from its shareholders to increase the registered capital amount THB 80 Million, increasing the current total registered capital of the Company to THB 560 Million. With strong support from every shareholder, TTCL was successful in the accomplishment of fund raising despite volatile economic and political climates.

The Company's EPC construction business has enjoyed a very high growth rate, with approximately THB 36,000 Million value of new domestic and overseas contracts awarded by project owners. Earnings continue to grow compared to the same period in 2012, such as the growth rate of sales (36 %), gross profit (14 %) and net profit (10%). The Compounded Annual Growth Rate (CAGR) over the last 3 years (2010-2013) of total revenues, earnings per share, and total assets are 43 %, 20 % and 57% respectively.

In addition, Toyo Thai Power Myanmar Co., Ltd. (TTPMC) a subsidiary of TTCL in the Republic of the Union of Myanmar embarked on a 120 MW Gas-fired power plant operation in 2013, realizing some income from the sales of electricity to the government of Myanmar. After the construction of the project scheduled to be completed in late 2014, TTPMC will then operate at its full capacity, generating electricity for the Myanmar government over a period of 30 years concession. This is another stepping stone for TTCL, creating a foundation for executing business in Myanmar and at the same time ensuring long-term stability of income for the Company. Furthermore, TTCL is in the process of studying the feasibility of the construction and development of a 1,000 MW Coal-fired power plant, according to the memorandum of understanding signed between the Company and the Ministry of Electric Power of Myanmar, scheduled to be concluded in 2014.

Due to the positive outlook of United States economic recovery, which will directly affect the demand for imports from abroad, I have confidence in the strength of the economic fundamentals of Asian countries, especially in countries that are primarily export-oriented, since investment in petroleum, petrochemical and power is needed continuously to assist growth. I am proud to inform TTCL shareholders that the Company and its subsidiaries in different countries are now ready to support the expansion stated above.

Lastly, I would like to close on behalf of the Board of directors, management and all dedicated employees to express my gratitude to you, our shareholders, project owners and business partners for your unwavering support and confidence in TTCL's operations. TTCL hopes to evolve as a leader of international EPC contractor, adhering strictly to socially responsible business practices.



(Mr. Hironobu Iriya)

President & CEO



Report of the Audit Committee

Dear Shareholders

The Audit Committee, who composed of three independent directors, was appointed by a resolution from the Extraordinary General Meeting of Shareholders. Pol. Lt. Sivaraks Phinitcharomna was appointed as the chairman. Mr. Gumthorn Utarnwuthipong and Mr. Ryuzo Nagaoka were appointed as committee members. Mr. Gobchai Tanasugarn, Vice President-Finance & Accounting and Investor Relations Division of the Company was the secretary to the Committee.

In 2013, the Audit Committee conducted 6 meetings to consider and provide opinions on the following issues:

1. Reviewed quarterly and yearly financial statements to insure conformity with generally accepted accounting principles as well as disclosure properly on related parties and connected transactions, which attended by The Company's Chairman, the management and the external auditor. Note that there was one formal meeting between Audit Committee and the auditor without an attendance of the management in 2013.
2. Reviewed internal control systems and followed up corrective actions by the internal audit department through creating a risk-based audit plan for every three years covering all risks and all activities of the Company. Note that a high-risk related activity must be scrutinized on a yearly basis while monitoring and assuring that the Company had sufficient internal control systems performing in according with a risk-based audit plan. Human resources development was upgraded with a more effective and efficient controlling method.
3. Reviewed the result of risk management to confirm that the process was sufficient and constantly improved including extending to a newly-established subsidiary, associated and related company.
4. Reviewed whether the Company had followed and complied with the best practice on corporate governance issued by the Stock Exchange of Thailand including any regulations related to The Company's business.
5. Reviewed and provided opinions on connected transactions and those that may cause the conflict of interest including the acquisition or disposal on assets. The responsible management must report with sufficient disclosure.
6. Reviewed the independence of auditor, screened, recommended and appointed including proposed audit fee and compensation.
7. Conducted a meeting with the internal audit head on a regular basis in order to seek advices including considered performance and gave credit to the internal audit head.
8. The Audit Committee had conducted self-evaluation on performance as required by Audit Committee Charter for the year 2013. They were satisfied with the result and reported it to Board of Directors.

The Audit Committee had unlimited access to the Company information. They could request advices and discuss matters with management, internal and external auditor and consultant without any restriction. The Audit Committee had received the management report including internal audit and auditor report in accordance with The Company's best practice on corporate governance policy. The Audit Committee had opinions that the financial statements for the fiscal year 2013 ended 31 December 2013 were accurate and completed per principle of materiality compliant with the generally accepted accounting principles and disclosed information adequately. Risk management was efficiently complied with The Company's policy. The internal control systems of the Company were sufficient with no significant fault. The rules and regulations of Security Exchange Commission and Stock Exchange of Thailand were properly complied with including any regulations related to The Company's business. Connected transactions that may cause the conflict of interest were actual transactions carried out during a normal course of business. The consideration was completed according to its appropriateness and the highest utility of the Company. The Company had also engaged the financial advisor and the legal advisor in order to comment on the acquisition or disposal on assets according to materiality principle with continuously developing on the best practice on corporate governance.

In 2013, Audit Committee had satisfied with the result of independent evaluation and appropriateness of the auditor. However, audit committee had compared audit fee with another audit firm and realized that the current audit firm had the lowest audit fee. Therefore, the Committee recommended Board of Directors to consider Mr. Vichien Khingmontr, Certified Public Accountant No. 3977, Mr. Somchai Jinnovart, Certified Public Accountant No. 3271 or Ms. Amornrat Pearmpoonvatanasuk, Certified Public Accountant No. 4599 from PricewaterhouseCoopers ABAS Limited, to be the Company's auditor for another year. The appointment has been preceded to the general shareholders' meeting for approval.

On behalf of Audit Committee



(Pol. Lt. Sivaraks Phinitcharomna)

Chairman of Audit Committee



Report of the Nomination and Remuneration Committee

To : Shareholders

To align with corporate governance guidelines for listed companies, the President & CEO has appointed the Nomination and Remuneration Committee (NRC). The NRC Charter is guideline for their duties and responsibilities, including composition and qualifications of its members. The committee consists of at least 3 members from TTCL Board of Directors and shall have at least 2 members from TTCL Independent Director.

According to the charter, the committee deliberates recruitment criteria, approaches, and ensuring the integrity of the nomination process. The committee is also responsible for monitoring the compensation policy, assessing the performance of the Company Senior Executives and determining their compensation and provide recommendations to the Board before tabling them to the shareholders' meeting for approval.

The present Nomination and Remuneration Committee consists of

- | | |
|--------------------------------|------------------------------------|
| 1. Mr. Ryuzo Nagaoka | Chairman
(Independent Director) |
| 2. Mr. Gumthorn Utarnwuthipong | Member
(Independent Director) |
| 3. Mr. Tiwa Jaruke | Member
(Director) |

Meeting and Performance in 2013

The committee performed all its duties spelled out in the charter and met 3 times, with perfect attendance. A summary of these meetings appears as follows;

1. Recruited and deliberated persons for the Board's consideration before nominating their names to the shareholders' meeting for approval to replace directors that completed their terms in 2013.
2. Based the Board of Directors, Audit Committee and Board of Management & Management Members' remuneration for the year 2013 on criteria suitable for their responsibility and linked the remuneration to TTCL's overall performance against listed companies of the same Industry and comparable business size.
3. Recruit and nominated qualified persons to the Board for appointment in place of members who resigned before completing their terms.
4. Self-evaluate annually the performance of Nomination and Remuneration Committee, and report to the President & CEO for acknowledged & comments (if any).
5. The appraisalment of CEO's performance and report to the Board of Directors.
6. Encouraged TTCL to allow shareholders to propose agenda items and nominate director candidates for election at least three months ahead the end of the fiscal year from the period of October 1, 2013 – December 30, 2013 through company's website.

On behalf of Nomination and Remuneration Committee



(Mr. Ryuzo Nagaoka)

Chairman of the Nomination and Remuneration Committee

Report of risk management committee

To : Shareholders

Risk Management Committee had conducted 4 meetings in the year 2013. The Committee manages risk systematically and practically through a working group of executives and managers who identify and monitor risk factors that may occur and cause significant impact to the company. The risk treatment plans which are necessary for monitoring and control of the risks would be established and implemented by assigned personnel and responsible managers. The Committee also follows up and reviews to assure that the risk management is accomplished efficiently and effectively in accordance with the company's policies and objectives.

The criteria to assess impact to the company

Risk management working group under the oversight of Risk Management Committee has conducted risk assessment by considering the likelihood and severity of risk factors which may affected to the Company. The identified risk factors are reviewed quarterly for their suitability with current situation.

Risk factors are divided into 4 risk Categories, consist of Strategy Risk, Operational Risk, Financial Risk and Compliance Risk.

There are 21 topics of risk factors that risk management committee has informed Board of Directors for consideration

1. Risk of revenue from the industrial cycle of petroleum and petrochemical
2. Risk from larger domestic and international project
3. Risk from changing costs. i.e. machines, equipments and materials
4. Risk from foreign currency exchange
5. Risk from delayed handover of the project to customer
6. Risk from brain drain of human resources
7. Risk of investors' decision from environmental and health impact assessment
8. Risk on the impact of European crisis



9. Risk from insufficient human resources
10. Risk on the worst flooding
11. Risk on inexperienced project
12. Risk of subcontractors' manpower shortage
13. Risk on short term project
14. Risk on joint venture income
15. Risk of political instability
16. Risk on ASEAN Economic Community
17. Risk on Earthquakes and Tsunami
18. Risk on a contagious disease
19. Risk of having more numbers of competitors
20. Risk on supplier unable to deliver equipment as agreed by contract
21. Risk on the impact of USA crisis

To consider the improvement criteria of Risk Treatment Plan

The committee has considered the following improvement of Risk Treatment Plan:-

1. Risk on joint venture income:- According to the Company's business development plan to provide EPC services together with joint investment in the project. As the Company has taken bigger scale projects, the risks of project also increase. The Company would implemented the necessary

risk treatment plan which are project's feasibility study, project's potential and project's return study, consideration on investment climate and project's co-investor, funding source comparison to choose the one that would be suitable with the needs of the Company.

2. Risk management working group was assigned to improve the guidelines for risk factors identification and assessment, in order to improve the Company's risk management continually, and to be in accordance with the internal control framework.

The activities of Risk Management Committee for the year 2013 had done in accordance with policies and objectives of the Board of Director as part of the good corporate governance principle which supported a successful operation of company as indicated in financial statement reported to shareholder in the annual meeting in 2013. Risk Management Committee, thus, would like to thank you all staffs of the company for providing detail information of each project and their effective operation that resulted in the objective accomplishment of the Company.



(Mr. Gumthorn Utarnwuthipong)

Chairman of Risk Management Committee

The Nature of Business and Services



Services provided to clients for each project can be classified into 2 main areas:

1. Construction and Service business
2. Power-Generation business

The company has increased investment in power-generation business and will continue this trend henceforth in the near future, resulting in the revenue structure of the company to include both construction and service income and income from sale of electricity in power-generation business, in which the construction and service revenue accounts for 75% of total revenue and 25% of recurring revenue from sale of electricity in the long run. Revenue from sales of electricity will enhance the stability and consistency of future income.

1.1 Construction and Service business

Construction and service business can be categorized into

1. Integrated Engineering, Procurement and Construction (Integrated EPC) and
2. Engineering, Procurement and Construction Management (EPCm) in which the nature and characteristics of works can be explained in full details as follow.

1.1.1 Integrated Engineering, Procurement and Construction (Integrated EPC)

Integrated EPC can be divided into three categories i.e. Engineering, Procurement and Construction. Works can be separately provided to client upon requirement. However, in general, clients prefer to employ for a full set of services known as “Integrated EPC”, for better quality, cost and time management in which contractor bears full responsibility to perform all these duties. The Company is the first Thai engineering contractor who is capable of providing Integrated EPC services. Mostly, the areas of expertise and experiences the company engaged in are energy industrial, petrochemical and petroleum-related industries, both domestic and overseas. The Company would act as the main contractor or, as the case may be, jointly co-operate with other contractors, either Thai or foreign partners, in form of joint-venture or consortium. Details of 3 main areas are described as follows:

1. Engineering Design

In providing the engineering design services, the Company’s engineering team, consisting of all necessary engineering fields such as civil, mechanical, electrical and chemical, is capable of designing the whole industrial plant both in civil structures and utility systems, such as electricity, water, air conditioning, solid and wastewater treatment system, storage tanks, production processes, especially for petroleum, petrochemical and chemical plants, including measurement and control system required for the plant. The Company is equipped with eight areas of engineering fields that provide competitive advantage. This allows the Company to perform





integrated services to the clients, costs-saving for additional design works and, yet, closely cooperate between design team and construction one. This advantage will enable the Company to control overall cost of the project for highest effectiveness.

The engineering design steps will commence with the client's objective and requirement analysis in every dimension before performing design works in full details. Key factors that need to be taken into consideration are:

- Plant's Safety both in Overall Scope and each Separate Units.
- Environmental Issues.
- Maximum Quality Output from Production Processes.
- Highest efficiency of production steps both in terms of Heat Balance and Material Balance to Achieve the Lowest Cost of Production Level.
- Reliability of Manufacturing System, Machines and Equipment.
- Lowest Cost for Maintenance or Future Renovation.
- Analysis for Foreseeable Obstacles during Construction Processes and Adjustment Plan for Risk Mitigation.
- Optimal Point of Technology Applied and Project's Costs.

2. Procurement of Machinery and Equipment

In providing the procurement services, the Company sources all necessary machines and equipment for the project from both domestic and overseas vendors/manufacturers. The Company also negotiates for price, purchase and delivery conditions, inspecting quality and specification of machines and equipment to be conformed to the engineering design and project schedule as a whole.

From the Company's experiences, most clients are in the petroleum and petrochemical business which obtained promotion privileges from the Board of Investment ("BOI"). This leads the Company to be acquainted with the process of procurement and import of the equipment from overseas for clients to comply with the requirements of BOI. Moreover, the Company benefits from worldwide network extended from its major shareholders like Toyo Engineering Corporation and Chiyoda Corporation. This advantage additionally equips the Company with the flexibility in procurement, inspection and expedition from overseas vendors.

3. Plant Construction

In providing the construction services, the Company will assign an appropriate engineering team that best-fit with each project for an operation. Each project team will consist of a project manager, project engineers and lead engineers from various fields. All engineers in project team will work together and be jointly responsible in executing the project since the beginning of planning, performing and coordinating with client or client's representative, subcontractors, manufacturers and vendors of equipment and materials along with the design engineers. Project team will control and inspect the construction work, assuring that quality and timeline are met with the project schedule including budgetary and safety control.



Throughout the process of engineering design, procurement and construction execution, the Company has setup Quality Control Department in its organization consisting of expert in specific fields to inspect and follow up quality of work in every stage to ensure that the work in each detail has been completed and aligned with the required quality. For this stage, the Company will coordinate with client's representative to conduct the inspection together.

For a project which the Company provides the integrated EPC services, the value of engineering design is approximately 30% of the project's total contract price, the value of procurement of equipment and materials is around 40% of the project's total contract price while the value of construction work is about the rest 30% of the project's total contract price. The proportion may be varied due to the complication of project & equipment cost.

1.1.2 Engineering, Procurement and Construction Management (EPCm)

In providing engineering, procurement, construction project management (EPCm), the Company will act as the project manager assigned to the client. The Company is responsible for managing the appropriate budget of the project and ensuring the project is on schedule. The Company aids customers to select contractors and oversees the work of contractors, advises on the selection of the production and delivery of equipment and materials, and controls the delivery coordination of machinery and equipment according to schedule. In addition, the engineering, procurement and construction project management services may include feasibility studies for basic engineering as well.

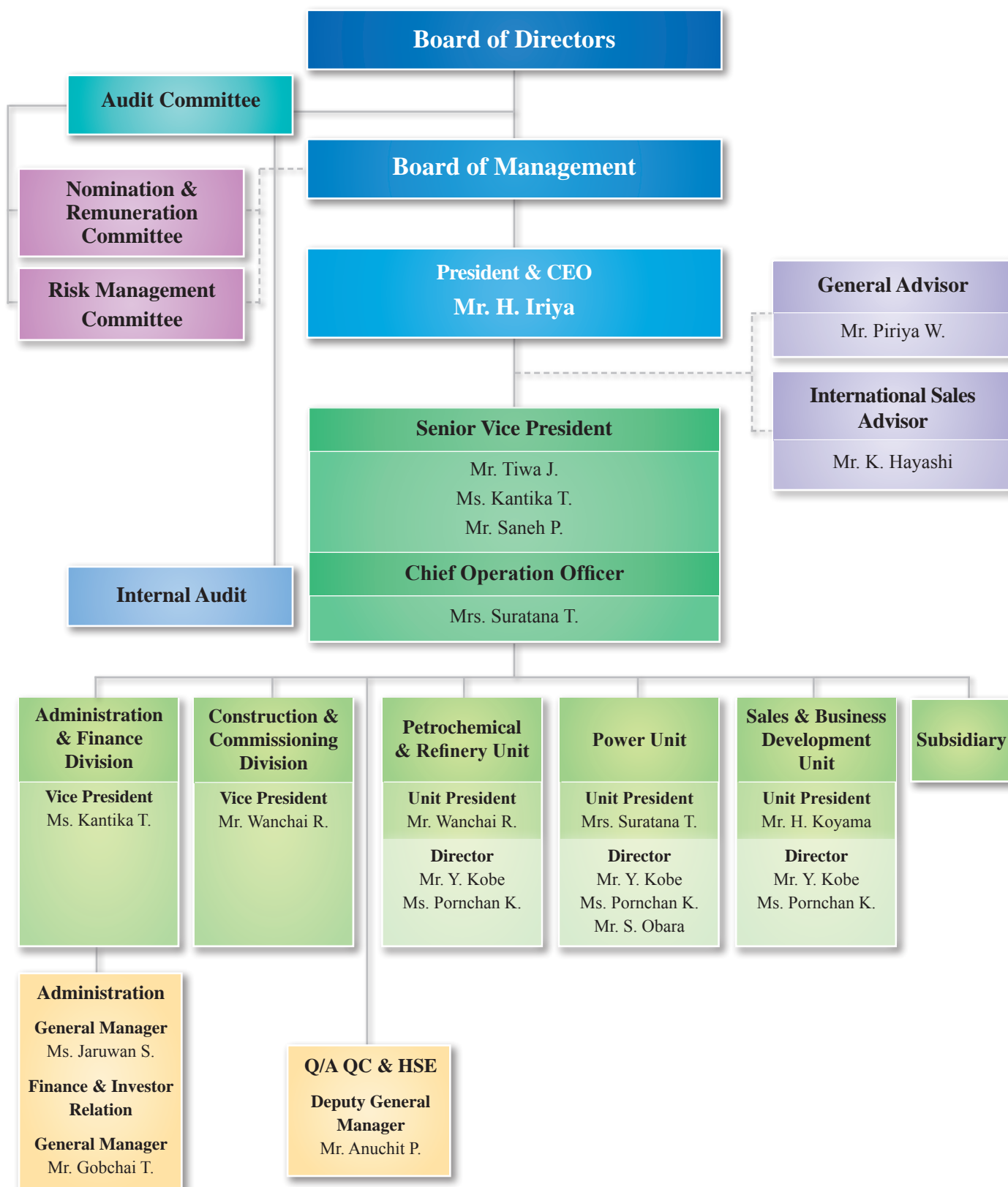
In providing services as per contract signed the Company will assign a project manager and support team for each project. The support team will be selected from appropriate levels of personnel, type of project and work under the supervision of the project manager to ensure that the project is on schedule and according to budget provided. Project managers and support teams comply with the most important principle of project management i.e. to maintain the safety and quality of work.

1.2 Power-Generation Business

The Company engages in Power-Generation Business by investing in power-generation projects, including the Biogas Power Plants, Gas-Fired Power Plants and Solar Power Plants, in which the Company is both a shareholder and serves Integrated EPC projects. At present projects relating to power generations are;

1. 1.2 MW Biogas Power Plant, operated by Bio Natural Energy Co., Ltd. ("BNE").
2. 110 MW Gas-fired power plant, operated by Navanakorn Electric Co., Ltd. ("NNE").
3. 8 MW Solar power plant operated by Siam Solar Power Co., Ltd. ("SSP").
4. 120 MW Gas-Fired power plant, operated by Toyo Thai Power Myanmar Co., Ltd. ("TTPMC").

Organization



Subsidiary Companies

As of 31st December 2013,

TTCL's investment in subsidiaries, at least 10% of paid-up capital in each company as follows:-

Company Name	Type of Business	Head Office	Tel.	Fax.	Type of Shares	Paid-Up Capital		% of Holding (Direct+ Indirect)
						Amount	%	
1. Toyo-Vietnam Corporation Limited	Constructions and Engineering Services	Vietnam	(84-8) 39977118	(84-8) 39977086	Ordinary Shares	USD 1,500,000	100.00	93.34
2. Bio Natural Energy Co., Ltd.	Renewable Energy Development	Thailand	02260-8505	02260-8525	Ordinary Shares	Baht 5,000,000	100.00	70.00
3. Toyo Thai Malaysia Sdn. Bhd.	Constructions and Engineering Services	Malaysia	602-163-3142	602-162-3611	Ordinary Shares	RM 750,000	75.00	100.00
4. Toyo Thai – Myanmar Corporation Co., Ltd.	Constructions and Engineering Services	Myanmar	95-1-218-405	95-1-218-406	Ordinary Shares	USD 300,000	100.00	90.00
5. ToyoThai-USA Corporation	Constructions and Engineering Services	USA	303-362-0624	-	Ordinary Shares	USD 50,000	100.00	80.00
6. Toyo Thai Power Corporation Pte. Ltd.	Investment in Energy Business	Singapore	8612-0834	-	Ordinary Shares	USD 42,000,000	100.00	70.00
7. ToyoThai Power Holdings Pte. Ltd.	Holding Company	Singapore	8612-0834	-	Ordinary Shares	USD 57,000,000	100.00	70.00
8. Toyo-Thai Power Myanmar Co., Ltd.	Generating Electrical Power	Myanmar	95-1-218-405	95-1-218-406	Ordinary Shares	USD 500,000	100.00	71.50
9. Toyo Thai Solar Power Pte. Ltd.	Investment in Energy Business	Singapore	8612-0834	-	Ordinary Shares	USD 3,000,000	100.00	70.00
10. TT Solar Company Limited	Generating Electrical Power	Thailand	-	-	Ordinary Shares	THB 200,000	100.00	99.85

TTCL's investment in other companies, at least 10% of paid-up capital in each company as follows:-

Company Name	Type of Business	Head Office	Tel.	Fax.	Type of Shares	Paid-Up Capital		% of Holding (Direct+ Indirect)
						Amount	%	
1. Global New Energy Co., Ltd.	Renewable Energy	Thailand	02260-8505	02260-8525	Ordinary Shares	Baht 60,000,000	100.00	40.00
2. Navanakorn Electric Company Limited	Generating Electrical Power	Thailand	02909-2223	02909-7160	Preferred Shares	Baht 1,532,000,000	100.00	41.95
3. Siam Solar Power Co., Ltd.	Generating Electrical Power	Thailand	02246-9988	02247-9944	Ordinary Shares	Baht 250,000,000	100.00	25.00
4. Siam GNE Solar Energy Co., Ltd.	Generating Electrical Power	Thailand	-	-	Ordinary Shares	Baht 16,000,000	100.00	20.00

Board of Directors

1. Mr. Hironobu Iriya

Chairman of the Board of Directors

3. Mr. Makoto Fusayama

Director

2. Mr. Piriya Wongphayabal

Vice Chairman of the Board of Directors

4. Mrs. Nijaporn Charanachitta

Director



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5. Mr. Tiwa Jaruke

Director

6. Mr. Norimaza Matsuoka

Director

7. Pol. Lt. Sivaraks Phinicharomna

Independent Director

8. Mr. Gumthorn Utarnwuthipong

Independent Director

9. Mr. Ryuzo Nagaoka

Independent Director



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Board of Management

1. Mr. Hironobu Iriya

President & CEO

2. Mr. Tiwa Jaruke

Senior Vice President, Project &
Proposal Division, Petrochemical &
Refinery Unit and Task Force

3. Ms. Kantika Tantuvanit

Senior Vice President, General
Administration and Finance Division

4. Mr. Saneh Poorisat

Senior Vice President, Engineering Division,
Power Unit, Training and Task Force



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5. Mrs. Suratana Trinratana

Vice President
Chief Operation Officer
President of Power Unit

7. Mr. Yukio Kobe

Director, Petrochemical &
Refinery Unit, Power Unit and Sales &
Business Development Unit

6. Mr. Wanchai Ratinthorn

Vice President, Construction &
Commissioning Division
President of Petrochemical & Refinery Unit

8. Ms. Pornchan Katejulasriroj

Director, Petrochemical &
Refinery Unit, Power Unit and Sales &
Business Development Unit



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Audit Committee, Nomination & Remuneration Committee, Risk Management Committee



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Audit Committee

1. Pol. Lt. Sivaraks Phinicharomna
Chairman
2. Mr. Gumthorn Utarnwuthipong
Director
3. Mr. Ryuzo Nagaoka
Director



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Nomination & Remuneration Committee

1. Mr. Ryuzo Nagaoka
Chairman
2. Mr. Gumthorn Utarnwuthipong
Director
3. Mr. Tiwa Jaruke
Director



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Risk Management Committee

1. Mr. Gumthorn Utarnwuthipong
Chairman
2. Mr. Saneh Poorisat
Director
3. Mrs. Suratana Trinratana
Director
4. Mr. Wanchai Ratinthorn
Director
5. Mr. Gobchai Tanasugarn
Director

Board of Directors & Board of Management

As at 31st December 2013

Name – Surname :	Mr. Hironobu Iriya	
Type of Nominated Position :	Chairman of Board of Directors President & CEO	
Current Position :	Chairman of Board of Directors President & CEO (Authorized to Bind the Company)	
Years of Age :	59 years	
Nationality :	Japanese	
Education :	Bachelor's Degree Faculty of Engineering (Civil Engineering) Waseda University, Japan	
Director Training :	20 August 2008 Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD)	
Years of being Board of Directors :	6 years (2008 - Present)	
Working Experience :	<p>Present Chairman of Board of Directors Toyo Thai Solar Power Pte. Ltd. Chairman of Board of Directors Toyo Thai Power Holdings Pte.Ltd.</p> <p>2012 - Present Chairman of Board of Directors Toyo Thai Power Myanmar Co.,Ltd. Chairman of Board of Directors Toyo Thai Power Corporation Pte. Ltd. Chairman of Board of Directors ToyoThai-Myanmar Corporation Co., Ltd.</p> <p>2011 - Present Chairman of Board of Directors ToyoThai-USA Corporation Chairman of Board of Directors & Managing Director Toyo Thai Malaysia Sdn. Bhd.</p> <p>2009 - Present Chairman of Board of Directors & President Global New Energy Co., Ltd.</p> <p>2007 - Present Chairman of Board of Directors & Managing Director Global Business Management Company Limited</p> <p>2006 - Present Chairman of Board of Directors Toyo-Vietnam Corporation Limited</p> <p>2005 - Present Chairman of Board of Directors Bio Natural Energy Company Limited Chairman of Board of Directors President & CEO Toyo-Thai Corporation Company Limited</p>	
Positions in other listed companies :	None	
Positions in non-listed companies :	11	
Position in competing / Involving Business Person :	None	
No. of Shareholding TTCL :	15,661,134 shares equivalent to 2.80% of total shares	
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None	
Restrict Qualification by the Public Act. B.E. 2535 :	None	

Meeting Attendance in 2013


The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)
The Audit Committee Meeting :	6 meeting from total of 6 meeting (100%)
The Nomination & Remuneration Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr.Hironobu Iriya to be Chairman of Board of Directors & President & CEO based on the recommendation of the Nomination and Remuneration Committee that Mr.Hironobu Iriya has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Directors

As at 31st December 2013

Name-Surname :	Mr. Piriya Wongphayabal	
Type of Nominated Position :	Vice Chairman of Board of Directors & General Advisor	
Current Position :	Vice Chairman of Board of Directors & General Advisor (Authorized to Bind the Company)	
Years of Age :	63 years	
Nationality :	Thai	
Education :	Master's Degree Master of Business Administration Sasin Graduate Institute of Business Administration Chulalongkorn University Bachelor's Degree Faculty of Engineering (Industrial Engineering) Chulalongkorn University	
Director Training :	25 July 2008 Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD)	
Years of being Board of Directors :	6 years (2008 - Present)	
Working Experience :	2011 - Present General Advisor Toyo-Thai Corporation Public Company Limited 2009 - Present Director Toyo-Vietnam Corporation Ltd. 2005 - Present Vice Chairman of Board of Director Toyo-Thai Corporation Public Company Limited	
Positions in other listed companies :	None	
Positions in non-listed companies :	1	
Position in competing/Involving Business Person :	None	
No. of Shareholding in TTCL :	5,194,000 shares equivalent to 0.93% of total shares	
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None	
Restrict Qualification by the Public Act. B.E. 2535 :	None	
Meeting Attendance in 2013		
The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)	
The Audit Committee Meeting :	None	
The Nomination & Remuneration Committee Meeting :	None	
The Risk Management Committee Meeting :	None	
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)	
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)	

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Piriya Wongphayabal to be Vice Chairman of Board of Directors & General Advisor based on the recommendation of the Nomination and Remuneration Committee that Mr. Piriya Wongphayabal has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Directors

As at 31st December 2013

Name – Surname :	Mr. Makoto Fusayama
Type of Nominated Position :	Director
Current Position :	Director (Authorized to Bind the Company)
Years of Age :	64 years
Nationality :	Japanese
Education :	Bachelor's Degree Faculty of Law Hitosubashi University, Japan
Director Training :	20 August 2008 Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD)
Years of being Board of Directors :	6 years (2008 - Present)
Working Experience :	Present Executive Vice President, Division Director, Corporate Planning Unit, Legal Unit, General Affairs and Human Capital Development Unit Finance and Accounting Unit Toyo Engineering Corporation 2008 - Present Director Toyo-Thai Corporation Public Company Limited 2004 - 2013 Chief Executive Officer Management and Planning Division Toyo Engineering Corporation
Positions in other listed companies :	None
Positions in non-listed companies :	1
Position in competing/Involving Business Person :	1
No. of Shareholding in TTCL :	None
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2013	
The Board of Directors' Meeting :	5 meeting from total of 6 meeting (83%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr.Makoto Fusayama to be Director based on the recommendation of the Nomination and Remuneration Committee that Mr.Makoto Fusayama has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.



Board of Directors

As at 31st December 2013

Name-Surname :	Mrs. Nijaporn Charanachitta
Type of Nominated Position :	Director
Current Position :	Director (Authorized to Bind the Company)
Years of Age :	63 years
Nationality :	Thai
Education :	Master's Degree Faculty of Business Administration (Finance) University of Wisconsin, U.S.A. Bachelor's Degree Faculty of Arts Chulalongkorn University
Director Training :	2-22 March 2005 Director Certification Program (DCP) Thai Institute of Directors Association (IOD)
Years of being Board of Directors :	6 years (2008 - Present)
Working Experience :	2007 - Present Director Toyo-Thai Corporation Public Company Limited Chairman of Board of Directors OHTL Public Company Limited Chairman of Board of Directors Amari Public Company Limited Director Amari Hotel and Resort Co., Ltd. Director Nomination & Remuneration Committee Charoong Thai Wire & Cable Public Company Limited 1994 - Present Director and Senior Executive Vice President Italian-Thai Development Public Company Limited
Positions in other listed companies :	4
Positions in non-listed companies :	1
Position in competing/Involving Business Person :	1
No. of Shareholding in TTCL :	4,847,207 shares equivalent to 0.87% of total shares
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2013	
The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mrs.Nijaporn Charanachitta to be Director based on the recommendation of the Nomination and Remuneration Committee that Mrs.Nijaporn Charanachitta has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. Her knowledge, skills, experience, and capability will be beneficial to the Company's business.



Board of Directors & Board of Management

As at 31st December 2013

Name-Surname :	Mr. Tiwa Jaruke	
Type of Nominated Position :	Senior Vice President Project & Proposal, Petrochemical & Refinery Unit and Task Force Nomination & Remuneration Committee	
Current Position :	Senior Vice President Project & Proposal, Petrochemical & Refinery Unit and Task Force Nomination & Remuneration Committee (Authorized to Bind the Company)	
Years of Age :	60 years	
Nationality :	Thai	
Education :	Bachelor's Degree Faculty of Engineering (Civil Engineering) Chiang Mai University	
Director Training :	22 February 2008 Director Accreditation Program (DAP) 24 July 2007 Finance for Non-Finance Director (FND) 10 July 2007 Understanding the Fundamental of Financial Statements (UFS)	
Years of being Board of Directors :	6 years (2008 - Present)	
Working Experience :	Present Director Toyo Thai Power Holdings Pte. Ltd. Director Senior Vice President Project, Proposal, Petrochemical & Refinery Unit and Task Force Toyo-Thai Corporation Public Company Limited 2011 – Present Director and Deputy Managing Director Toyo Thai Malaysia Sdn. Bhd. 2011 - 2012 Director and Senior Vice President Project, Proposal & Engineering Division Toyo-Thai Corporation Public Company Limited 2010 – Present Nomination & Remuneration Committee Toyo-Thai Corporation Public Company Limited 2009 - Present Director Global New Energy Co., Ltd. 2008 – Present Director Toyo-Vietnam Corporation Ltd.	
Positions in other listed companies :	None	
Positions in non-listed companies :	4	
Position in competing/Involving Business Person :	None	
No. of Shareholding in TTCL :	6,646,600 shares equivalent to 1.19% of total shares	
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None	
Restrict Qualification by the Public Act. B.E. 2535 :	None	
Meeting Attendance in 2013		
The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)	
The Audit Committee Meeting :	None	
The Nomination & Remuneration Committee Meeting :	3 meeting from total of 3 meeting (100%)	
The Risk Management Committee Meeting :	None	
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)	
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)	

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr.Tiwa Jaruke to be Senior Vice President Project & Proposal, Petrochemical & Refinery Unit and Task Force, Director and Senior Vice President Project, Proposal & Engineering Division and Nomination & Remuneration Committee based on the recommendation of the Nomination and Remuneration Committee that Mr.Tiwa Jaruke has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Directors

As at 31st December 2013

Name-Surname :	Mr. Norimasa Matsuoka
Current Position :	Director
Years of Age :	53 years
Nationality :	Japanese
Education :	Bachelor's Degree Faculty of Law (Political Science) Keio University, Japan
Director Training :	None
Years of being Board of Director :	3 months 17 days (14 August 2013 - Present) (A new entry director to supersede the resigned director)
Working Experience :	Present Director Toyo-Thai Corporation Public Company Limited Deputy Head of Business Development Division Chiyoda Corporation 2011 General Manager Business Development Division 1 Chiyoda Corporation 2010 Deputy General Manager Business Development Division 2 (Overseas) General Manager Business Development Department for Asia Market Chiyoda Corporation 2002 General Manager Petroleum and Petrochemicals Business De velopment Division Chiyoda Corporation 2000 Group Manager Petroleum and Petrochemicals Group Chiyoda Corporation
Positions in other listed companies :	None
Positions in non-listed companies :	1
Position in competing/Involving Business Person :	None
No. of Shareholding in TTCL :	None
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2013	
The Board of Directors' Meeting :	3 meeting from total of 3 meeting (100%) (A new entry director to supersede the resigned director)
The Audit Committee Meeting :	None
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	None
The Extra Ordinary General Shareholders' Meeting :	None

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr.Norimasa Matsuoka to be Director based on the recommendation of the Nomination and Remuneration Committee that Mr.Norimasa Matsuoka has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.



Board of Directors

As at 31st December 2013

Name-Surname :	Pol. Lt. Sivaraks Phinicharomna	
Type of Nominated Position :	Independent Director & Chairman of Audit Committee	
Current Position :	Independent Director & Chairman of Audit Committee	
Years of Age :	63 years	
Nationality :	Thai	
Education :	Master's Degree Faculty of Public Minnesota State University, U.S.A. Bachelor's Degree Faculty of Political Science Chiang Mai University Diploma of Accounting California Certified Public Accountant Internal Revenue Service Enrolled Agent Certified Internal Auditor Certified Fraud Examiner University of California Los Angeles, U.S.A. Taxation Certificate H&R Block Tax Training School, California, U.S.A. 21 October 2013 Conflict of Interest : Fighting Abusive (RPT) Seminar The Securities and Exchange Commission (SEC) 14-15 October 2009 Role of the Chairman Program (RCP) 17 May 2008 Director Accreditation Program (DAP) 14-15 February 2007 Audit Committee Program (ACP) 21 May – 18 June 2004 Director Certification Program (DCP) Thai Institute of Directors Association (IOD)	
Director Training :		
Years of being Board of Director :	6 years (2008 - Present)	
Working Experience :	Present Vice President – Internal Audit Thaicom Public Company Limited 2010 - Present Audit Committee and Director Ini3 Digital Public Company Limited 2009 - Present Chairman of Audit Committee UA Withya Public Company Limited 2008 - Present Independent Director & Chairman of Audit Committee Toyo-Thai Corporation Public Company Limited	
Positions in other listed companies :	3	
Positions in non-listed companies :	None	
Position in competing/Involving Business Person :	None	
No. of Shareholding in TTCL :	104,670 shares equivalent to 0.02% of total shares	
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None	
Restrict Qualification by the Public Act. B.E. 2535 :	None	
Meeting Attendance in 2013		
The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)	
The Audit Committee Meeting :	6 meeting from total of 6 meeting (100%)	
The Nomination & Remuneration Committee Meeting :	None	
The Risk Management Committee Meeting :	None	
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)	
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)	
Criteria and Recruitment		

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr.Sivaraks Phinicharomna to be Independent Director & Chairman of Audit Committee based on the recommendation of the Nomination and Remuneration Committee that Mr.Sivaraks Phinicharomna has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Directors

As at 31st December 2013

Name-Surname :

Mr. Gumthorn Utarnwuthipong

Type of Nominated Position :

Nomination and Remuneration Committee
Chairman of Risk Management Committee
Independent Director & Audit Committee
Nomination and Remuneration Committee
Chairman of Risk Management Committee
Independent Director & Audit Committee

Current Position :

73 years

Years of Age :

Nationality :

Thai

Education :

Master's Degree Faculty of Engineering (Plant Engineering)
Darmstadt Institute for Hesse, Germany

Bachelor's Degree Faculty of Science (Chemical Engineering)
Chulalongkorn University

Director Training :

13-14 June 2013 Role of the Compensation Committee (RCC)
26 July 2008 Director Accreditation Program (DAP)
21 November 2008 Audit Committee Program (ACP)
Thai Institute of Directors Association (IOD)

Years of being Board of Directors :

6 years (2008- Present)

Working Experience :

2010 - Present Nomination and Remuneration Committee
Chairman of Risk Management Committee
Toyo-Thai Corporation Public Company Limited
2008 - Present Independent Director & Audit Committee
Toyo-Thai Corporation Public Company Limited

Positions in other listed companies :

None

Positions in non-listed companies :

None

Position in competing/Involving Business Person :

None

No. of Shareholding in TTCL :

114,700 shares equivalent to 0.02% of total shares

Legal dispute in criminal cases

(other than criminal cases with petty offences) :

None

Restrict Qualification by the Public Act. B.E. 2535 :

None

Meeting Attendance in 2013

The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)
The Audit Committee Meeting :	6 meeting from total of 6 meeting (100%)
The Nomination & Remuneration Meeting :	3 meeting from total of 3 meeting (100%)
The Risk Management Committee Meeting :	4 meeting from total of 4 meeting (100%)
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr.Gumthorn Utarnwuthipong to be Nomination and Remuneration Committee, Chairman of Risk Management Committee and Independent Director & Audit Committee based on the recommendation of the Nomination and Remuneration Committee that Mr.Gumthorn Utarnwuthipong has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E.2535, and the Public Act B.E.2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.



Board of Directors

As at 31st December 2013

Name-Surname :	Mr. Ryuzo Nagaoka
Type of Nominated Position :	Chairman of Nomination and Remuneration Committee Independent Director & Audit Committee
Current Position :	Chairman of Nomination and Remuneration Committee Independent Director & Audit Committee
Years of Age :	78 years
Nationality :	Japanese
Education :	Doctorate's Degree Faculty of Engineering (Civil Engineering) University of Wisconsin, U.S.A. Master's Degree Faculty of Engineering (Mechanical Engineering) University of Wisconsin, U.S.A. Bachelor's Degree Faculty of Engineering (Mechanical Engineering) Keio University, Japan
Director Training :	20 August 2008 Director Accreditation Program (DAP) Thai Institute of Directors Association (IOD)
Years of being Board of Directors :	6 years (2008 - Present)
Working Experience :	2010 - Present Chairman of Nomination and Remuneration Committee Toyo-Thai Corporation Public Company Limited 2008 - Present Independent Director & Audit Committee Toyo-Thai Corporation Public Company Limited 2004 - Present Managing Director Nagaoka & Associates Inc.
Positions in other listed companies :	None
Positions in non-listed companies :	1
Position in competing/Involving Business Person :	None
No. of Shareholding in TTCL :	100,000 shares equivalent to 0.02% of total shares
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2013	
The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)
The Audit Committee Meeting :	6 meeting from total of 6 meeting (100%)
The Nomination & Remuneration Committee Meeting :	3 meeting from total of 3 meeting (100%)
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)


Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Ryuzo Nagaoka to be Chairman of Nomination and Remuneration Committee and Independent Director & Audit Committee based on the recommendation of the Nomination and Remuneration Committee that Mr. Ryuzo Nagaoka has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.



Board of Management

As at 31st December 2013

Name-Surname :	Ms. Kantika Tanthuvanit	
Current Position :	Senior Vice President General Administration & Finance and Company Secretary	
Years of Age :	59 years	
Nationality :	Thai	
Education :	Bachelor's Degree Faculty of Business Administration Chiangmai University	
	Postgraduate Faculty of Business Administration Center for Marketing and Management Studies, London, United Kingdom	
Director Training :	4-5 September 2008 Effective Minute Taking (EMT)	
	7-8 August 2008 Company Secretary Program (CSP)	
	22 February 2008 Director Accreditation Program (DAP)	
	24 July 2007 Finance for Non-Finance Director (FND)	
	10 July 2007 Understanding the Fundamental of Financial Statement (UFS) Thai Institute of Directors Association (IOD)	
Years of being Board of Directors :	None	
Working Experience :	Present Director Toyo Thai Power Holdings Pte.Ltd.	
	2011 - Present Director and General Manager Administration Division Toyo Thai Malaysia Sdn. Bhd. Senior Vice President General Administration & Finance Toyo-Thai Corporation Public Company Limited	
	2008 - Present Company Secretary Toyo-Thai Corporation Public Company Limited	
	2007 - Present Director Global Business Management Company Limited	
	2006 - Present Director Toyo-Vietnam Corporation Ltd.	
Positions in other listed companies :	None	
Positions in non-listed companies :	4	
Position in competing/Involving Business Person :	None	
No. of Shareholding in TTCL :	5,658,041 shares equivalent to 1.01% of total shares	
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None	
Restrict Qualification by the Public Act. B.E. 2535 :	None	
Meeting Attendance in 2013		
The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)	
The Audit Committee Meeting :	4 meeting from total of 4 meeting (100%)	
The Nomination & Remuneration Committee Meeting :	3 meeting from total of 3 meeting (100%)	
The Risk Management Committee Meeting :	None	
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)	
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)	

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Ms.Kantika Tantuvanit to be Senior Vice President General Administration & Finance and Company Secretary based on the recommendation of the Nomination and Remuneration Committee that Ms.Kantika Tantuvanit has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. Her knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Management

As at 31st December 2013

Name-Surname :	Mr. Saneh Poorisat								
Current Position :	Senior Vice President Engineering, Power Unit, Training and Task Force Risk Management Committee								
Years of Age :	60 years								
Nationality :	Thai								
Education :	Bachelor's Degree Faculty of Engineering (Electrical Engineering) King Mongkut's University of Technology North Bangkok								
Director Training :	None								
Years of being Board of Directors :	None								
Working Experience :	<table> <tr> <td>Present</td><td>Senior Vice President Engineering, Power Unit, Training and Task Force Toyo-Thai Corporation Public Company Limited</td></tr> <tr> <td>2012</td><td>Vice President Technical Officer, Engineering and Proposal Division Toyo-Thai Corporation Public Company Limited</td></tr> <tr> <td>2011</td><td>Vice President Engineering Division Toyo-Thai Corporation Public Company Limited</td></tr> <tr> <td>2010 - Present</td><td>Risk Management Committee Toyo-Thai Corporation Public Company Limited</td></tr> </table>	Present	Senior Vice President Engineering, Power Unit, Training and Task Force Toyo-Thai Corporation Public Company Limited	2012	Vice President Technical Officer, Engineering and Proposal Division Toyo-Thai Corporation Public Company Limited	2011	Vice President Engineering Division Toyo-Thai Corporation Public Company Limited	2010 - Present	Risk Management Committee Toyo-Thai Corporation Public Company Limited
Present	Senior Vice President Engineering, Power Unit, Training and Task Force Toyo-Thai Corporation Public Company Limited								
2012	Vice President Technical Officer, Engineering and Proposal Division Toyo-Thai Corporation Public Company Limited								
2011	Vice President Engineering Division Toyo-Thai Corporation Public Company Limited								
2010 - Present	Risk Management Committee Toyo-Thai Corporation Public Company Limited								
Positions in other listed companies :	None								
Positions in non-listed companies :	None								
Position in competing/Involving Business Person :	None								
No. of Shareholding in TTCL :	1,975,750 shares equivalent to 0.35% of total shares								
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None								
Restrict Qualification by the Public Act. B.E. 2535 :	None								
Meeting Attendance in 2013									
The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)								
The Audit Committee Meeting :	None								
The Nomination & Remuneration Committee Meeting :	None								
The Risk Management Committee Meeting :	4 meeting from total of 4 meeting (100%)								
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)								
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)								

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr.Saneh Poorisat to be Senior Vice President Engineering, Power Unit, Training and Task Force and Risk Management Committee based on the recommendation of the Nomination and Remuneration Committee that Mr.Saneh Poorisat has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.



Board of Management

As at 31st December 2013

Name-Surname :
Current Position :

Mrs. Suratana Trinratana
Vice President, Chief Operation Officer,
Unit President Power Unit
Risk Management Committee

Years of Age :
Nationality :
Education :

49 years
Thai
Bachelor's Degree Faculty of Engineering
(Mechanical Engineering)
Prince of Songkla University



Director Training :
Years of being Board of Directors :
Working Experience :

None
None
Present Director
Toyo Thai Solar Power Pte. Ltd.
Vice President, Chief Operation Officer, Unit President Power Unit
Toyo-Thai Corporation Public Company Limited
Director
Toyo Thai Power Holdings Pte. Ltd.
2012-Present Director
Toyo-Thai Power Corporation Pte. Ltd.
Director and Managing Director
Toyo Thai Power Myanmar Co., Ltd.
Director and Managing Director
ToyoThai – Myanmar Corporation Co., Ltd.
2012 Vice President Operation Officer, Sales and Procurement Division
Toyo-Thai Corporation Public Company Limited
2011 - Present Director
Toyo Thai – USA Corporation
Director and General Manager Sales & Procurement Division
Toyo Thai Malaysia Sdn. Bhd.
Director
Global New Energy Company Limited
2010 - Present Risk Management Committee
Toyo-Thai Corporation Public Company Limited

Positions in other listed companies :
Positions in non-listed companies :
Position in competing/Involving Business Person :
No. of Shareholding in TTCL :
Legal dispute in criminal cases
(other than criminal cases with petty offences) :
Restrict Qualification by the Public Act. B.E. 2535 :
Meeting Attendance in 2013

None
8
None
5,655,948 shares equivalent to 1.01% of total shares

The Board of Directors' Meeting : 6 meeting from total of 6 meeting (100%)
The Audit Committee Meeting : 4 meeting from total of 6 meeting (67%)
The Nomination & Remuneration Committee Meeting : None
The Risk Management Committee Meeting : 4 meeting from total of 4 meeting (100%)
The Annual General Shareholders' Meeting : 1 meeting from total of 1 meeting (100%)
The Extra Ordinary General Shareholders' Meeting : 1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mrs.Suratana Trinratana to be Vice President, Chief Operation Officer, Unit President and Power Unit, Vice President Sales and Procurement Division and Risk Management Committee based on the recommendation of the Nomination and Remuneration Committee that Mrs.Suratana Trinratana has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. Her knowledge, skills, experience, and capability will be beneficial to the Company's business.

Board of Management

As at 31st December 2013

Name-Surname :	Mr. Wanchai Ratinthorn
Current Position :	Vice President Construction & Commissioning Division, Unit President Petrochemical & Refinery Unit Risk Management Committee
Years of Age :	48 years
Nationality :	Thai
Education :	Bachelor's Degree Faculty of Engineering (Mechanical Engineering) King's Mongkut University of Technology Thonburi
Director Training :	None
Years of being Board of Directors :	None
Working Experience :	<p>Present Vice President Construction & Commissioning Division, Unit President Petrochemical & Refinery Unit Toyo-Thai Corporation Public Company Limited</p> <p>2012 - Present Director and General Manager Project & Proposal Division Toyo Thai Malaysia Sdn. Bhd.</p> <p>2012 Vice President Execution Officer, Construction & Commissioning and Project Division Toyo-Thai Corporation Public Company Limited</p> <p>2011 - Present Director Toyo Thai Power Corporation Pte. Ltd.</p> <p>2011 Vice President Project & Proposal Division Toyo-Thai Corporation Public Company Limited</p> <p>2010 - Present Risk Management Committee Toyo-Thai Corporation Public Company Limited</p>
Positions in other listed companies :	None
Positions in non-listed companies :	2
Position in competing/Involving Business Person :	None
No. of Shareholding in TTCL :	1,800,000 shares equivalent to 0.32% of total shares Legal dispute in criminal cases
(other than criminal cases with petty offences) :	None
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2013	
The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	4 meeting from total of 4 meeting (100%)
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Wanchai Ratinthorn to be Vice President Construction & Commissioning Division, Unit President Petrochemical & Refinery Unit and Risk Management Committee based on the recommendation of the Nomination and Remuneration Committee that Mr. Wanchai Ratinthorn has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.



Board of Management

As at 31st December 2013

Name-Surname :	Mr. Yukio Kobe
Current Position :	Director Petrochemical & Refinery Unit, Power Unit and Sales & Business Development Unit
Years of Age :	54 years
Nationality :	Japanese
Education :	Bachelor's Degree Faculty of Engineering (Mechanical Engineering) Kyushu University, Japan
Director Training :	None
Years of being Board of Directors :	None
Working Experience :	Present Director Petrochemical & Refinery Unit, Power Unit and Sales & Business Development Unit Toyo-Thai Corporation Public Company Limited 2012 Director Engineering, Proposal and Sales Division Toyo-Thai Corporation Public Company Limited 2011 Director Engineering Division Toyo-Thai Corporation Public Company Limited
Positions in other listed companies :	None
Positions in non-listed companies :	None
Position in competing/Involving Business Person :	None
No. of Shareholding in TTCL :	1,139,389 shares equivalent to 0.20% of total shares
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2013	
The Board of Directors' Meeting :	4 meeting from total of 6 meeting (67%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Mr. Yukio Kobe to be Director Petrochemical & Refinery Unit, Power Unit and Sales & Business Development Unit based on the recommendation of the Nomination and Remuneration Committee that Mr. Yukio Kobe has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. His knowledge, skills, experience, and capability will be beneficial to the Company's business.



Board of Management

As at 31st December 2013

Name-Surname :	Ms. Pornchan Katejulasriroj
Current Position :	Director Petrochemical & Refinery Unit, Power Unit and Sales & Business Development Unit
Years of Age :	50 years
Nationality :	Thai
Education :	Bachelor's Degree Faculty of Engineering (Chemical Engineering) Chulalongkorn University
Director Training :	None
Years of being Board of Directors :	None
Working Experience :	Present Director, Petrochemical & Refinery Unit, Power Unit and Sales & Business Development Unit Toyo-Thai Corporation Public Company Limited 2012 Director Engineering, Proposal and Sales Division Toyo-Thai Corporation Public Company Limited 2011 Director Engineering Division Toyo-Thai Corporation Public Company Limited
Positions in other listed companies :	None
Positions in non-listed companies :	None
Position in competing/Involving Business Person :	None
No. of Shareholding in TTCL :	1,262,000 shares equivalent to 0.23% of total shares
Legal dispute in criminal cases (other than criminal cases with petty offences) :	None
Restrict Qualification by the Public Act. B.E. 2535 :	None
Meeting Attendance in 2013	
The Board of Directors' Meeting :	6 meeting from total of 6 meeting (100%)
The Audit Committee Meeting :	None
The Nomination & Remuneration Committee Meeting :	None
The Risk Management Committee Meeting :	None
The Annual General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)
The Extra Ordinary General Shareholders' Meeting :	1 meeting from total of 1 meeting (100%)

Criteria and Recruitment

The Company considered and proposed to the Meeting of Shareholders to approve the re-appointment of Ms. Pornchan Katejulasriroj to be Director Petrochemical & Refinery Unit, Power Unit and Sales & Business Development Unit based on the recommendation of the Nomination and Remuneration Committee that Ms. Pornchan Katejulasriroj has qualifications in compliance with the Article of Association, the Securities and Exchange Act B.E. 2535, and the Public Act B.E. 2535. Her knowledge, skills, experience, and capability will be beneficial to the Company's business.



Board of Directors

List of Directors

As of December 31, 2013, the Board of Directors consists of:

Name	Position
1. Mr. Hironobu Iriya	Chairman of the Board of Directors President & CEO
2. Mr. Piriya Wongphayabal	Vice Chairman of the Board of Directors
3. Mrs. Nijaporn Charanachitta	Director
4. Mr. Makoto Fusayama	Director
5. Mr. Tiwa Jaruke	Director
6. Mr. Norimasa Matsuoka	Director
7. Pol. Lt. Sivaraks Phinicharomna	Independent Director and Chairman of Audit Committee
8. Mr. Gumthorn Utarnwuthipong	Independent Director and Audit Committee Member
9. Mr. Ryuzo Nagaoka	Independent Director and Audit Committee Member

Ms. Kantika Tanthuvanit served as Company Secretary.

The directors whose signature is recognized as binding on the Company consist of either:

1. Mr. Hironobu Iriya is authorized to sign and affix the Company's seal, or
2. Mrs. Nijaporn Charanachitta, Mr. Makoto Fusayama, Mr. Piriya Wongphayabal, Mr. Tiwa Jaruke two directors out of these four directors, affix their signatures and seal of company.

Roles and Responsibilities of the Board of Directors

1. To supervise and manage TTCL under applicable laws, company objectives, Article of Association, and shareholders' meeting resolutions with honesty and integrity while remaining vigilant of the company's best interests.
2. To determine the business direction and the overall strategic goal for the company which includes the consideration to approve policies and operational directions proposed by the management. Also to govern and ensure that the management implement the approved policies with efficiency and productivity such as to maximize the benefits to the company and its shareholders.
3. To constantly monitor the company's operation to ensure that the Board of Management manage the company in accordance with laws and approved policies.
4. To arrange for Toyo-Thai to have standardized accounting system, financial reporting, and audit as well as internal control and internal audit systems that are both efficient and effective.

5. To appoint Board of Management, audit committee and/or other committees, company secretary as appropriate for the best interest of the company and to monitor the management system in accordance with the approved policies.
6. To appoint a director or a group of directors to act on behalf of the Board of Directors.
7. To approve the roles and responsibilities of all sub committees as well as to materially amend the composition of the sub committees.
8. To arrange to have an appropriate balance of authorities of management and/or major shareholders, by considering the proportion or number of independent directors in the company's board of directors.
9. To arrange for appropriate information system that shall assure the board of directors of receiving sufficient information from the management in order to operate according to their authorities and responsibilities perfectly.
10. To attend the board meetings at least half of the total number of meetings arranged in each year.
11. To determine and amend names of authorized directors.
12. To consider the remuneration of the directors within the guidelines approved by shareholders.

The following issues shall require shareholders' approval before proceeding, directors with conflict of interests to the company and/or its subsidiaries are not permitted to vote:

- (a) Issues that the Law require shareholder's approval.
- (b) Connected transactions or acquisition/disposition of assets in accordance to the SET or any other regulatory bodies' stipulation.

Board of Management

Board of Directors appoints Member of Board of Management to relieve work of Board of Directors to manage the normal business. Therefore Board of Directors can focus on key policy and assessment of Management.

List of Members of Board of Management

As of December 31, 2013 Board of Management consists of:

Name	Position
1. Mr. Hironobu Iriya	Chairman of Board of Management
2. Mr. Tiwa Jaruke	Board of Management
3. Ms. Kantika Tanthuvanit	Board of Management
4. Mr. Saneh Poorisat	Board of Management
5. Mrs. Suratana Trinratana	Board of Management
6. Mr. Wanchai Ratinthorn	Board of Management
7. Mr. Yukio Kobe	Board of Management
8. Ms. Pornchan Katejulasriroj	Board of Management

Roles and Responsibilities of the Board of Management

1. To determine and roll-out policies, directions, strategies, organizational structure, and management structure such that they resonate with the current economic condition and competitive landscape for approval by the Board of Directors.
2. To determine the strategy and annual budget and to manage the operations in all divisions of the company for the Board of Directors' approval including the ability to approve, amend, change, add to the annual expense budget (if required as matter of urgency) before the Board of Director's approval.
3. To monitor the company's operation in accordance with the company's policy and to ensure maximum efficiency under any given circumstances.
4. To ensure that results from operation are inline with the approved expectations.
5. To consider sizeable capital investments for approval by the board of directors.
6. To have the authority to appoint/layoff all employees ranked below that of the CEO.
7. To approve and execute bidding and contracting with third parties.
8. To perform other duties appointed by the Board of Directors on a case by case basis and have the power to approve the following financial transactions.
 - a) In case that the business plan or the annual budget has already been approved by BOD, the BOM may execute such matters without financial constraints.
 - b) In case that the financial transaction is in the condition other than a), BOM has an executable limit of Baht 20 million. The financial

authorization shall cover day to day operational expenditures, capital expenditures, permanent asset, loans, other debt instruments, and insurance (excluding bidding and contracting which have no limit).

The BOM may delegate the authority to execute financial transactions to other employees at the management level as see fit.

The authority delegation from the Board of Directors to the Board of Management stated above excludes the case of possible conflict of interest (according to the SEC's regulations) except for the transaction on arm-length basis (the transaction is already approved by the Board of Directors and is the company's normal business with fair price and terms).

Management

As of December 31, 2013, Member of Management, total 8 persons, consists of:

Name	Position
1. Mr. Hironobu Iriya	Chairman , President & CEO
2. Mr. Tiwa Jaruke	Senior Vice President
	<ul style="list-style-type: none"> - Project & Proposal - Petrochemical & Refinery Unit - Task Force
3. Ms. Kantika Tanthuvanit	Senior Vice President General Administration & Finance Division
4. Mr. Saneh Poorisat	Senior Vice President <ul style="list-style-type: none"> - Engineering - Power Unit - Training - Task Force
5. Mrs. Suratana Trinratana	Vice President Chief Operation Officer President of Power Unit
6. Mr. Wanchai Ratinthorn	Vice President Construction & Commissioning Division President of Power Unit
7. Mr. Yukio Kobe	Director <ul style="list-style-type: none"> - Petrochemical & Refinery Unit - Power Unit - Sales & Business Development Unit
8. Ms. Pornchan Katejulasriroj	Director <ul style="list-style-type: none"> - Petrochemical & Refinery Unit - Power Unit - Sales & Business Development Unit

Roles and Responsibilities of the President & CEO

1. To operate and manage the company's normal course of business.
2. To operate and manage in accordance with business policy, business plan, and business strategy approved by the board of directors.
3. To employ, appoint, transfer, layoff, severance, to determine the appropriate salary structure and changes therewith including bonuses of all employees and to appoint employer representative to sit in the company's provident fund committee.
4. To operate and manage normal course of business operation, and engage into business contract within the limit that a Board of Management could approve, pre-approved by Board of Directors.
5. To give instruction notification, announcement such that the operation could proceed according the approved policy and to keep discipline within the organization.
6. To be the company's authorized person for the benefit of the company.
7. To appoint advisors as deem appropriate for the benefit and operation of the company.
8. To undertake any other action as authorized by the board of directors.

Nevertheless, the delegation to President & CEO should be in accordance to applicable laws and company's regulations. In case of potential conflict of interest, President & CEO does not have the authority to such approval and he has to instead propose to the Board of Directors.

Nominating for Directors and Member of Board of Management Directors

The Company has appointed a Nomination and Remuneration Committee to select qualified candidates who have knowledge, skills, qualifications, work experience and relevant qualifications for Directors in accordance with Section 68 of Public Company Limited Act B.E. 2535 and related Notifications of the Securities and Exchange Commission. To contribute company's operation efficiently, the company has determined criterion for appointment and dismissal of Directors as follows;

1. The Company shall have a Board of Directors consisting of at least five (5) directors but not exceeding twenty (20) persons. All of the directors shall have qualification as prescribed by applicable law and not less than a half of them shall have place of residences in the Kingdom of Thailand.
2. The Directors shall be elected at the general meeting of the shareholders in accordance with the following rules and procedures:
 - (1) Each shareholder shall have number of vote equal to the number of shares held;
 - (2) Each shareholder may cast all of his/her votes in accordance with (1) above to elect one or more persons to be Director or Directors but the vote shall be indivisible;
 - (3) The persons who obtain the highest number of votes shall be elected as the Directors in respective order of votes higher to lower according to the required number of directors, but if two or more persons obtain equal votes, the Chairman shall exercise a casting vote.
3. At every annual general meeting of shareholders, one-third (1/3) of the Director, or if it is not a multiple of three, then the number nearest to one-third (1/3) must retire from office.

There must be a drawing by lots to determine the Directors retiring on the first and second years following the registration of the Company. In each subsequent year, the Directors who occupy the position for longest period shall retire. A retiring is eligible for re-election.
4. In case where there is any vacancy among Directors other than the retirement by rotation, the Board of Directors shall at its next meeting elect a person who is qualified and is not subject to any restriction imposed by applicable law to fill the vacancy, except where the remaining term of the vacant Director is less than two (2) months. The term of the new Director replacing the vacant Director shall be equal to the remaining term of the vacant Director.

The resolution of the Board of Directors as specified in the first paragraph shall be passed by three-quarter (3/4) or more of the votes cast by the remaining Director.
5. A meeting of shareholders may resolve any Director before the expiration of his/her term by passing a resolution with the vote of three-quarter (3/4) or more of the total number of shareholders attending and eligible to vote at the meeting and holding in aggregate fifty(50) per cent or more of total number of shares held by the shareholders attending and eligible to vote at the meeting.

The Audit Committee

List of Member of Audit Committee

As of December 31, 2013, Audit Committee consists of:

Name	Position
1. Pol. Lt. Sivaraks Phinicharomna	Chairman of Audit Committee
2. Mr. Gumthorn Utarnwuthipong	Audit Committee Member
3. Mr. Ryuzo Nagaoka	Audit Committee Member

Mr. Gobchai Tanasugarn served as secretary of Audit Committee. Mr. Sivaraks Phinicharomna, Chairman of Audit Committee, is the person who have experience in financial audit.

1. Scope, Authority, and Responsibility of the Audit Committee

- 1.1. To ensure accuracy and sufficiency of the financial reports
- 1.2. To ensure that the Company has appropriated and effective internal control systems as well as internal auditing activities and consider the independence of the internal audit department, including consent to the appointment, rotation, promotion, and termination of the head of internal audit department and others who are responsible for internal audit activities.
- 1.3. To ensure that the Company is complied with laws of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) as well as other rules and regulations related to the Company's business.
- 1.4. To select and propose independent person who will be the Company's auditor and propose his or her compensation, including join meeting with the auditor without management attending at least once a year.
- 1.5. To consider compliance of connected or conflict of interest transactions to the rules and regulations of the SET and SEC and assure the transactions are appropriate and provide the best interest to the Company.
- 1.6. To assure the risk management has appropriate and effective process.
- 1.7. To prepare an Audit Committee's report to be disclosed in the Company's annual report.

The report must be signed by the Chairman of the Audit Committee and composed of at least the following information:

- 1.7.1 Opinion regarding completeness and reliability of the Financial Report.
- 1.7.2 Opinion regarding the sufficiency of the internal control systems.
- 1.7.3 Opinion regarding compliance with laws of SEC, rules and regulations of SET and other related laws to the Company's business.
- 1.7.4 Opinion regarding appropriation of auditor.
- 1.7.5 Opinion regarding conflict of interest transaction.
- 1.7.6 Number of Audit Committee meeting and participation.
- 1.7.7 Overall opinion or observation regarding practices of the Audit Committee.
- 1.7.8 Other issues that should be disclosed to the shareholders which fall within scope, authority, and responsibility as assigned by the Board of Directors.
- 1.8. To report activities of the Audit Committee to the Board of Directors at least 4 times a year.

- 1.9 To have authority for hiring independent consultant or professional when needed.
- 1.10 To carry out audit committee activities, the Committee shall have authority to invite executive, manager or employee to attend meetings for discussion or answer the Audit Committee's questions.
- 1.11 To review scope, authority and responsibility and conduct self-evaluation on the annual basis.
- 1.12 To perform any assignment by the Board of Directors that agreed upon by the Audit Committee.
- 1.13 During the Audit Committee practice, if they find or suspect transaction or the following activities which may have material impact to the financial position and operation result of the Company, the Audit Committee must report to the Board of Directors to take corrective action within a reasonable period of time.
 - 1.13.1 Conflict of interest transaction.
 - 1.13.2 Fraud or unusual transaction or significant deficiency in the internal control systems.
 - 1.13.3 Violation under the laws of SET, SEC, rules and regulations of SET or other related laws of the Company's business.

In case where director or manager fails to take corrective action within a reasonable period of time, any Audit Committee member may report such transaction or activity to the SET and SEC.

- 1.14 In case the auditor discovers any suspicious circumstance that the director, manager or any person responsible for the operation of such juristic person commit an offense under the law, and informed such circumstance to the Audit Committee to continue the inspection without delay and the Audit Committee shall report the preliminary inspection to the SEC office and the auditor within 30 days from the notification date of the auditor. The circumstance that shall be informed and the procedures for acquiring the fact related to such circumstance shall be complied with the notification of the Capital Market Supervisory Board.

2. Committee and Qualification

- 2.1 The Audit Committee shall consist of not less than one third of directors and every one must be independent director and possesses qualification in accordance with the rules and regulations of the SET and SEC. At least one member must have sufficient knowledge and experience to review reliability of financial report.
- 2.2 The Board of Directors shall select and appoint the Chairman of Audit Committee.

3. Term of the Appointment

A member of the Audit Committee shall be appointed for a term of three (3) years. A member who vacates his office at the end of the term may be re-elected no more than 2 times unless the Board of Directors shall have other opinions.

Apart from vacating office at the end of the term, a member shall vacate office upon:

- 3.1 death
- 3.2 resignation
- 3.3 disqualify under this charter or rules and regulations promulgated SET or SEC.
- 3.4 terminate by the Board of Directors.

In case the member resigned before completing his or her term, he or she should notify and provide reason to the company one month in advance. So that, the Board of Directors or the Shareholders shall consider appointing another director who has appropriate qualification to fill in vacancy. And, the company must notify SET with enclosed resignation letter of the member as well.

In case the members vacate office at the same time, the vacated members shall hold the office until the new members have been appointed.

In case the members vacates office due to other reasons during the term of appointment, the Board of Directors shall appoint new member within 90 days to hold the office only for the remaining term.

4. Meeting

The Audit Committee shall hold meetings at least 5 times a year. In calling the meetings, the Chairman of Audit Committee or Secretary of the Audit Committee who is instructed by the Chairman shall send invitation letter to all members 7 days in advance. Except in an emergency case, the invitation letter may be notified by other procedures or the timing may be less than 7 days.

5. Quorum

At least one – half of the members must present in the meeting to form a quorum. In case of the Chairman of Audit committee is absent or cannot perform his or her duties, the attending members shall elect one member to be seated as chairman of the meeting.

Consent in the meeting shall be made by majority vote. Each member shall have one vote. Member who has conflict of interest shall be prohibited from voting on such matter. In case there is a tie vote, the Chairman can vote in the affirmative to adopt the motion.

Consent of the Audit Committee can be made without the meeting and shall have complete process as conducted the meeting when the consent was ratified by signatories of all members.

6. Remuneration

The President & CEO shall consider remuneration of Audit Committee as deems appropriate and report to the Board of Directors for consideration and approval.

7. Management Responsibilities

The manager or department and executive shall be responsible for document preparing, data gathering, activity monitoring, and reporting matters to the Audit Committee or follow up each case as listing in the attached appendix.

Nomination and Remuneration Committee

Board of Directors has approved the Nomination and Compensation Committee on November 12, 2010 by 3 members appointed by the Directors as at December 31, 2013 Board of Directors and Compensation Committee is composed :

Name	Position
1. Mr. Ryuzo Nagaoka	Chairman of Nomination and Remuneration Committee
2. Mr. Gumthorn Utarnwuthipong	Nomination and Remuneration Committee Member
3. Mr. Ryuzo Nagaoka	Nomination and Remuneration Committee Member

1. 1. Scope, Authority and Responsibility

- 1.1 To recommend the structure and composition of the Board of Directors together with the qualification of Audit Committee members.
- 1.2 To recommend the list of nominees for the Board of Directors to be proposed to the shareholders' annual general meeting in case of vacancies by rotation and to the board in case of casual vacancies.
- 1.3 Review and propose structure of remuneration for Directors and Executives, e.g. bonus or other kinds of remuneration of monetary or non-monetary nature.
- 1.4 To consider the Remuneration of the Directors and Executives should take into the fact of suitable type, size, and performance of the company to consistence with the general market norm and the same industry, both in and out SET.
- 1.5 Self-evaluate annually the performance of Nomination and Remuneration Committee, and report to the President & CEO for approval.
- 1.6 To appraise the CEO's performance and report to the Board of Directors.
- 1.7 Other assignments relating to nominating and remunerating for directors and executives as deemed appropriate by the President & CEO or the Board of Directors.

2. Committee and Qualification

- 2.1 Being a Director.
- 2.2 The Nomination and Remuneration Committee shall be appointed by the President & CEO and consist of 3 directors.
- 2.3 The Nomination and Remuneration Committee shall have to appoint a member as independent directors at least two 2 directors.
- 2.4 The Nomination and Remuneration Committee shall elect one independent director to be the Chairman.
- 2.5 For the Independent Director who chairs the Nomination and Remuneration Committee possessing all qualifications of Independent Director as per the Notification of Capital Market Supervisor Board.

3. Term of the Appointment

A member of the Nomination and Remuneration Committee shall be appointed for a term of three (3) years ended at 31st December. A member who vacates his office at the end of the term may be re-elected no more than 2 times consecutively unless the President & CEO or Board of Directors shall have other opinions.

Apart from vacating office at the end of the term, a member shall vacate office upon:

- 3.1 death
- 3.2 resignation
- 3.3 disqualify under this charter or rules and regulations promulgated SET or SEC.
- 3.4 terminate by the President & CEO or Board of Directors.

In case the member resigned before completing his or her term, he or she should notify and provide reason to the company one month in advance. So that, the President & CEO shall consider appointing another director who has appropriate qualification to fill in vacancy and to be reported to the Board of Directors.

In case the members vacate office at the same time, the vacated members shall hold the office until the new members have been appointed.

In case the member vacates office due to other reasons during the term of appointment, the President & CEO shall appoint new member within 90 days to hold the office only for the remaining term.

4. Meeting

- 4.1 The Nomination and Remuneration Committee shall hold meetings at least 2 times a year.
- 4.2 In calling the meetings, the Chairman of Nomination and Remuneration Committee or Secretary of the Nomination and Remuneration Committee who is instructed by the Chairman shall send invitation letter to all members 7 days in advance. Except in an emergency case, the invitation letter may be notified by other procedures or the timing may be less than 7 days.

5. Quorum

- 5.1 At least one – half of the members must present in the meeting to form a quorum. In case of the Chairman of Nomination and Remuneration Committee is absent or cannot perform his or her duties, the attending members shall elect one member to be seated as chairman of the meeting.
- 5.2 Consent in the meeting shall be made by majority vote.
- 5.3 Each member shall have one vote. Member who has conflict of interest shall be prohibited from voting on such matter. In case there is a tie vote, the Chairman can vote in the affirmative to adopt the motion.
- 5.4 Consent of the Nomination and Remuneration Committee can be made without the meeting and shall have complete process as conducted the meeting when the consent was ratified by signatories of all members.

6. Remuneration

The President & CEO shall consider remuneration of the Nomination and Remuneration Committee as deems appropriate and report to the Board of Directors.

7. Management Responsibilities

The manager or department and executive shall be responsible for document preparing, data gathering, activity monitoring, and reporting matters to the Nomination and Remuneration Committee.

Risk Management Committee

Board of Directors has approved the establishment of the Risk Management Committee on 12 November 2010 by the appointment of five directors and executive officers as of December 31, 2013 will be comprised of the Risk Management Committee are as follows.

Name	Position
1. Mr. Gumthorn Utarnwuthipong	Chairman of Risk Management Committee
2. Mr. Saneh Poorisat	Risk Management Committee Member
3. Mrs. Suratana Trinratana	Risk Management Committee Member
4. Mr. Wanchai Ratinthorn	Risk Management Committee Member
5. Mr. Gobchai Tanasugarn	Risk Management Committee Member

1. Scope, Authority and Responsibility

- 1.1 To determine specific business direction and to define, analyze and examine significant risk factors including the determination of those strategic risk management.
- 1.2 To determine the standard of risk management in order to be the guidelines of each responsible task.
- 1.3 To supervise and ensure that the measurements are widely communicated and the staff has implemented as prescribed in the measurement.
- 1.4 To systematically and continuously evaluate and analyze the damage that may occur in order to ensure that the risk survey is covered all business process.
- 1.5 To support and develop risk management to be continuously implemented in whole organization and to be applicable to the international standard.

2. Committee and Qualification

The Precedent & CEO shall appoint the Risk Management Committee by selection from a number of committee and executives and/or specialists. There shall be selection of chairman of risk management committee form the selected committee.

3. Term of the Appointment

The term of position of Risk Management Committee shall be comply three (3) years and ended at 31st December of the completed year. The Risk Management Committee who complete their term can be re-elected only 2 consecutive term unless the President & CEO or Board of Directors shall have any other resolution.

Apart from vacating office at the end of the term, a member shall vacate office upon:

- 3.1 death
- 3.2 resignation
- 3.3 disqualify under this charter or rules and regulations promulgated SET or SEC.
- 3.4 terminate by the President & CEO or Board of Directors.

In case the member resigned before completing his or her term, he or she should notify and provide reason to the company one month in advance. So, that the President &

CEO shall consider appointing another director who has appropriate qualification to fill in vacancy and to be reported to the Board of Directors.

In case the members vacate office at the same time, the vacated members shall hold the office until the new members have appointed.

In case the member vacates office due to other reasons during the term of appointment, the President & CEO shall appoint new member within 90 days to hold the office only for the remaining term.

4. Meeting

- 4.1 The Risk Management Committee must organize the meeting at least four (4) times a year as necessary and appoint manner.
- 4.2 In calling the meeting, the Secretary of the Risk Management Committee who is instructed by the Chairman shall send invitation letter to all members 7 days in advance. Except in an emergency case, the invitation letter may be notified by other procedures or the timing may be less than 7 days.

5. Quorum

- 5.1 At least one – half of the members must present in the meeting to form quorum. In case of the Chairman of Risk management Committee is absent or cannot perform his or her duties, the attending members shall elect one member to be seated as Chairman of the meeting.
- 5.2 Consent in the meeting shall be made by majority vote.
- 5.3 Each member shall have one vote. Member who has conflict of interest shall be prohibited from voting on such matter. In case there is a tie vote, the Chairman can vote in the affirmative to adopt the motion.
- 5.4 Consent of the Risk Management Committee can be made without the meeting and shall have complete process as conducted the meeting when the consent was ratified by signatories of all members.

6. Remuneration

The President & CEO shall consider remuneration of the Risk Management Committee as deems appropriate and report to the Board of Directors.

7. Management Responsibilities

The chief of unit or unit and executive shall be responsible for document preparing, data gathering, activity monitoring, and report matters to Risk Management Committee.

Company Secretary

The Board of Directors appointed the Company Secretary to take responsibilities in providing advices to the Board and executives regarding the applicable laws and regulations that the Board must recognize and act upon, the corporate governance policies as well as the arrangement of the Board of Directors meetings and the annual general meeting of shareholders. The Company Secretary must also monitor and coordinate to ensure that the Board and shareholders' resolutions are fully complied. The Company Secretary is also assigned to keep Company's important documents as required by the laws.

The Company has assigned a person who holds the Senior Vice President of General Administration and Finance to perform the duties as the Company Secretary, presently Ms. Kantika Tanthuvanit.

Brief Biography:

Name: Ms. Kantika Tanthuvanit

Education: Bachelor Degree - Faculty of Business Administration
Chiangmai University
Advanced Diploma - Faculty of Business Administration
Center for Marketing and Management Studies,
London, United Kingdom

Experience:

2013 – Present	Director Toyo Thai Power Holdings Pte. Ltd.
2011 – Present	Director and General Manager, Administration Division Toyo Thai Malaysia Sdn Bhd.
2009 – Present	Director Toyo-Vietnam Corporation Ltd.
2008 – Present	Senior Vice President, General Administration and Finance. Corporate Secretary Toyo-Thai Corporation Public Company Limited
2007 – Present	Director Global Business Management Company Limited

Company Secretary Training:

August 2008	Company Secretary Program (CSP 27/2008) from the Thai Institute of Directors (IOD)
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Board Meeting Attendance

In 2013 and 2012, the Board held 6 and 4 regular meetings respectively as detailed below.

Name	Board Meeting Attendance in 2013	Board Meeting Attendance in 2012	Remark
1. Mr. Hironobu Iriya	6/6	4/4	
2. Mr. Piriya Wongphayabal	6/6	4/4	
3. Mrs. Nijaporn Charanachitta	6/6	4/4	
4. Mr. Makoto Fusayama	5/6	4/4	
5. Mr. Tiwa Jaruke	6/6	3/4	
6. Mr. Manabu Minitani	3/3	4/4	Resignation from Director dated August 14 th , 2013
7. Mr. Norimasa Matsuoka	3/3	-	Appointed to be a Director dated August 14 th , 2013
8. Pol. Lt. Sivaraks Phinicharomna	6/6	4/4	
9. Mr. Gumthorn Utarnwuthipong	6/6	4/4	
10. Mr. Ryuzo Nagaoka	6/6	4/4	

Directors and Executives have the power to control its subsidiaries and related companies.

As of December 31st, 2013

Directors and Executives		TTCL	Subsidiaries										Related Companies							
			BNE	TVC	TTML	TTMC	TTPMC	TTPSG	TTPHD	TTUS	TTSP	TTS	1	2	3	4	5	6	7	8
1. Mr. Hironobu Iriya		X, //	X, //	X	X, //	X	X	X	X	X, //	X				X, //			X, //		
2. Mr. Priya Wongphayabal		/		/																
3. Mrs. Nijaporn Charanachitta		/												/, //						
4. Mr. Makoto Fusayama		/											/, //			/, //		/		
5. Mr. Tiwa Jaruke		/, //		/, //	/, //				/											
6. Mr. Norimasa Matsuoka		/																	//	
7. Pol. Lt. Sivaraks Phinicharomma		/																		
8. Mr. Gunthorn Utarnwuthipong		/																		
9. Mr. Ryuzo Nagaoka		/															X, //			
10. Ms. Kantika Tanthuvanit		//		/	/, //				/						/					
11. Mr. Saneh Poorisat		//																		
12. Mrs. Suratana Trinratana		//			/, //	/, //	/, //	/	/	/, //	/							/		
13. Mr. Wanchai Ratinthorn		//			/, //			/												
14. Mr. Hideto Koyama		//									/	/						/, //		/
15. Mr. Yukio Kobe		//		//																
16. Ms. Pornchan Katejulasriroj		//																		/
17. Mr. Gobchai Tanasugarn		//						/			/									

x = President / = Directors // = Executives

Subsidiaries		Related Companies							
BNE	BIO NATURAL ENERGY CO., LTD.	1	TOYO ENGINEERING CORPORATION						
TVC	TOYO-VIETNAM CORPORATION LTD.	2	ITALIAN-THAI DEVELOPMENT PUBLIC COMPANY LIMITED						
TTML	TOYO THAI MALAYSIA SDN. BHD.	3	GLOBAL BUSINESS MANAGEMENT CO., LTD.						
TTMC	TOYOTHAI-MYANMAR CORPORATION CO., LTD.	4	TOYO ENGINEERING CORPORATION (CHINA)						
TTPMC	TOYO THAI POWER MYANMAR CO., LTD.	5	NAGAOKA AND ASSOCIATES INC.						
TTPSG	TOYO THAI POWER CORPORATION PTE. LTD.	6	GLOBAL NEW ENERGY CO., LTD.						
TTPHD	TOYO THAI POWER HOLDINGS PTE. LTD.	7	CHIYODA CORPORATION						
TTUS	TOYOTHAI-USA CORPORATION	8	SIAM GNE SOLAR ENERGY CO., LTD.						
TTSP	TOYO THAI SOLAR POWER PTE. LTD.								
TTS	TT SOLAR CO., LTD.								

Shareholders and Number of Shares

10 Major shareholders as of December 27th, 2013

Name of Major Shareholders	Holding as of December 27 th , 2013	
	Number of shares	% of shares
1. TOYO ENGINEERING CORPORATION	124,800,000	22.29
2. THAI NVDR COMPANY LIMITED	49,526,092	8.84
3. GLOBAL BUSINESS MANAGEMENT COMPANY LIMITED	38,634,900	6.90
4. CHIYODA CORPORATION	33,600,000	6.00
5. ITALIAN-THAI DEVELOPMENT PUBLIC COMPANY LIMITED	18,400,000	3.29
6. MR. HIRONOBU IRIYA	15,661,134	2.80
7. STATE STREET BANK EUROPE LIMITED	10,042,658	1.79
8. HSBC (SINGAPORE) NOMINEES PTE LTD	9,855,961	1.76
9. BSI SA	7,600,000	1.36
10. MR. TIWA JARUKE	6,646,600	1.19

Number of Shares Held by TTCL Directors and Board of Management

As of December 27th, 2013

Name	Position	Share Amount	Change during the year Increase / (Decrease)
1. Mr. Hironobu Iriya	Chairman of Board of Directors, President & CEO	15,661,134	2,854,834
2. Mr. Piriya Wongphayabal	Vice Chairman of Board of Directors	5,194,000	232,400
3. Mrs. Nijaporn Charanachitta	Director	4,847,207	1,037,207
4. Mr. Makoto Fusayama	Director	-	-
5. Mr. Tiwa Jaruke	Director Board of Management	6,646,600	297,000
6. Mr. Norimasa Matsuoka	Director	-	-
7. Pol. Lt. Sivaraks Phinicharomna	Independent Director and Chairman of Audit Committee	104,670	4,670
8. Mr. Gumthorn Utarnwuthipong	Independent Director and Audit Committee	114,700	14,700
9. Mr. Ryuzo Nagaoka	Independent Director and Audit Committee	100,000	-
10. Mr. Saneh Poorisat	Board of Management	1,975,750	88,150
11. Mrs. Suratana Trinratana	Board of Management	5,655,948	252,348
12. Mr. Wanchai Ratinthorn	Board of Management	1,800,000	83,400
13. Mr. Yukio Kobe	Board of Management	1,139,389	(188,011)
14. Ms. Pornchan Katechulasriroj	Board of Management	1,262,000	56,500
15. Ms. Kantika Tanthuvanit	Board of Management Company Secretary	5,658,041	252,411

Directors & Management Remuneration

Remuneration of Board of Directors from year 2011 - 2013

	2011		2012		2013	
	Persons	Total Amount	Persons	Total Amount	Persons	Total Amount
Remuneration	9	4,600,000.00	9	4,600,000.00	9	4,600,000.00
Special Bonus	9	1,842,511.00	9	2,367,210.00	9	2,940,000.00
Total	9	6,442,511.00	9	6,967,210.00	9	7,540,000.00

Remuneration of Board of Management from year 2011 - 2013

	2011		2012		2013	
	Persons	Total Amount	Persons	Total Amount	Persons	Total Amount
Salary	9	38,893,200.00	8	30,825,600.00	8	35,278,600.00
Bonus	9	10,288,500.00	8	11,727,600.00	8	13,782,100.00
Remuneration	9	4,470,000.00	8	4,000,000.00	8	4,900,000.00
Special Bonus	9	1,802,457.00	8	2,058,440.00	8	3,110,000.00
Total	9	55,454,157.00	8	48,611,640.00	8	57,070,700.00

The remuneration paid to Director and Management members conforms to the policies and the Board resolutions. Special bonus is reflected from previous year of Management Operation Performance of which the Nomination & Remuneration Committee proposed to the Board for consideration and approval.

Achievements in 2013

January

- TTCL and Mitsubishi Corporation jointly operated under the name of 'The Consortium of Mitsubishi Corporation and Toyo-Thai Corporation Public Company Limited', signing EPC Contract for Desalination Project in Qatar.

February

- TTCL signed a contract for Front End Engineering Design (FEED) and Overall Cost Estimation Consultancy Service in Timor-Leste.
- TTCL and Consortium Member signed an EPC contract to construct a bio-chemical plant in Thailand.

March

- TTCL signed a Memorandum of Understanding (MOU) with the Ministry of Electric Power of Republic of the Union of Myanmar conducting a preliminary survey and feasibility study in order to develop a 1,000 MW Ultra Supercritical Coal-fired Power Plant in Thilawa Special Economic Zone, Yangon. The said study is expected to be completed in approximately one year starting from the MOU signing date.

May

- TTCL and Mitsubishi Corporation jointly operated under the name of 'The Consortium of Mitsubishi Corporation and Toyo-Thai Corporation Group', received two copies of the Letter of Intent issued for EPC contract to construct three 120 MW capacity power plants in Thailand.

July

- TTCL and Mitsubishi Corporation jointly operated under the name of 'The Consortium of Mitsubishi Corporation and Toyo-Thai Corporation Public Company Limited', received a Letter of Intent issued for EPC contract to construct two 120 MW capacity power plants in Thailand.

September

- TTCL received Letter of Intent for the EPC construction of agricultural processing plants in Myanmar.
- TTCL received Letter of Intent for the EPC construction of a petrochemical plant in Thailand.

November

- Toyo-Vietnam Corporation Limited received Letter of Intent for the EPC construction of a Manufacturing Plant in Vietnam.
- Toyo-Vietnam Corporation Limited received Letter of Intent for the EPC contract for NPK Fertilizer Plant Expansion in Vietnam.

Marketing & Competition

1. Competitive Strategy

The Company has established a competitive strategy and business operation policy to strengthen its competitiveness for sustainable long term growth as follows:

Strengthening the Company's status as a Regional EPC Contractor and increasing its overseas market share

Contractor's reliability is a key factor because customers will generally select contractor based on past experiences and performances, as the investment in each project requires substantial funds. Therefore, an Integrated EPC Provider must ensure the delivery of quality work on time to fortify customers' confidence in the contractors' ability to meet required schedule and price.

In the past TTCL mainly undertook projects with investment value less than THB 6,000 Million (equivalent to USD 200 Million). Nevertheless, TTCL has strived to increase the company's reputation and raise the company's status to a Mid-tier Regional EPC Contractor, which usually undertakes projects with value of THB 6,000 - 15,000 Million (USD 200-500 Million).

In addition, TTCL has expanded its operations to other countries to capture high potential markets in the regional level. Such a strategy will not only increase the customer base for the company, but also reduce the risk of relying solely on construction projects in the domestic market. To support such a strategy, the Company has established subsidiaries in key target countries such as Vietnam, the Republic of the Union of Myanmar, Malaysia and the United States of America.

The transitioning of the company from a small EPC contractor to a Regional EPC Contractor enhances the company's clients and provides alternatives for taking on more diverse construction projects. Additionally, this move will offer the Company advantages in terms of operating costs, benefiting from economy of scale.

Satisfactory proven track record

The Company exercises strategy to maintain long term relationships with clients by providing high quality of work, standard engineering services and continual after sales services that satisfy the clients' requirements. The Company has succeeded in this strategy, visible from trust and reliance given by recurring clients, for example, PTT Group, SCG Chemicals Group, Bayer Thai Co., Ltd., AGC Chemical (Thailand) Co., Ltd. (former name: THASCO Chemical Co., Ltd.), Thai Central Chemical Public Company Limited, Bayer Polyurethane (Shanghai) Co., Ltd. (China), Shin-Etsu Engineering Co., Ltd. (Japan) and Solvay SA (Belgium). Apart from assigning the additional projects, these clients also recommend the Company to new clients.

Relationship with manufacturers, suppliers of equipment and materials and subcontractors

The company has maintained a long term sustainable relationship with the manufacturers, suppliers of equipment and construction materials as well as qualified, expert and responsible subcontractors in order for the company to perform and deliver quality work to clients within the stipulated time schedule. Maintaining fine relationships with these service providers will help the Company to sustain its ability to compete with others and mitigate risks that may arise from being unable to procure equipment and material and skilled subcontractors for new projects in the future.

Utilizing advanced technology to perform engineering design.

Since the construction of petrochemical, petroleum and power plants require very complex designs, the Company therefore, brings forward advanced technology into the design system, for example the Plant Design System (PDS), which creates accurate designs

and minimizes errors. Engineers are able to examine the simulation of a real plant model design in 3 dimensions (3D). Moreover, PDS program can also aid the clients' employees in plant operation and maintenance appropriately and safely.

Safety in the execution of operations

Safety is considered as the most important policy of the Company towards the employees and the subcontractors. The Company deems that any accident occur will be a loss, impacting the cost and increasing time spent, not to mention the impact on the morale of the related parties. Therefore, the Company has complied with the OHSAS 18001 standard to ensure the safety in every function and is proud to be certified with ISO 9001:2008, BSI-OHSAS 18001:2007 and TSI 18001:2011 by Moody International (Thailand) Co., Ltd. In each project, the Company has arranged the accident protection equipment for the employees. Moreover, the Company has analyzed any possible accidents that might occur in every aspect in order to design the protection of loss and to contain the wide spread to nearby vicinity. In addition, the Company has a good safety track record acceptable to clients, demonstrated by certificates received during 28 years of the business operation.

Target customers, sales and distribution channels

The company's customers can be divided into 3 main industries; petrochemical and chemical industries, energy industry and other industries.

The Company has flexibility to accept projects, i.e. in addition to being a fully integrated engineering design, procurement of machinery and equipment and construction, the company can undertake projects that require management in the fields of engineering, services and construction project (EPCm), as for some cases project owners only wish to receive the management service alone, which the Company takes into account the maximum needs and satisfaction of the project owner.

2. Outlook for Petroleum, Petrochemical and Power industries in Thailand

Due to the diversification of its business expansion plan in overseas market, global economic outlook plays a major role and sets for the Company's direction. According to International Monetary Fund (IMF)'s projection, global GDP in 2013 expected growth of 2.9 percent. However, the overall global economy remained fragile with many countries GDP weakening from 2012, due to continual weak US economic recovery. Slowly recovering European economy begins to unravel, but public debt crisis persists and unemployment remains high. China's economic growth continues to slow, impacting the economies of other countries.

As projected by Office of the National Economic and Social Development Board, Thailand's economy was expected to grow 3.0% in 2013, down from 6.5 percent growth in 2012 and the 2014 growth forecast at 4.0-5.0 percent, being driven by 1) the rise of the global economy from 2.9 percent in 2013 to 3.5 percent in 2014, leading to growth in exports and production and 2) increase in government expenditure for water resource management plan and investment in infrastructure.

The overall trend of the domestic petrochemical industry in 2014 will continue to grow, observed from contributing factors; 1) Data obtained from the Board of Investment of Thailand (BOI) information showed a total investment of THB 34,100 Million in 2013, from the total support investment of THB 737,800 Million, leaving room for more growth and 2) According to the information reported by the Office of Industrial Economics, Ministry of Industry, petrochemical industries will continue to expand along with the continuous expansion of the downstream industries, i.e. plastic, electrical and electronic and automotive ones. Should the government's economy boosting policy through large

government investments in 2013 go through, many industries in the country will expand tremendously. Hence these elements play an important role to industrial growth.

For the overall trend of the energy industry, the Department of Energy projects 2015's electricity production to increase by 4.1 percent as the economy is expected to grow further due to the global economic recovery. In the past there has been capacity installation of approximately 32.7% to accommodate the maximum power demand, which is expected to increase steadily to provide for rising power demand of each year. Thus the energy industry in Thailand is likely to grow fairly high to accommodate the increasing demand for electricity every year.

With the projected demand for electricity as such and the growth rate of demand for electricity at 4.2 percent per year, it is necessary to increase electricity production to meet the rising demand. PDP 2010 includes the development of electricity production from 2010 - 2030, with maximum investment cost of THB 4,218,785 Million, allocated to the electricity generation and power transmission are as follows.

Unit: Million baht

Years	Electricity generation business	Power transmission business	Total
2010–2020	1,690,908	328,209	2,019,117
2021–2030	1,778,618	421,050	2,199,668
Subtotal	3,469,526	749,259	4,218,785

Source : Development plan for Thailand's electricity generation 2010 – 2030 (PDP 2010) Department of Energy

3. Status of Competition

Nowadays, the domestic competition of Integrated EPC Contractor is not too severe due to the limited capability of each company in providing services, determined by important factors like the numbers of its capable engineers and its experience. The continuous expansion of petrochemical industry in 2014 along with limited EPC contractors mentioned above, allows for expectation that demand for industry's current EPC contractor is greater than supply. Hence the competition in bidding is not severe and there would be no price war like the construction industry.

Besides having strategic business alliances with major shareholders like Toyo Engineering Corporation, Chiyoda Corporation and Italian-Thai Development Public Company Limited, all of which are leading and prominent contractors in Thailand and Japan, in late 2011, the Company signed a memorandum of understanding with Korea Midland Power Co., Ltd. (KOMIPO) to explore business opportunities and collaboration related to Power business in Thailand and overseas. KOMIPO is a leading Korean international Power firm, specializing in Operation and Maintenance of power plants, industrial plants and technical consulting. In 2012, the company joined the bidding for construction of an Ammonium Nitrate plant, Vietnam in the nature of the Consortium with ThyssenKrupp Uhde GmbH and in 2013, the company also joined the bidding for construction of desalination plant, bio-chemical and power plant construction in the manner of the Consortium with Mitsubishi Corporation.

Sales Structure

Sale Structure of the company and its subsidiaries of each industries in 2011–2013 are as follows:-

Unit : Million Baht

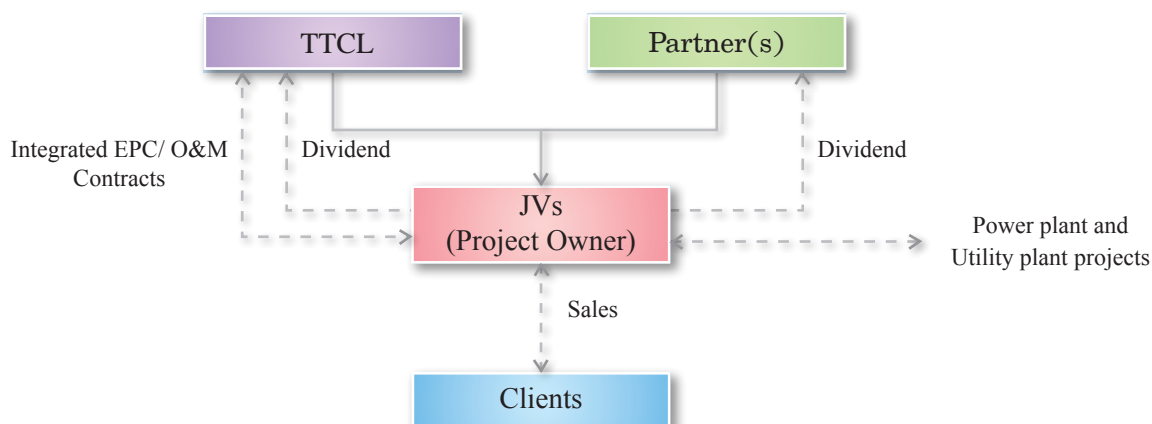
Industry	Operated by	2011		2012		2013	
		Amount	%	Amount	%	Amount	%
Petrochemical	Toyo-Thai Corporation Plc.	4,555.86	51.21	8,134.66	71.62	6,320.25	40.93
	Toyo-Vietnam Corporation Co.,Ltd.	642.03	7.22	274.23	2.41	1,638.63	10.61
	Toyo Thai Malaysia Sdn. Bhd.	727.67	8.18	1,424.26	12.54	594.77	3.85
	ToyoThai-USA Corporation	-	-	63.58	0.56	1,581.66	10.24
	Global New Energy Co.,Ltd.	-	-	-	-	4.14	0.03
Total Revenue from Petrochemical Construction		5,925.56	66.61	9,896.73	87.13	10,139.45	65.67
Power	Toyo-Thai Corporation Plc.	2,852.71	32.07	606.17	5.34	1,501.02	9.72
	Toyo Thai Malaysia Sdn. Bhd.	-	-	88.07	0.78	161.01	1.04
Total Revenue from Power Construction		2,852.71	32.07	694.24	6.11	1,662.03	10.76
Other	Toyo-Thai Corporation Plc.	118.16	1.33	649.31	5.72	3,534.00	22.89
	Toyo-Vietnam Corporation Co.,Ltd.	-	-	118.02	1.04	-	-
Total Revenue from Other Construction		118.16	1.33	767.33	6.76	3,534.00	22.89
Electricity Generation	Toyo Thai Power Myanmar Co.,Ltd.	-	-	-	-	105.11	0.68
Total Revenue from Electricity Generation		-	-	-	-	105.11	0.68
Grand Total		8,896.43	100.00	11,358.30	100.00	15,440.59	100.00

New Business Development Plan

New Business Model: The 2-Prong Strategy

Since 2010, TTCL Management has set the Strategic Business Direction to expand its businesses beyond its nature of business i.e. Integrated Engineering, Procurement and Construction (EPC) which TTCL has specialized for almost 30 years. With its strong financial status, TTCL has been able to not only undertake integrated EPC construction work but also simultaneously make joint-investment upon a mutual agreement with the project owner and justify the return on investment. TTCL is on a prompted-stand to seek these opportunities for optimization of its assets, as shown in the diagram below.

Parallel Investment Strategy



Evidenced in 2011, TTCL had implemented its first joint investment project with Navanakorn Electric Co., Ltd. (NNE), in which it acted both as the EPC contractor and preferred shareholders of 41.95% of the capital, equivalent to THB 642.66 Million. NNE's 110 MW power plant is entered into a 25-year Power Purchase Agreement (PPA) with Electricity Generating Authority of Thailand (EGAT) and TTCL expects to reap return from investment in the form of annual dividends from NNE's operation. The total investment cost for this project is approximately THB 6,000 Million.

In 2012, TTCL once again entered as the EPC contractor and common shareholders of 25% of the capital, equivalent to THB 62.50 Million of Siam Solar Power Co., Ltd., developing an 8 MW Solar power plant with 10-year power purchase agreement (PPA) with Provincial Electricity Authority (PEA). TTCL expects to earn a return from investment in the form of dividends from the operation. The total investment cost for this project is approximately THB 800 Million.

Furthermore in 2012, TTCL invested and co-founded Toyo Thai Power Corporation Pte. Ltd. (TTPSG), Singapore, holding common shares of 60% of the capital, approximates THB 765 Million (equivalent to USD 25.5 Million). TTPSG invested in Toyo Thai Power Myanmar Co., Ltd. developing a 100 MW power plant in Ahlone, Yangon with a 30-year PPA with Ministry of Electric Power, Republic of the Union of Myanmar. The total investment cost for this project is approximately THB 5,100 Million (equivalent to USD 170 Million).

In 2013, TTCL established Toyo Thai Power Holdings Pte. Ltd. (TTPHD) in Singapore, holding common shares of 70.18% of total capital, with value of THB 1,280 Million, equivalent to USD 40 Million. The objective of this set up is to support the regional investment in power plants business, which TTPHD will hold 100% shareholder's stake of TTPSG, investor of TTPMC for the power plant business. In addition, TTPHD is set to hold 100% shares of Toyo Thai Solar Power Pte. Ltd. (TTSP), also located in Singapore with a startup capital of THB 92 Million, equivalent to USD 3 Million for investment in Solar power plants.

Risk Management

Risk factors

Toyo - Thai Corporation Plc. has realized the importance of risk management as an essential tool to enable the Company to achieve its objectives and goals, adding value to the Company, shareholders and other stakeholders.

The Board of Directors has stipulated an effective risk management process in order to manage risks. Then risk management working group under the oversight of Risk Management Committee has assessed both internal and external risk factors that may affect the Company's goals. The working group and the committee have considered and determined the necessary risk treatment plan, reviewed the sufficiency of policies, control measurement and controlling approaches, to maintain any identified risks at acceptable levels and being aligned with current situation.

In 2013, the Committee monitored and reviewed an overall risk management process of the Company which covered 4 risk Categories: Strategy Risk, Operational Risk, Financial Risk and Compliance Risk. The result of risk assessment done by taking an impact and likelihood of those risks into account, has been rated as high, medium and low risk levels. For high risk, the responsible senior management would take immediate rectification. For medium risk, the responsible senior management will determine necessary risk management plan and responsible management will carry out and oversee the implementation of the plan. For low risk, it would be executed and controlled by normal processes of the Company.

For the conclusion, there is no high risk and there are 5 medium risks as the following;

1. Risk on joint venture income

According to the Company's business development plan to provide EPC services together with joint investment in the project (EPC & Project investment business). As the Company has taken more of large scale projects, both in Thailand and overseas. So the investment capital, revenue and profit of the projects would have directly related to projects' scale. If there is any mistake in the execution of these large scale projects with high value, the liquidity and financial status of the Company may be significantly affected.

However, before decided to invest in any project, the management would make an appropriate selective screening regarding to the projects and co-investor. The investment climate, project's feasibility, project's potential including the stability and continuity of project's return should be studied and considered for investment worthiness.

The Company will find out and compare the funding terms from each funding source, and try to choose the one that would be suitable with the needs of the Company. The qualification, experience and financial status of project's co-investor should also be considered, whether they are appropriate for the Company to co-invest with or not.

2. Risk from larger domestic and international project

From the Company's policy to expand its capability to taken bigger project, both domestic and international. If there is any mistake in the execution of these projects, the financial status of the Company may be significantly affected, especially for overseas projects. The execution of projects in foreign countries would have additional risks due to unacquainted with foreign business environment, social, cultures, law and regulations including political situation in such countries. Then before bidding in each project, the Company will analyze risk factors concerned with the project and will endeavor to minimize those risk factors as much as possible.

The Company policy in execution of oversea project is to aligned with local partner to minimized the risks derived from unacquainted with foreign business environment, social, cultures, law and regulations including political situation in that countries. The Company has emphasized that responsible project manager and management for the project must be carefully planned for project execution and monitors their progress closely to prevent an occurrence of potential problems.

In addition, for large scale projects both in Thailand and overseas, projects manager and responsible management shall prepare and implement project execution policy which taking into account the financial burden by attempting to identify the timing and amount of currency to be used in the project and communicate with finance department in advance, so the financial management for these projects would be done appropriately.

3. Risk on short term project and Risk from delayed handover the project to customer

For engineering design, procurement, and construction services business, the contract in general, will specified the project completion and handover date in advance, including liquidated damage compensation in case of the contractor fails to complete and handover the project on time. The liquidated damage compensation is different in each contract and could result in increased project costs until the contractor experienced loss.

Besides, the delay of project could also ruin contractor's reputation and cause them to lost the trust from other customers or loss their business opportunity in the future. So what has to be carefully considered is the project completion and handover date. Since each project would take an unequal time to execute, if the Company has been agreed to undertake the project without considering for the project's constructability, the Company may be faced with the problem of delayed handover which followed by penalty and other damages compensation that would affected Company's revenues and profits.

The Company has realized the damage that may occur from taken the project which has short time frame. Then before undertook any project, apart from information and data from project owner that are evaluated to determine the duration of project execution it also required the Company's experience, knowledge and skills to assess the possibility of the entire operation which should be consistent with the reality and the Company would used lessons learn from previous projects to improve project execution plan to be more concised and appropriated, to prevent problems and obstacles that may occur. So the project should be completed as specified in the plan.

In addition, the delayed on project handover may cause a breach of contract and the Company would be responsible for compensation payment. It may come from various reasons, for example, the complexity of the project, ineffective project management, delay of subcontractor's work, delay of delivery of machine, equipment and construction material by suppliers and the problem of weather which are the obstacles to carry out the projects to complete as planned.

The Company recognizes the damages that could arise from the delayed on project handover, either the liquidated damages payment or the loss of reputation. Then the Company has assigned the Planning and Project Control Division to monitor and control the execution of each project closely therefore, the management would know the progress and situation of each project and could provide the assistance to resolve any issues that may occur in a timely manner which makes an execution of various projects of the Company to be more effective.

4. The risk of supplier unable to deliver equipment as agreed by contract

Due to economic problems that occurred in many regions of the world may affect the suppliers who operate or locate in that region and cause the Company to face with problem arised from unable suppliers to deliver equipment as the agreed quality and time schedule as in the contract.

The conclusion of Company of the risk on such events can be reduced and controlled by considering an additional control measurement for the suppliers which are likely to be at risk of inability to deliver equipment with the agreed quality and time schedule in the contract, such as in the suppliers selection process. The responsible person should use information regarding to financial status of the suppliers as an evaluation criterion along with onsite assessment at the premises of the suppliers or to increase the frequency of inspection and /or monitoring during production period as appropriate.

5. Risk from foreign currency exchange

Other than the change in price of machinery, equipment, and construction materials, the project cost may also be vary by the result of currency fluctuation. In order to reduce the risk currency exchange volatility, the Company manages the risk by means of Natural Hedge or entering into a Currency Forward Contracts with financial institutes. Normally, the Currency Forward Contract maturity could be specified within one year and will have the assigned responsible person for these contracts.

Corporate Governance Policy

The Company aims to manage our business according to corporate governance principles and comply with regulations of The Stock Exchange of Thailand and the Office of Securities and Exchange Commission to encourage the company's competitiveness, growth and long-term shareholder value, taking into account the interests of other company stakeholders

The Company's corporate governance policies are divided into two parts, the principles and the recommended best practices are presented in 5 categories, namely;

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Right of Stakeholders
4. Disclosure and Transparency
5. Board Responsibilities

Recognizing and valuing the principles of good corporate governance, the Company has devised a clear policy for strict conformance as follows:

1. Rights of Shareholders

The Company recognizes the importance of good corporate governance and values the shareholders' right by encourages the shareholders to exercise their rights including legal fundamental rights such as the right to attend and vote in the shareholders' meeting, the appointment or removal of directors, the remuneration of directors, the right to share in the profit (Dividend), the right to receive adequate information, etc.

Beyond such fundamental rights, the Company endeavors to provide essential information to shareholders via website, to arrange the Company's site visits, etc.

The Company held the Annual General Meeting of Shareholders (AGM) every year within four months after the end of each fiscal year. If there is an urgent need to consider any special matter that may or in connection with the interests of shareholders, which need shareholders' approval, the Board of Directors can call an extraordinary meeting of shareholders on case by case. In 2013, the Company organized AGM on April 5, 2013 at Head Office 27th Floor Serm-mit Tower with a total attendance of 92 shareholders comprising of 92 shareholders and 599 representatives by proxy, representing 394,814,765 shares or 82.25 percent of the total issued share capital of the Company. The meeting was organized in accordance with the processes and procedures of the AGM Checklist, which prepared by Thai Investors Association (TIA) as follow:

Before the AGM

- Provide an opportunity for shareholders to propose agenda and to nominate director candidates to be elected in the 2013 AGM, by which the details and procedures are placed in the Company's website at least 3 months prior to the year ended. The shareholders who wish to propose agenda or nominate director candidate must be one single shareholder or several shareholders together hold the Company's shares at least 5 percent of total voting rights of the Company.

- Send invitation notice, meeting agenda with the opinion of the Board of Directors along with proxy forms, comprised of form A, B, and C (for foreign shareholders that have appointed custodians in Thailand), in accordance with the Ministry of Commerce together with other supporting information in both Thai and English. The Company shall publish these items on the Company's website prior to the delivery of the meeting notice at least 30 days in advance of the AGM.
- Prepare AGM meeting notices that clearly specifies meeting venue, date, time, agenda, and matters to be proposed to the meeting together with appropriate detail. The opinion of the Board of Directors, minutes of the previous meeting, annual report, all proxy forms and other relevant documents shall also be provided and distributed to shareholders not less than 14 days prior to the meeting. This is to ensure that the information related to voting decision received by the shareholders is sufficient, accurate, complete and transparent. The information must also be announced in the newspapers in Thai for three consecutive days and at least three days prior to the AGM for the shareholders to prepare themselves in joining the meeting.

On the Date of the AGM

- To facilitate all shareholders at the meeting date. Adequate number of officers shall be assigned to welcome and check registration documents. The Company will make registration process available two hours prior to the meeting, by using bar code system to shorten the registration process. Furthermore, after this registration period has lapsed, shareholders who wish to attend the meeting can register to attend without losing their rights.
- Arranged each shareholder's meeting at a venue that is convenient, easy to access, and adequate size in Bangkok or its vicinity under good security and set up an emergency plan to increase confidence and security to all shareholders during the meeting.
- The bar code system was implemented to facilitate the shareholders' registration process and counting of vote for accuracy and more convenience.
- The Company must not deprive the rights of shareholders to attend their meetings. All shareholders can exercise their rights to attend the entire meetings.
- Before the meeting, the Chairman of the Board will clarify rules and criteria in relation to the meeting, such as the opening of the meetings, voting procedures, and counting of shareholders' vote for each session, in accordance to the Company's Article of Association.
- The Company has specified director's interest in the invitation letter and in the AGM. If any directors have particular interest or involved in any agenda, chairman of the meeting must notify the participants prior to the meeting. The directors involved in the interests must not participate in the meeting and must abstain from voting on such matter.
- The Company shall support the shareholders to exercise their rights in protecting their own interests by asking questions, expressing opinions, and making

recommendations at the AGM. The shareholders also have rights to participate in the decision of important issues, which may affect the Company, for instance, the appointment or removal of directors, the selection of nominees to become independent directors, the approval of auditors, the dividend payment, the reduction or addition of capital funds, set or revises rules and regulations, and the approval of memorandum items, etc.

After the AGM

- The Company must prepare the minutes of the shareholder's meeting and shall notify the Stock Exchange of Thailand (SET) within 14 days after the meeting, in accordance to the SET regulations, and disseminate full details of the meeting. This includes complete and appropriate records of the meeting, voting and questioning process of the shareholders in each session, along with the allocation of video recordings of the AGM for their acknowledgment in the Company's website (www.toyo-thai.com)
- Consider the recommendations and opinions received from the shareholders in the quality assessment of the AGM to make improvement plan for the following AGM.

2. Equitable Treatment of Shareholders

The corporate set policy on conflict of interest of Committee, Management and employee, as part of code of business ethics and of code of conduct. Generally the corporate policy is set to avoid conflict of interest when corporate members focus on their private interest against corporate objectives and execution. For example, corporate members, Committee, Management and Employee are anticipated to avoid conflict of interest concerning corporate business with customers, manufacturers, vendors even business competitors. All members are anticipated to abstain from any activities that could cause conflicts of interest and serve self-interest. Moreover all members must avoid to do property trading with advantage of confidential information.

3. Right of Stakeholders

The corporate realizes the legitimate right of stakeholder such as employee, board of directors and subsidiaries as well as all business partners who have been engaged with corporate working as specified function in agreement.

Whistle-blowing is a measure to report to committee a suspected illegal conduct, falsified financial statement, failure of internal controlling system or a unethical conduct.

The corporate recognize that social and environment influence to business operation therefore the corporate is aware of all laws and regulations

4. Disclosure and Transparency

Disclosure Information of Board of Directors and Executive Management Remuneration Fee and Shareholding

Information of the Board of Directors and executive management remuneration fee and shareholding must be reported in the annual registration statement (Form 56-1), annual report (Form 56-2), and also published at the Company's website. Under Article 59 of the Securities

and Securities Exchange Act, directors and executives must report their share portfolios with each purchase, sale, or transfer of shares to SEC.

Disclosure Information of the Company

The Company shall disclose information on material matters regarding the Company, including financial reports, non-financial information and other information as stipulated by SET and SEC that are accurate, clear, complete, easy to understand, transparent, adequate, reliable and timely, and which have been screened according to prescribed procedures. The Company disclosed information to ensure equitable access by shareholders in the following channels:

- SET's Community Portal system and SEC
- Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2)
- Company's website at www.toyo-thai.com in both Thai and English
- Company's company visit and analysts meetings
- Road shows for both domestic and overseas investors
- Annual exhibition such as SET in the City and Money Expo
- Invitation to the AGM via post

Besides, the Company establishes the internal control policy within each department or section to prevent confidential information from being disclosed to the public prior to formal announcement. Employees must not apply the Company's confidential information for personal or others' gains. They should maintain inside information and sensitive documents that could lead to undue exploitation for themselves, their families, or their associates, including any information influencing stock prices and the Company's proprietary commercial secrets, formula, and inventions. Those who disclose important information and news to outsiders without approval from the Chief Executive Officer shall be subject to disciplinary action according to Company procedures and may face legal action.

Information Disclose in the Company's Website

To ensure that the shareholders, investors, and interested persons can quickly search and retrieve the Company's public information, the Company provided the following information in both Thai and English via Company's website.

- About Toyo-Thai Corporation Plc. comprises of visions, missions, business and products, organization charts, etc.
- Corporate Governance (CG) comprises of Code of Ethics, code of conduct, Board of Directors, Sub-Committees Directors, Management, Board Charters, etc.
- Investor Relations (IR) comprises of financial information, stock information, shareholder information, etc.
- Corporate Social Responsibility (CSR) comprises of CSR activities, for example, Educational Support Project, Environmental Development Project, Social Support Project, Human Resources Development Program and etc.

- Corporate News comprises of executives in the news, Chief Executive Officer (CEO) articles, etc.

Investor Relations

Toyo-Thai attaches great importance to investor relations which is performed duties with utmost responsibility, integrity, and dedication on disclosure of correct, reliable and adequate Company information to investors, analysts and other related parties in a fair, transparent and comprehensive manner.

The Company has set up the Investor Relations Department as a focal point in conducting proactive investor relations activities, according to best practices of leading international organizations, to promote effective communication channels with investors, analysts and other related parties. Opportunities are also provided for investors to raise questions and receive Company information through various channels, such as the Company's road shows are participated in with domestic and international investors; presentations for analyst meetings; report on the operations of Investor Relations to the Board of Directors quarterly; publish the results of the operation in webcast on the Company's website; provide shareholders and institutional investors to visit and meet business executives in order to generate understandings in the business of the Company.

Investor Relations

Mr. Gobchai Tanasugarn

General Manager

Finance Division & Investor Relation

- 159/41-44 Sermmmit Tower 27th – 30th Floor, Sukhumvit (Asoke) North Klongtoey Wattana Bangkok 10110
- Telephone 0-260-8505
- Facsimiles 0-260-8525-6
- E-mail ir@toyo-thai.com

5. Board Responsibilities

The Corporate Board consists of qualified and experienced in development and stipulation business trends, policy and corporate strategy with corporate objective to internal control system, internal audit, risk management and revision procedure to ensure that operation is compliance with applicable laws and reasonable decision.

(A) The Board of Directors

As of December 31, 2013, Board of Directors are consists of 9 members;

- 2 members of Executive director
- 7 members of non-executive director
(including 3 members of Audit committees)

The corporate nominates a secretary, organizer for the meeting arrangement, invitation letter sending, minutes of meeting record and other duties that are related to general

responsibility as well as information filing of Committee and Management with their accomplices.

(B) Subcommittee

The Board of Directors nominated Audit Committee for corporate internal audit which consists of an independent director, having qualification as the announcement of The Securities and Exchange Commission (SEC) and of The Stock Exchange of Thailand

(C) Duties and responsibilities

The corporate Committee has duties and responsibilities with compliance of concerned laws in order to consider and approve the corporate important business matters as well as to give priority to good governance and commitment in principle as follows;

- Operation with competence in order to generate value added to long-term business and management with carefulness and with avoidance to conflict of interest
- Business execution with transparency as well as disclosure
- Orientation of regulation as standard of business execution for Committee and Employee's behaviour.

Corporate organizer will do annual report related to all activities and corporate turnovers in order to propose to Shareholders for consideration and approval.

The corporate gives priority to internal controlling system for both management and operational levels therefore the corporate stipulates its system and coverage procedure accumulating in Company Operation Document.

The corporate nominates Audit Committee to audit and to comment on transaction which applicable laws stimulate to be audited by Audit Committee such as the related party transactions, are affected or conflicted to interest upon case by case to ensure that each item as proposed is used to reach the highest benefit of the company. These all items will be reported in annual report and the annual registration statement (Form 56-1) as well as statement of financial notes.

(D) Board of Directors' meeting

Board meetings are scheduled in advance so that directors can schedule themselves to attend. The Company is responsible for preparing and delivering the meeting agenda and relevant documents to all directors well in advance. Given adequate preparation time, Directors must investigate and make sound decisions. The Company regulations call for the board to meet at least once a quarter, with at least half of the total board in attendance to make a quorum, with additional meetings as necessary. In 2013, the Company managed a total of 6 Board of Directors Meetings, and one Non-executive Directors Meeting. The meeting invitations are delivered to directors at least 14 days prior to meeting date to give them enough time to study, deliberate, make sound decisions on all agenda items, and schedule themselves properly to attend each meeting.

A clear agenda is set for each meeting and adequate supporting documents are distributed sufficiently in advance to allow directors to thoroughly review the details. Minutes of Board meetings, including its meeting outcomes must be made clear for future reference. Details of meetings of the Board of Directors attendance at each meeting in 2013 are provided in Board Meeting Attendance.

(E) Remuneration

It is the Company's policy to compensate Directors and Management at reasonable levels to motivate and retain quality directors, or at levels comparable to industrial practices. Remuneration is linked to the Director's performance and responsibility as well as the Company's performance and benefits to the shareholders. The Nomination and Remuneration Committee sets the remuneration principles, payment method, and reports the nomination and remuneration performance to the Board of Directors for approval at the AGM. Details of remuneration payments to Directors and management in 2013 are set out in Director & Management Remuneration.

(F) Developing of committee and management

The Company will encourage directors to join the training courses which to be organized by Thai Institute of Directors Association (IOD) to realize their duties and responsibilities.

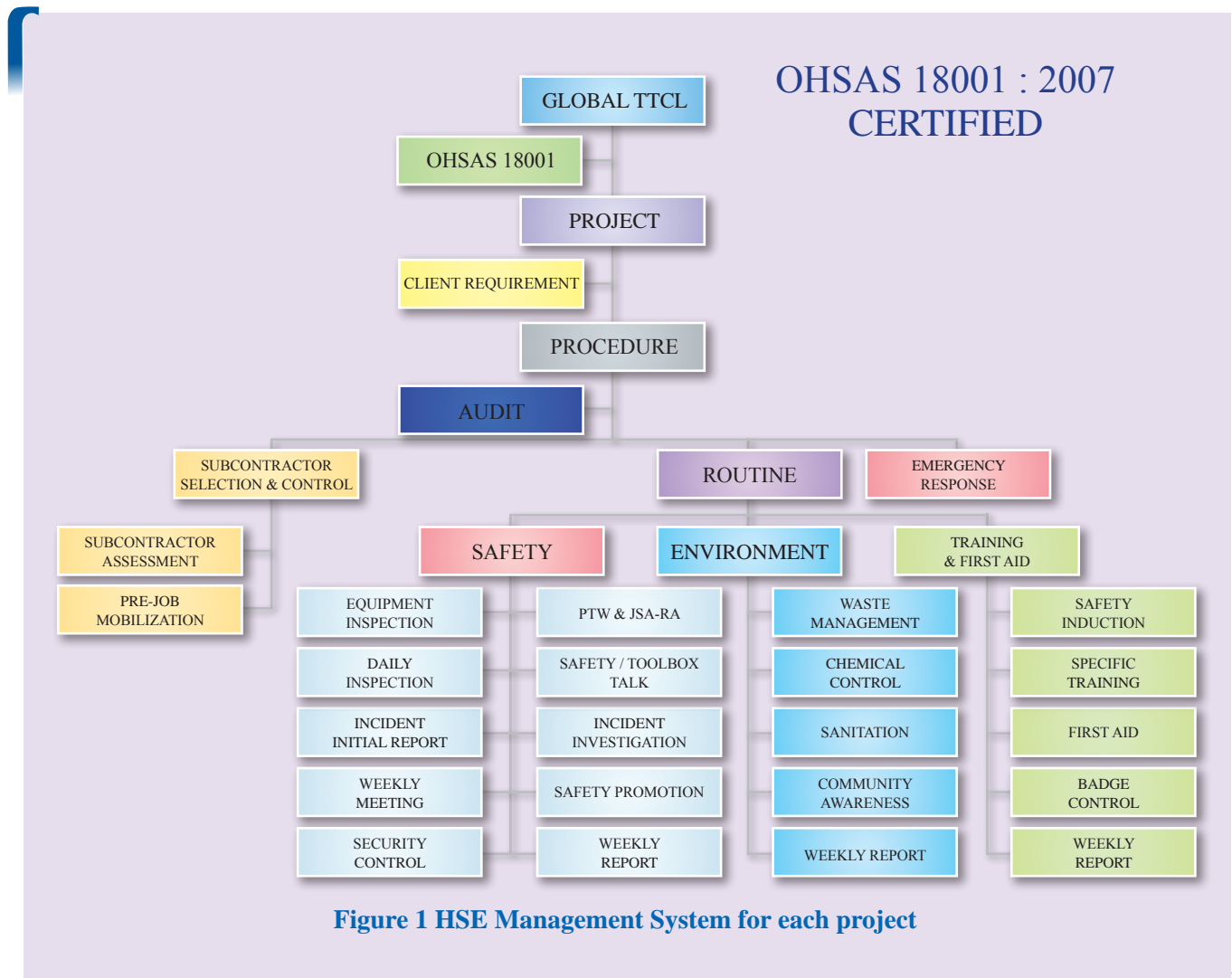
Occupational Health, Safety and Environment

In 2013, TTCL has continuously emphasized the importance of Occupational Health, Safety and Environment Management System to be in line with international standards, OHSAS 18001:2007 and TIS 18001:2011. The managerial systems and improvement will be carried out as on-going concern process.

TTCL, therefore, has overlaid the operational frameworks for HSE Department, as depicted in Figure 1, to ensure that projects implementation under TTCL's responsibility will be well protected both in terms of human resources and properties achieving minimal environment impact and maximum quality and efficiency. Generally, TTCL classifies the nature of works into 2 types;

1. Routine work consists of Occupational Health, Safety & Environmental impact protection, Training and First Aid works.

2. Emergency response work



Occupational Health, Safety and Environmental Performance

Target	Proceeding Method
Lost prevention and Environment & Community impact protection	<p>All risks have been controlled, prevented and mitigated by HSE programs such as Lifting Plan, Risk Assessment, Job Safety Analysis (JSA), Equipment Inspection, Permit to Work System, HSE Weekly Audit & Weekly Meeting as demonstrated in Figure 2 and 3.</p> <p>Training will be provided before commencing of works. TTCL staffs are also equipped with specialty training in a specific area of risks so that they can identify any exposure and protection, consequently, promoting a more safety working environment.</p>
Emergency response	Regularly Emergency Response plan will be tested to ensure that the project team will be at capacity handling them promptly and efficiently. Sample is illustrated in Figure 4.
Environmental impact reduction & control and community participation	<p>Project Implementation will follow the environmental impact protection standard as described in the Project's Environmental Impact Assessment (EIA) report.</p> <p>In addition, TTCL has participated in the local community's activities such as joining Afforest campaign and Safety day projects (Figure 5).</p>



Figure 2 Equipment inspection



Figure 3 HSE Weekly Audit & Weekly Meeting



Figure 4 Emergency drill



Figure 5 Community participation & Safety Day

For 2014, TTCL 's HSE Department will focus on enhancing staffs' skill with an aim to achieve maximum efficiency.

Corporate Social Responsibility (CSR) & Human Resources Development Programs

Social Responsibility

Since the beginning, Toyo-Thai Corporation Plc. has conducted its business with a strong concern on social responsibility and for the communities surrounded project areas, supporting and initiating several social activities continuously, for example, Educational Support Project, Social Support Project, Human Resources Development Programs and etc.

Projects in 2013

Educational Support Project

- Children's Day Activity at Ban Nong Pla Lai School, Tambol Nong Pla Lai, Amphur Wang Sai Poon, Pichit province. The Company donated 20 sets of computers, textbooks, storybooks, educational materials, clothes, toys and etc.



- The Company donated 92 sets of Engineering handbooks to Central Library, King Mongkut's Institute of Technology Ladkrabang.



- The Company continue donating books and book shelf under the project name **"Bright Future for 1,000 Schools by Books Donation"** to Ban Khlong Sai School and Wat Ban Khai School in Rayong province whereas the Company constructed a "two stories of school building" to both schools since year 2009 and year 2010 respectively.



- The Company donated 10 sets of computers and educational materials to Ban Huay Phlap School in Prachuap Khiri Khan province.

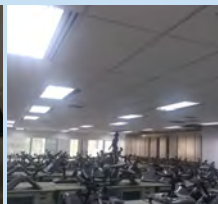
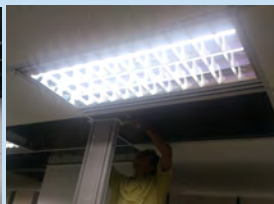
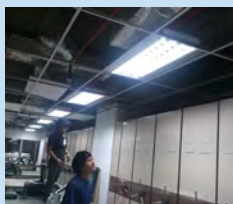


The Company has intention to continuously donate educational materials, enhancing learning opportunities for upcountry juvenile who have fewer opportunities than the ones who live in the city.

Environmental Development Project



- “Team building by reforest the mangrove” for enhancing green area to reduce Global Warming in Chanthaburi province.



- The Company encourages to use LED (Light Emitting Diode) light bulbs instead of Fluorescent in TTCL Office to save energy and reduce global warming.

Social Support Project



- The Company donated THB 10,000 to JICA Alumni Association of Thailand, for “2nd Memorial Event” to victim of Tsunami in Thailand and Japan at Wat Benchamabophit Dusitvanaram (Marble Temple).



- The Company donated 400 blankets worth 188,000 Baht to United Nations High commissioner for Refugees (UNHCR) for supporting refugees in Thailand.



- The Company donated 10,000 Baht - together with government & private sector, to jointly providing upper-body clothes to the Society of Emergency Working Group on the occasion of opening ceremony of the emergency practice project at Ban Chang Municipal District.



- The Company donated 1,678 sunglasses worth 85,217.50 Baht to Thai Red Cross Eye Bank for helping Ophthalmic patients in up-country.

Human Resources Development Programs

The Company not only emphasizes on educational and social support but also becomes highly aware of the importance of human resources which is the Company's valuable resource and a major drive of the Company's success. Therefore, the Company has added value and developed personnel to stabilize their long term capability by providing them a wide range of knowledge and skill trainings annually as the followings;

Knowledge and Skill Development Programs for Engineers

- “English Conversation Program” to develop English skill for engineers and employees to communicate more effectively with foreign customers and suppliers.



- Basic Engineering Course for new engineers during March-December 2013.



- Executive & Staff participated a seminar on a topic of “How to Success in Management Execution” at Phowadol Resort & Spa, Chiang Rai province.



- To provide a seminar to improve good and strong relationship among employees on a topic of “Sustainable advancement along with Toyo-Thai” at Ban Sabay Sabay Resort, Mae Rum Pueng Beach, Rayong province.



- A seminar to motivate the operation level on a topic of “Project Engineer / Field Engineer Seminar Workshop (2nd)” at Pattaya Park Beach Resort, Pattaya City, Chonburi province.



Health Conscious Programs



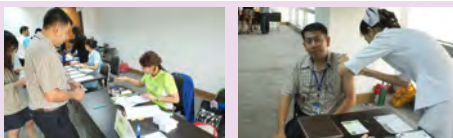
- The Company participated with Social Security Office Area 12 to donate blood for dedication His Majesty King Bhumibol Adulyadej at Assumption Association.



- The Company invited an officer from Social Security Office to present the information on Social Security Fund to employees.



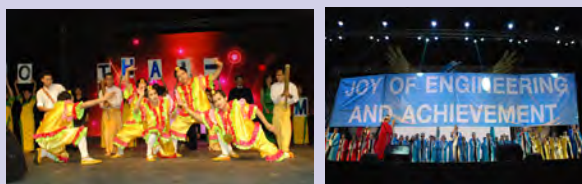
- The Company conducted a training course at the head office under the topic of “ First Aid and Rescue ”.



- Health conscious programs.



- Staff's New Year Party is held to strengthen relationship among Management and Staff.



- The Company provides child care centre at TTCL Head Office, Sermmitt Tower for employees' children.



Auditor's Remuneration

The Company and its subsidiaries' annual audit fees for the year 2011–2013 are as followed:-

Unit: Baht

Year	2011	2012	2013
The Company	1,800,000	1,980,000	2,200,000
Subsidiary Companies	557,700	893,125	2,375,950
Total	2,357,700	2,873,125	4,575,950

Connected Transactions

Value and Outstanding Amount of Connected Transactions that might lead to Conflict of Interest

For 2012 – 2013, the Company has connected transactions with the related parties as follows:

Unit : Thousand Baht

NAME / BUSINESS	RELATIONSHIP	TYPE	VALUE OF TRANSACTIONS		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2012	2013	31 Dec 2012	31 Dec 2013	
1. Toyo Engineering Corporation – Japan “TEC” / EPC Contractor	TEC is main shareholder in TTCL at 22.29% of Paid-Up Registered Capital (Jun. 2009 – Nov. 2013 = 26 % Holding) with a jointed director, Mr. Makoto Fusayama.	Service Income	219	-	-	-	In 2012 TTCL’s revenue generated from TEC were THB 0.22 million (2013, None). The Company had provided engineering services & custom services to Toyo Engineering Corporation – Japan The Audit Committee considered the transaction was done in a normal course of business practice.
		- Cost of construction and services	46,216	3,968	-	-	Cost of the operation in 2012-2013 were engineering service and technical advice provided to the Company

NAME / BUSINESS	RELATIONSHIP	TYPE	VALUE OF TRANSACTIONS		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2012	2013	31 Dec 2012	31 Dec 2013	
							The Audit Committee considered the transaction was done in a normal course of business practice.
		- Trade Account Payable	-	-	3,216	-	Trade Account Payable 2012 were engineering service and technical advice provided to the Company The Audit Committee considered the service charged was similar to service fees paid to others and carried out in the Company's interest.
2. Toyo Engineering & Construction Sdn. Bhd. (Malaysia) / EPC Contractor	TEC is main shareholder at 30%	- Services Income	-	-	-	-	- None-.

NAME / BUSINESS	RELATIONSHIP	TYPE	VALUE OF TRANSACTIONS		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2012	2013	31 Dec 2012	31 Dec 2013	
3. Italian-Thai Development Plc. (“ITD”) / Construction, Contractor	2012 to 2013, ITD held 3.83% and 3.29% respectively in TTCL’s paid-up registered capital. In 2012 and 2013, One of ITD’s major shareholders, Mrs. Nijaporn Charanachitta, represented one seat of TTCL’s board of directors.	- Cost of Construction and Service	-	-	-	-	- None-.
4. Global New Energy Co., Ltd.	Related party as 40% of its shares was held by the Company.	- Services Income - Revenue from reimbursement for prepaid expenses the Company made for the Related party.	10,281	10,678	4,095	-	Global New Energy Co., Ltd. solicits Renewable Energy EPC projects for the Company. 2012 and 2013, the Company provided engineering and consulting services to Global New Energy Co., Ltd. and made a prepaid expenses for Global New Energy Co., Ltd. - The Audit Committee considered the transaction was done in a normal course of business practice.

NAME / BUSINESS	RELATIONSHIP	TYPE	VALUE OF TRANSACTIONS		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2012	2013	31 Dec 2012	31 Dec 2013	
		- Cost of Procurement	332,392	-	-	-	Cost of the operation in 2012 were Procurement service provided to the Company - The Audit Committee considered the transaction was done in a normal course of business practice.
5. CHIYODA CORPORATION (Thailand)	In 2012 and 2013 CHIYODA CORPORATION (Japan) hold 7% and 6% respectively in TTCL's paid-up registered capital. TTCL's shares.	- Construction and Service income	1,334,925	971,183	356,915	-	In 2012 and 2013, the Company provided engineering, consulting, and procurement services to Chiyoda Corporation (Thailand) amounting THB 1,334.92 million and 971.18 million respectively. The Audit Committee considered the transaction was done in a normal course of business practice.

NAME / BUSINESS	RELATIONSHIP	TYPE	VALUE OF TRANSACTIONS		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2012	2013	31 Dec 2012	31 Dec 2013	
6. SIAM SOLAR POWER COMPANY LIMITED.	Related party as 25% of its shares is held by the Company.	- Construction and Service income	458,223	4,629	22,643	4,457	<p>Siam Solar Power Co., Ltd. had operated business Solar Power Plant.</p> <p>In 2012, and 2013 the Company provided engineering, consulting and procurement services to Siam Solar Power Co., Ltd. amounting THB 458.22 and 4.63 million respectively. The Audit Committee considered the transaction was done in a normal course of business practice.</p>
		- Retention (Receivable)	-	-	40,814	45,822	<p>In 2012 and 2013, the Company provided engineering control, advices, and procurement services to Siam Solar Power Co., Ltd., Which had withhold retention amounting THB 40.81 and 45.82 million that will release to Company when Project Complete.</p>

NAME / BUSINESS	RELATIONSHIP	TYPE	VALUE OF TRANSACTIONS		Outstanding as of		Audit Committee Comments for Transaction Rationality
			2012	2013	31 Dec 2012	31 Dec 2013	
							The Audit Committee considered the transaction was done in a normal course of business practice.
7. 8 COINS CAPITAL PTE, LTD.	Shareholder in Toyo-Thai Power Holding Pte,Ltd as:- - 8 Coins Capital Pte,Ltd. hold 14.91% -Toyo- Thai Corporation Public Company Limited hold 70.18 %	- Short Term Loan to Toyo-Thai Power Holding Pte, Ltd. - Interest Expenses of Short Term Loan from 8 Coins Capital Pte, Ltd.	-	-	-	-	In 2013, Toyo-Thai Power Holding Pte, Ltd. had loan from 8 Coins Capital Pte, Ltd. for support operated business Power Plant at Myanmar which had repayment to them in Year 2013 Short Term Loan from 8 Coins Capital Pte, Ltd. had interest rate as 10% per year that in line The Saving Interest Rate of bank in Myanmar. The Audit Committee considered the transaction was done in a normal course of business practice.

Transaction with Related Parties

Measure and procedure of approval for making connected transaction

The Company will arrange to have a department responsible for transaction verification in relation to reasonableness, general trading terms and conditions, and other details of the transaction to be in the normal course of business. The Company shall proceed as following.

- 1) In case of general trading terms and conditions as well as normal course of business, the board of directors or the person assigned by the board of directors shall proceed with the transactions and shall report those transactions to the Audit Committee quarterly.
- 2) In any case other than 1) above, the transaction shall be reviewed and provided with opinions by the audit committee prior to the submission for approval by the board of directors and/or shareholders.

After the initial public offering, the board of directors shall manage the Company in accordance with the Stock Exchange of Thailand (SET)'s rules, regulations, instructions, and notifications as well as in compliance with the requirement in information disclosure regarding connected transactions or acquisition/disposition of assets of the Company and its subsidiaries and also in compliance with the Thai Accounting Standard (TAS).

In case of connected transactions, the audit committee shall review and provide opinions in terms of its necessity and reasonableness by considering the conditions to be in line with normal course of business and general trading terms and conditions of the Company. The Company may appoint a professional or the Company's auditor to provide opinions regarding the connected transactions to the audit committee and/or the board of directors and/or shareholders as necessary for the best interest of the Company and transparency of the transactions. The Company shall disclose the connected transactions in the notes to its audited financial statements.

The Company has set up the scope of normal trade transaction for the Company and its subsidiaries, the transaction shall have the nature of normal trade terms and conditions per the following details:

Normal Course of Business shall refer to:

The provision of integrated engineering, procurement and construction services including consultancy to industrial clients or other project's contractors, both individual and juristic person.

The purchase of raw material, construction material, consumable goods, machine and equipment, as well as the engagement of a sub contractor, which is required in the Company's business operation including other expenses normally incurred in the business course such as warehouse rental fee, transportation charge, etc. from an individual or a juristic person.

Fair Price shall refer to:

The price in which the buyer and the supplier agree to exchange goods or services when both parties have knowledge and willingness to enter into an agreement and the price is independently negotiable. The price shall be specified based on a market price, resulting from an independent negotiation on the same basis for all parties.

Policy or tendency of further connected transactions

There may be a doing connected transactions by the Company in the future that need to comply with the law concerning securities and exchanges, regulations, notification, orders or rules of the Stock Exchange of Thailand including the Accounting Standard Re: the Disclosure of information concerning Related Persons or Activities, required by the Institute of Certified Accountants and Auditors of Thailand.

Measure for conflict of interest with third party who has other types of conflict of interest.

In addition to connected transaction, the company has connected transaction with the other party who may have conflict of interest i.e. collaboration as consortium or compete in business. The company has measurement as follows:

Work together with other company as consortium

In case of jointly bid or work together as consortium, the company and its consortium member will jointly consider scope of work and responsibility in each section of such project base on its specialized and competitiveness. The consortium will have chance to win if there is suitable scope of work and responsibility of each members. Each consortium member will prepare proposal on its scope and combined each party proposal to be consortium proposal.

To prepare proposal, the company considers that the proposal shall be benefit to the company. The proposal is prepared based on accurate actual cost plus appropriate profit with approval from the Board of Directors and Board of Management. Audit Committee will review scope of work and benefit sharing amount consortium to ensure that such division of scope of work is reasonable and maximize benefit of the company.

In Consortium Operation, the Company and consortium members will separately be responsible for income and expenses in accordance with each party's scope of works.

Competition between the Company and the third party which is defined as Conflict of Interest Transaction

In competition, the Company has never practiced a conflict of interest transaction. Competition with any third party. ITD, for example, engages in Civil Engineering for large scale infrastructure projects and essentially differs from the Company's core businesses, integrated EPC. Competition, if any, will not be directly effect to the Company. In terms of transparency and fair competition, ITD might be involved as subcontractor provided that it

has conformed to the Company's criteria and procedures in subcontractor selection and its offering is best for the Company's benefit compared to others.

For TEC who appears to be in the same business, relationship seems to be more on supportive to the Company rather than competition. In bidding for a project, factors that bar competition between TEC and the Company are as follow:

- TEC emphasizes its efforts to project size over USD 500 million while the Company is focusing on USD 300 – 500 million project.
- Technological complexity and past experiences (Track Record) required for a specific project.
- Relationship and Customers' Preferences.
- Fixed cost differences between TEC and the Company. This also holds true for competitors from other developing country like Korea. Entry for low scale competition is impossible due to their high fixed costs.

For other companies within in TEC group and located in other countries, some of them concentrate only in a specific area or scope of EPC, therefore, their engagement differ from the Company's nature of businesses, integrated EPC contractor. For this reason, from the Company's point of view, theses companies act as global network and risk mitigation rather than competitors whenever overseas assistance from overseas is required, local subcontractor dealing, suppliers negotiation, etc.

Same for CHIYODA Corporation who currently holds 6% of the Company's Shares and a Thai subsidiary, namely CHIYODA (Thailand) Co., Ltd., relationship seems to be more on supportive to the Company rather than competition.

Besides, considering the balance of the Company's shareholders structure and board of directors, the shareholders can be categorized into 6 groups, (1) TEC, 22.29%, (2) CHIYODA, 6%, (3) ITD, 3.29%, (4) direct holding by the Company's management, 9.11%, and indirectly holding by the Company's management through Global Business Management Co., Ltd., 6.90%, (5) the Company's employees 1.32%, and (6) other investor, 51.09%.

In addition, the management structure is designed independently apart from any group of shareholders' influence. The Board of Directors consists of 9 seats, Independent Directors (3), TEC's Representative (1), CHIYODA's Representative (1), ITD (1), and Executive Directors (3). None of these shareholders represents in the Board of Management, therefore, decision being made will be carried out under business norm and free of any shareholders' interference.

The Audit Committee's Comments on Related Party Transactions

The Company's related transactions are considered and addressed by its Audit Committee to ensure that they are normal business transactions with no special conditions and no transfer of interest among the Company, subsidiaries, associate companies, related companies or shareholders. In addition, regarding pricing, the policy for related transactions between the Company and related business is similar to the policy between the Company and non-related persons/businesses and carried out in the Company's interests.

The Company's Dividend Policy

The Company has a policy to pay dividend at the rate of not less than 50% of the net profit after tax and reservation required by law. However, the Board of Directors of the Company has the authority to consider the exception of compliance to this policy or change the policy from time to time but subject to the conditions that in all aspect it shall be proceeded for the best benefit of the shareholders for example to maintain the reserved fund to repay the loan, to invest in expansion of Company's business or to use as working capital in case of there is any change in the market situation which effecting the company's cash flow in the future.

Dividend Policy of the subsidiary

Dividend Policy of the subsidiary shall be considered by the Board of Directors of the subsidiary by taking into the remaining cash flows to compare with the investment of the subsidiary without having to pay any fixed rates of dividend. In case the cash flows has sufficient amount after satisfaction to the conservation law, the Board of Directors of such subsidiary has the right to consider for payment of dividend in each case.

The Board of Directors' Report on their Responsibilities for Financial Reports for the year 2013

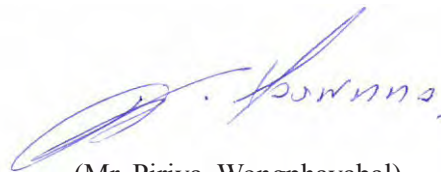
The Financial Statements for Toyo-Thai Corporation Public Company Limited and its subsidiaries have been prepared in accordance with generally accepted accounting principles by choosing a proper accounting policy which has been regularly observed. Due circumspection of estimation has also been given in the preparation of the financial statements to adequately reflect substantial performance for the interest of the shareholders and investors.

In this regard, the Board of Directors has appointed the Audit Committee comprising independent and non-executive members of the Board to oversee the quality of the financial statements and internal control system. The Committee's comments have already been shown in this annual report.

The Board is of an opinion that the overall picture of Company's internal control system is at a satisfactory level which can reasonably create confidence upon the reliability of the financial statements of the Company and its subsidiaries as of 31 December 2013.



(Mr. Hironobu Iriya)
President & CEO



(Mr. Piriya Wongphayabal)
Vice Chairman

Management Discussion and Analysis

Year Ended 31 December 2013

1. The operating performance for the Year Ended 2013

The Company's Gross Profit rose 14% to THB 1.45 billion and Net Profit grew 10% to THB 632 million when compared to the same period in 2012. The Exchange Difference on Translation Financial Statement was recorded at THB 16 million mainly caused by Baht depreciation at the end of Q4 2013. Therefore, Total Comprehensive Income for the period was ended up at THB 648 million, 13% increasing from last year.

The Profit Attributable to the Owners of the parent was recorded at THB 655 million. During Q4 2013, the Company has increased its registered capital to THB 560 million by issuing new 80 million ordinary shares. With the increased number of shares, the Basic Earnings per Share was calculated at THB 1.23, mildly changed 3% from last year.

2. Management Discussion and Analysis Report according to consolidated financial statements

For Year Ended (THB million)					
	2013		2012		Change
Revenues					
Construction and service income	15,335.5	99.32%	11,358.4	100.00%	35.01%
Electricity income	105.1	0.68%		0.00%	
Less Cost of construction and services	(13,928.1)	90.82%	(10,082.8)	88.77%	38.14%
Less Cost of Electricity Generation	(59.1)	56.18%			
Gross profit	1,453.4	9.41%	1,275.7	11.23%	13.93%
Add Other income	24.0	0.16%	164.3	1.45%	(85.38%)
Less Admin. Expenses & Management Remu.	(662.3)	4.29%	(677.4)	5.96%	(2.22%)
Less Finance Costs	(27.4)	0.18%		0.00%	
Add Share of Profit of Associate	6.3	0.04%	(0.4)	(0.00%)	(1,525.00%)
Profit before Tax	794.1	5.14%	762.2	6.71%	4.19%
Less Income Tax	(162.1)	1.05%	(188.7)	1.66%	(14.09%)
Net Profit for this Period	632.0	4.09%	573.5	5.05%	10.20%
Add/(Less) Exchange Differences on Translation Financial Statement	16.1	0.10%	1.6	0.01%	879.88%
Total Comprehensive Income for the Period	648.0	4.20%	575.1	5.06%	12.68%
Profit Attributable to:					
Owners of the parent	655.0		573.4		14.24%
Non-controlling interests	(23.1)		0.1		(21,063.64%)
	632.0		573.5		10.20%
Basic earnings per share (THB)	1.23		1.19		2.97%

2.1 Analysis of Income and Expenses

2.1.1 Construction & Service and Electricity Income

The Construction income grew at 35% or THB 15.3 billion in 2013. The 5 key construction projects accounted almost 70% of Construction Income for the Year

2013 including 1. Qatar's Desalination Project – THB 3,300 million, 2. Vietnam's DAP II Project – THB 2,900 million, 3. USA's Skyonic Project – THB 1,600 million, 4. Vietnam's AN Project – THB 1,400 million, and 5. Thailand's Chiyoda BV Project – THB 970 million.

Apart from EPC businesses, the Company also realized and consolidated for Electricity generation income from one of the subsidiaries in Myanmar, TOYO THAI POWER MYANMAR CO., LTD. or TTPMC, the owner of 121MW CCGT Power Plant in Ahlone Township, Yangon. Its first gas turbine's installation was completed in April 2013 followed by the second gas turbine in July 2013. In 2013, TTPMC was still operating in the Simple Cycle stage with the output 70MW to 80MW and recorded its electricity sales for THB 105 million. It is expected that the final stage, Combined Cycle, will be completed by Q3 2014, and the total capacity of the plant will be increased up to roughly 120MW. The concession is awarded on Build-Operate-Transfer basis for 30 years after Combined Cycle stage.

2.1.2 Construction & Service and Electricity Cost

The Cost of Construction and Service also increased to THB 14 billion or 90.8% of Construction Income, 2% higher when compared to the Year 2012, 88.8%. This was a result of the Company entering into higher construction contract value during 2013 which yielded leaner margin by its nature when compared with the smaller ones. Samples of these projects included Qatar's Desalination Project and 5 domestic power plant contracts awarded during 2013.

The Cost of Electricity Generation was recorded at THB 59 million and represented for 56 % of Electricity Income. Since TTPMC is operating on Take-or-Pay basis, in which gas costs are supplied by Myanmar Government, therefore, the major costs of electricity generation are the plant's depreciation (45%) and operations (40%).

As a result of increased Income and Costs above, the Gross Profit grew 14% to THB 1.45 billion with a decline in Gross Profit margin from 11.2% to 9.4%.

2.1.3 Interest income and other income

The Other Income decreased substantially in 2013 from THB 164 million to THB 24 million, mainly caused by a drop in interest income as the Company was implementing its investment in power plant businesses during the period.

2.1.4 Administrative expenses and Management Remuneration

The Administration Expenses & Management Remuneration was recorded at THB 662 million or 4.3% of Income, compared to the Year 2012 at THB 677.4 million or 6.0% of Income. The main reason for such improvement came from the reduction amount of extra or one-time expenses from Myanmar and Vietnam when compared to the figures in 2012 roughly THB 50 million.

2.1.5 Finance Cost and Income Tax

The Company also incurred financial cost at THB 27 million which was mainly Short-term Loan from Financial Institution and Related Party to temporarily finance power plant project in Myanmar. The Company also recorded THB 6.3 million from Share of Profit of Associate which was derived from Siam Solar Power Co., Ltd., the developer of an 8MW Solar Farm Project in Angthong, Thailand and started its Commercial Operation Date (COD since Mar. 2013).

As a result, Profit before Tax was slightly increased at 4% to THB 794 million while Income Tax was declined by 14% to THB 162 million.

3. Analysis of Financial Status

3.1 Analysis of Assets

(in THB' million)

	31 DEC 2013	31 DEC 2012	Increase/Decrease	% Change
Current assets	9,113	5,689	3,424	60.18%
Non-current assets	5,183	1,969	3,213	163.16%
Total assets	14,296	7,659	6,637	86.66%

For the Year ended 2013, the Company's Total Assets grew 86% or increased THB 6.6 billion from December 2012 reflecting its business operations and investment activities during the period.

Current Assets grew 60% and were recorded at THB 9.1 billion. Major items included Cash and Cash Equivalent (THB 2.4 billion), Trade Accounts Receivable – Third Parties (THB 2.4 billion), and Unbilled Contract Revenue – Third Parties (THB 3.1 billion). These increased current assets grew along with the progresses the Company has made in major construction projects. Samples for the Trade Accounts Receivable – Third Parties were DAP II – THB 770 million, IRPC – THB 515 million, and Vietnam's AN – THB 425 million. The major items for Unbilled Contract Revenue – Third Parties included Qatar's Desalination – THB 1.0 billion, IRPC – THB 624 million, Vietnam's AN – THB 445 million.

For the Non-current Assets, almost 95% of change, or THB 3.0 billion, was from the increase in the Property, plant and equipment which was the investment in a subsidiary company, TOYO THAI POWER MYANMAR CO., LTD., for development of a 121 MW CCGT Power Plant project in Ahlone Township, Yangon, Myanmar. Another reason for the increase in the Non-Current Assets at THB 89 million was from the additional General Investment in Navanakorn Electric's 110 MW CCGT Power Plant project in Thailand at THB 58 million and in Skyonic Corporation's Core-Alkali and commercial-scale CO2 Capture Plant in San Antonio, Texas, USA at THB 31 million all of which the Company engaged as EPC Contractor and a non-controlling shareholder.

3.2 Analysis of Liabilities and Shareholders' Equity

(in THB' million)

	31 DEC 2013	31 DEC 2012	Increase/Decrease	% Change
Current Liabilities	8,560	5,106	3,454	67.65%
Non-Current Liabilities	249	232	17	7.45%
Total Liabilities	8,809	5,338	3,471	65.03%
Shareholders' equity	5,487	2,321	3,166	136.41%
Total Liabilities and shareholders' equity	14,296	7,659	6,637	86.66%

Significant changes in Liabilities and Shareholders' equity were as followed:-

Total Liabilities increased THB 3.5 billion and mostly were from the changes in Current Liabilities items. Four major items included:

- Short-Term Loans from Financial Institutions, THB 933 million, was granted for a period of 6-month from a bank to finance import bill for major machines and equipment in the Ahlone Power Plant, expected to be repaid in the first half of 2014 when the loan became due.
- Trade Account Payable, THB 1.7 billion or 47% increase from the previous year and in line with the construction progresses both in domestic and overseas projects.
- Net increase in Accrued Construction Costs, THB 1.3 billion, was due to the rise of construction in overseas projects like Qatar, USA and Vietnam projects.
- Net increase in Deferred Construction Revenue, THB 835 million, was mainly from Qatar's Desalination Project, THB 430 million, and USA's Skymine Project, THB 310 million.

Shareholders' equity increased by THB 3.2 billion or 136% growth with 4 contributing factors. Most importantly, the Company issued new 80 million shares at a price THB 33 each and received total sum of THB 2.58 billion from the proceed. Second, the Total Comprehensive Income for the period was THB 648 million. Third, additional capital in 2013 of subsidiary, TOYO THAI POWER HOLDINGS, was increased by THB 292 million. Lastly, Dividend was paid THB (355) million during the period. As a result, the closing balance as of 31 December 2013 became THB 5.5 billion.

4. Major Financial Ratios

Ratio		31 DEC 2013	31 DEC 2012	Favorable/ Unfavorable
4.1. Current Ratio	(Times)	1.06	1.11	Unfavorable
4.2. Debt/ Equity ratio	(Times)	1.61	2.30	Favorable
4.3. Net Book Value	(per Share)	9.80	4.84	Favorable
4.4. Return on total assets	(%)	4.42%	7.49%	Unfavorable
4.5. Return on equity	(%)	11.52%	24.71%	Unfavorable
4.6. Earnings per share		1.23	1.19	Favorable
4.7. Gross profit margin	(%)	9.41%	11.23%	Unfavorable
4.8. Net profit margin	(%)	4.09%	5.05%	Unfavorable

5. Analysis of Cash Flows

(THB' million)

	31 DEC 2013	31 DEC 2012
Net cash from operating activities	(545.54)	351.82
Net cash from (used in) investing activities	(2,317.67)	(1,007.89)
Net cash used in financing activities	3,159.22	304.75
Net increase (decrease) in cash and cash equivalents	296.01	(351.32)
Beginning balance	2,056.81	2,441.32
Effect of exchange rate changes on balances held in foreign currencies	34.85	(33.19)
Ending balance	2,387.67	2,056.81

At the end of 31 Dec. 2013, the ending balance of Cash and cash equivalents was THB 2,388 million, increased THB 331 million from the end of 31 December 2012. Such change was caused by a combination of the Net cash used in operating activities, THB (546) million and the Net cash used in investing activities, THB (2,318) million, and Net cash receipts from financing activities, THB 3,159 million, all of which are detailed in the following explanations.

5.1 Net cash used in operating activities, THB (503) million. The significant changes came from:-

- + Cash flows before changes in operating assets and liabilities THB 831 million
- + Change in Accrued Construction Costs THB 1,324 million
- + Change in Deferred Construction Revenue THB 836 million
- Change in Unbilled Contract Revenue THB (1,623) million
- Change in Trade Accounts Payable THB (912) million

5.2 Net cash used in investing activities, THB (2,318) million. The significant changes came from:-

- Purchase of property, plant and equipment, THB (2,186) million (TTPMC)

5.3 Net cash receipts from financing activities, THB 3,117 million. The significant changes came from:-

- + Short-Term Loan from Financial Institution, THB 891 million
- + Cash receipts from issued ordinary shares THB 2,580 million
- Dividend paid to Shareholders THB (354) million

5.4 Exchange rate gain on cash and cash equivalents THB 35 million, as a result of Baht depreciation at the end of December 2013 when compared to the end of December 2012.

TOYO-THAI CORPORATION PUBLIC COMPANY LIMITED

CONSOLIDATED AND

COMPANY FINANCIAL STATEMENTS

31 DECEMBER 2013

AUDITOR'S REPORT

To the Shareholders of Toyo-Thai Corporation Public Company Limited

I have audited the accompanying consolidated and company financial statements of Toyo-Thai Corporation Public Company Limited and its subsidiaries and of Toyo-Thai Corporation Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2013, and the related consolidated and company 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 notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Toyo-Thai Corporation Public Company Limited and its subsidiaries and of Toyo-Thai Corporation Public Company Limited as at 31 December 2013, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Prasit Yuengsrikul
Certified Public Accountant (Thailand) No. 4174
PricewaterhouseCoopers ABAS Ltd.

Bangkok
27 February 2014

Statements of Financial Position

As at 31 December 2013

	Notes	Consolidated			Company		
		Restated		Restated	Restated		Restated
		31 December	31 December	1 January	31 December	31 December	1 January
		2013	2012	2012	2013	2012	2012
		Baht	Baht	Baht	Baht	Baht	Baht
Assets							
Current assets							
Cash and cash equivalents	7	2,387,667,171	2,056,811,739	2,441,315,959	1,636,656,399	1,382,641,888	1,769,144,177
Temporary investments	8	-	238,410,448	657,002,242	-	238,410,448	657,002,242
Trade accounts receivable							
- related parties	9,11	4,457,265	383,678,104	6,590,775	516,562,503	383,798,287	24,547,400
- third parties	9	2,430,375,607	1,138,961,781	1,814,670,753	1,403,523,474	1,083,817,089	1,277,151,739
Unbilled sale electricity		26,307,790	-	-	-	-	-
Unbilled contract revenue							
- related parties	10.1	90,963,592	238,038,437	79,069,748	2,060,036,916	817,822,209	83,290,538
- third parties	10.2	3,113,771,081	1,343,439,390	955,007,780	2,695,576,955	1,139,122,732	850,686,735
Other accounts receivable							
- related parties	11	745,582	1,786,403	349,521	116,437,440	1,786,403	360,756
- third parties		265,088,690	89,409,173	22,565,042	48,322,626	60,502,586	21,764,200
Construction in progress							
- related parties	11	55,860,618	-	-	933,225,501	187,693,237	5,675,619
- third parties		213,597,938	66,564,174	61,053,757	193,080,806	63,316,380	57,763,546
Advance payments to sub-contractors							
- related parties	11	-	-	-	449,106,016	29,333,759	9,879,235
- third parties		222,268,577	75,042,904	14,575,870	213,667,317	51,584,884	10,468,032
Advance Payment for Share Subscription	11	66,290,101	-	-	-	-	-
Interest receivable from loan							
to related parties	11	-	-	-	3,480,975	815,710	1,341,370
Withholding tax		2,500,470	-	-	337,759	-	-
Input tax refundable		62,123,485	24,855,380	22,117,932	56,586,290	14,151,176	11,321,260
Spareparts		109,129,769	-	-	-	-	-
Other current assets		62,025,921	32,297,765	23,047,494	32,872,814	31,935,747	21,078,118
Total current assets		9,113,173,657	5,689,295,698	6,097,366,873	10,359,473,791	5,486,732,535	4,801,474,967
Non-current assets							
Deposit at bank used as collateral		-	-	12,000,000	-	-	12,000,000
Retention receivable from related party							
- related parties	11	45,822,348	40,814,289	-	45,822,348	40,814,289	-
- third parties		19,075,015	-	-	19,075,015	-	-
Held-to-maturity investments		75,359	20,000,000	20,000,000	75,359	20,000,000	20,000,000
Loan to related party	11	-	-	-	133,033,400	35,000,000	40,000,000
Investments in subsidiary, net	13	-	-	-	1,327,726,349	452,198,755	18,996,581
Interests in joint venture	14	7,796,746	20,353,003	18,878,959	-	24,000,000	24,000,000
Investments in associate, net	15	67,060,623	60,589,194	-	62,499,900	62,499,900	-
General investment	12	673,439,990	584,820,600	532,600,600	673,439,990	584,820,600	532,600,600
Property, plant and equipment, net	16	4,003,705,021	969,946,762	187,212,690	85,904,288	61,933,318	43,933,191
Intangible assets, net	17	194,719,438	200,470,168	13,873,566	20,419,251	22,424,673	13,496,713
Deferred tax assets	19	123,230,011	42,828,652	17,726,204	19,605,359	16,955,468	14,966,892
Other non-current assets		47,718,482	29,582,576	21,698,391	31,381,523	21,655,501	17,941,476
Total non-current assets		5,182,643,033	1,969,405,244	823,990,410	2,418,982,782	1,342,302,504	737,935,453
Total assets		14,295,816,690	7,658,700,942	6,921,357,283	12,778,456,573	6,829,035,039	5,539,410,420

The notes to the consolidated and company financial statements on pages 112 to 162 are an integral part of these financial statements.

Statements of Financial Position

As at 31 December 2013

		Consolidated			Company		
		Restated	Restated		Restated	Restated	
		31 December	31 December	1 January	31 December	31 December	1 January
		2013	2012	2012	2013	2012	2012
Notes		Baht	Baht	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity							
Current liabilities							
Short-term loan from financial institution	18	933,670,673	-	-	933,670,673	-	-
Trade accounts payable							
- related parties	11	-	3,216,249	-	34,949,449	10,739,770	35,119,590
- third parties		1,715,570,538	1,167,999,742	776,672,752	1,262,816,222	973,385,445	589,392,359
Other accounts payable - third parties		41,560,440	41,814,136	41,510,154	40,252,683	40,926,717	41,521,389
Retention payable to sub-contractors		88,085,379	65,212,185	75,218,593	87,813,189	65,212,185	75,218,593
Accrued construction costs		4,010,446,518	2,686,257,736	2,969,967,417	3,580,103,892	2,398,021,522	2,426,432,680
Advances received from customers							
under construction contracts							
- related parties	11	-	-	-	372,433,658	465,478,910	347,668,845
- third parties		680,997,163	630,042,144	419,558,251	591,442,974	558,559,848	-
Deferred construction revenue							
- related parties	10.3	-	-	-	252,052,058	-	-
- third parties	10.4	901,976,197	66,381,321	606,775,721	430,513,694	19,645,589	184,253,956
Advances received of shares							
from related parties	11	-	260,368,600	-	-	-	-
Corporate income tax payable		34,169,472	29,525,866	21,013,695	9,375,033	14,604,462	2,096,708
Accrued expenses		77,749,277	85,742,611	48,605,057	84,636,957	72,992,086	48,595,012
Other current liabilities		75,395,967	69,131,314	50,067,506	39,728,104	69,052,683	41,494,870
Total current liabilities		8,559,621,624	5,105,691,904	5,009,389,146	7,719,788,586	4,688,619,217	3,791,794,002
Non-current liabilities							
Deferred income	20	148,799,593	144,160,446	135,160,446	-	-	-
Employee benefits obligation	21	100,573,621	87,927,926	76,892,311	98,048,645	85,645,249	74,834,460
Total non-current liabilities		249,373,214	232,088,372	212,052,757	98,048,645	85,645,249	74,834,460
Total liabilities		8,808,994,838	5,337,780,276	5,221,441,903	7,817,837,231	4,774,264,466	3,866,628,462

The notes to the consolidated and company financial statements on pages 112 to 162 are an integral part of these financial statements.

Statements of Financial Position

As at 31 December 2013

	Notes	Consolidated			Company		
		Restated		Restated	Restated		Restated
		31 December	31 December	1 January	31 December	31 December	1 January
		2013	2012	2012	2013	2012	2012
		Baht	Baht	Baht	Baht	Baht	Baht
Liabilities and shareholders' equity (Cont'd)							
Shareholders' equity							
Share capital							
Authorised share capital	22						
Ordinary shares 560,000,000 shares							
of par 1 Baht each		560,000,000	480,000,000	480,000,000	560,000,000	480,000,000	480,000,000
(As at 31 December 2012 ordinary shares 480,000,000 shares)							
Issued and paid-up share capital							
Ordinary shares 560,000,000 shares							
of par 1 Baht each	22	560,000,000	480,000,000	480,000,000	560,000,000	480,000,000	480,000,000
(As at 31 December 2012 ordinary shares 480,000,000 shares)							
Premium on share capital	22	2,905,496,747	405,162,100	405,162,100	2,905,496,747	405,162,100	405,162,100
Retained earnings							
Appropriated - legal reserve	23	56,000,000	48,000,000	48,000,000	56,000,000	48,000,000	48,000,000
Unappropriated		1,423,603,055	1,131,381,984	774,015,043	1,492,636,719	1,123,219,646	739,619,858
Other components of equity		(29,548,953)	(7,065,668)	(19,226,634)	(53,514,124)	(1,611,173)	-
Equity attributable to owners of the parent		4,915,550,849	2,057,478,416	1,687,950,509	4,960,619,342	2,054,770,573	1,672,781,958
Non-controlling interests		571,271,003	263,442,250	11,964,871	-	-	-
Total shareholders' equity		5,486,821,852	2,320,920,666	1,699,915,380	4,960,619,342	2,054,770,573	1,672,781,958
Total liabilities and shareholders' equity		14,295,816,690	7,658,700,942	6,921,357,283	12,778,456,573	6,829,035,039	5,539,410,420

The notes to the consolidated and company financial statements on pages 112 to 162 are an integral part of these financial statements.

Statements of Comprehensive Income

For the year ended 31 December 2013

		Consolidated		Company	
		2013	Restated	2013	Restated
	Notes	Baht	Baht	Baht	Baht
Revenues					
Construction and service revenues	6,11	15,335,477,192	11,358,434,016	15,398,215,921	10,420,491,483
Sale electricity	6	105,107,385	-	-	-
Cost of constructions and services	11,28	(13,928,110,209)	(10,082,761,323)	(13,940,082,384)	(9,180,408,052)
Cost of goods sold		(59,050,783)	-	-	-
Gross profit		1,453,423,585	1,275,672,693	1,458,133,537	1,240,083,431
Other income	26	24,024,483	164,270,364	35,440,019	142,506,420
Profit before expense		1,477,448,068	1,439,943,057	1,493,573,556	1,382,589,851
Administrative expenses	11,28	(662,290,185)	(677,354,688)	(571,560,607)	(595,743,969)
Share of profit (loss) of associate	15	6,471,429	(1,910,706)	-	-
Share of profit (loss) of joint venture	14	(203,254)	1,474,044	-	-
Profit before finance cost and income tax		821,426,058	762,151,707	922,012,949	786,845,882
Finance costs		(27,375,341)	-	(5,388,299)	-
Profit before income tax		794,050,717	762,151,707	916,624,650	786,845,882
Income tax expense	27	(162,097,349)	(188,686,544)	(184,419,271)	(187,254,957)
Net profit for the year		<u>631,953,368</u>	<u>573,465,163</u>	<u>732,205,379</u>	<u>599,590,925</u>
Other comprehensive income (expense)					
Exchange differences on translating financial statements		16,071,191	1,644,988	(51,902,951)	(1,611,173)
Other comprehensive income (expense) for the year, net of tax		<u>16,071,191</u>	<u>1,644,988</u>	<u>(51,902,951)</u>	<u>(1,611,173)</u>
Total comprehensive income for the year		<u>648,024,559</u>	<u>575,110,151</u>	<u>680,302,428</u>	<u>597,979,752</u>
Profit attributable to:					
Owners of the parent		655,009,377	573,358,078	732,205,379	599,590,925
Non-controlling interests		(23,056,009)	107,085	-	-
		<u>631,953,368</u>	<u>573,465,163</u>	<u>732,205,379</u>	<u>599,590,925</u>
Total comprehensive income attributable to:					
Owners of the parent		632,526,092	576,108,248	680,302,428	597,979,752
Non-controlling interests		15,498,467	(998,097)	-	-
		<u>648,024,559</u>	<u>575,110,151</u>	<u>680,302,428</u>	<u>597,979,752</u>
Earnings per share for the owners of the parent					
Basic earnings per share (Baht)	24	<u>1.23</u>	<u>1.19</u>	<u>1.38</u>	<u>1.25</u>

The notes to the consolidated and company financial statements on pages 112 to 162 are an integral part of these financial statements.

Toyo-Thai Corporation Public Company Limited

Statements of Changes in Shareholders' Equity

For the year ended 31 December 2013

										Consolidated
Attributable to owners of the parent										
Notes	Issued and paid-up share capital Baht	Premium on share capital Baht	Legal reserve Baht	Unappropriated retained earnings Baht	Other components of equity		Total other component of equity Baht	Total owners of the parent Baht	Non-controlling interest Baht	Total shareholders' equity Baht
					Unrealised gain on dilution of investment Baht	Other comprehensive income currency translation differences Baht				
Opening balance as at 1 January 2012	480,000,000	405,162,100	48,000,000	756,288,839	-	(19,226,634)	(19,226,634)	1,670,224,305	11,964,871	1,682,189,176
Effects from the adoption of new accounting policy	3	-	-	17,726,204	-	-	-	17,726,204	-	17,726,204
Opening balance as at 1 January 2012 after adjustment	480,000,000	405,162,100	48,000,000	774,015,043	-	(19,226,634)	(19,226,634)	1,687,950,509	11,964,871	1,699,915,380
Change in equity for the year										
Dividends paid	25	-	-	(215,991,137)	-	-	-	(215,991,137)	-	(215,991,137)
Total comprehensive income for the year		-	-	573,358,078	-	2,750,170	2,750,170	576,108,248	(998,097)	575,110,151
Decrease in non-controlling interests as a result of additional investment in subsidiary		-	-	-	-	-	-	-	(7,832,147)	(7,832,147)
Investment in subsidiary		-	-	-	9,410,796	-	9,410,796	9,410,796	-	9,410,796
Investment in subsidiaries		-	-	-	-	-	-	-	260,307,623	260,307,623
Closing balance as at 31 December 2012	480,000,000	405,162,100	48,000,000	1,131,381,984	9,410,796	(16,476,464)	(7,065,668)	2,057,478,416	263,442,250	2,320,920,666
Opening balance as at 1 January 2013	480,000,000	405,162,100	48,000,000	1,085,956,979	9,410,796	(14,865,291)	(5,454,495)	2,013,664,584	263,442,250	2,277,106,834
Effects from the adoption of new accounting policy	3	-	-	45,425,005	-	(1,611,173)	(1,611,173)	43,813,832	-	43,813,832
Opening balance after adjustment	480,000,000	405,162,100	48,000,000	1,131,381,984	9,410,796	(16,476,464)	(7,065,668)	2,057,478,416	263,442,250	2,320,920,666
Change in equity for the year										
Issued ordinary shares	22	80,000,000	2,500,334,647	-	-	-	-	2,580,334,647	-	2,580,334,647
Dividends paid	25	-	-	(354,788,306)	-	-	-	(354,788,306)	-	(354,788,306)
Legal reserve	23	-	8,000,000	(8,000,000)	-	-	-	-	-	-
Total comprehensive income for the year		-	-	655,009,377	-	(22,483,285)	(22,483,285)	632,526,092	15,498,467	648,024,559
Increase capital of subsidiary		-	-	-	-	-	-	-	292,330,286	292,330,286
Closing balance as at 31 December 2013	560,000,000	2,905,496,747	56,000,000	1,423,603,055	9,410,796	(38,959,749)	(29,548,953)	4,915,550,849	571,271,003	5,486,821,852

The notes to the consolidated and company financial statements on pages 112 to 162 are an integral part of these financial statements.

Toyo-Thai Corporation Public Company Limited

Statements of Changes in Shareholders' Equity

For the year ended 31 December 2013

						Company	
		Issued and paid-up share capital Baht	Premium on share capital Baht	Legal reserve Baht	Unappropriated retained earnings Baht	Other component of equity Currency translation difference (Baht)	Total shareholders' equity Baht
Notes							
Opening balance as at 1 January 2012		480,000,000	405,162,100	48,000,000	724,652,966	-	1,657,815,066
Effects from the adoption of new accounting policy	3	-	-	-	14,966,892	-	14,966,892
Opening balance as at 1 January 2012 after adjustment		480,000,000	405,162,100	48,000,000	739,619,858	-	1,672,781,958
Dividends paid	25	-	-	-	(215,991,137)	-	(215,991,137)
Total comprehensive income for the year		-	-	-	599,590,925	(1,611,173)	597,979,752
Closing balance as at 31 December 2012 after adjustment		480,000,000	405,162,100	48,000,000	1,123,219,646	(1,611,173)	2,054,770,573
Opening balance as at 1 January 2013		480,000,000	405,162,100	48,000,000	1,103,667,825	-	2,036,829,925
Effects from the adoption of new accounting policy	3	-	-	-	19,551,821	(1,611,173)	17,940,648
Opening balance as at 1 January 2013 after adjustment		480,000,000	405,162,100	48,000,000	1,123,219,646	(1,611,173)	2,054,770,573
Change in equity for the year							
Issued ordinary shares	22	80,000,000	2,500,334,647	-	-	-	2,580,334,647
Dividends paid	25	-	-	-	(354,788,306)	-	(354,788,306)
Legal reserve	23	-	-	8,000,000	(8,000,000)	-	-
Total comprehensive income for the year		-	-	-	732,205,379	(51,902,951)	680,302,428
Closing balance as at 31 December 2013		560,000,000	2,905,496,747	56,000,000	1,492,636,719	(53,514,124)	4,960,619,342

The notes to the consolidated and company financial statements on pages 112 to 162 are an integral part of these financial statements.

Statements of Cash Flows

For the year ended 31 December 2013

	Notes	Consolidated		Company	
		2013	Restated	2013	Restated
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax		794,050,717	762,151,707	916,624,650	786,845,882
Adjustments					
- Depreciation and amortisation	16,17	77,184,700	23,797,041	23,776,908	20,993,026
- Write-off equipment		-	86,330	-	86,330
- Gains (losses) from disposals of equipment	16,17	(288,843)	(1,893,326)	37,320	(1,893,326)
- Unrealised gains from change in value of investments		-	(289,596)	-	(289,596)
- Gains on sale of general investment		-	(22,214,000)	-	(22,214,000)
- Unrealised (gains)/losses from exchange rate		22,569,208	24,276,348	(10,378,368)	5,598,941
- Interest income	26	(15,395,124)	(70,729,959)	(12,426,988)	(50,368,131)
- Deferred income tax		(80,401,359)	(25,102,448)	(19,605,359)	(1,988,576)
- Share of (profit) loss of associate	15	(6,471,429)	1,910,706	-	-
- Share of (profit) loss of joint venture	14	203,254	(1,474,044)	-	-
- Employee benefit expense	21	12,645,695	11,035,615	12,403,396	10,810,789
- Interest expenses		27,375,341	-	5,388,299	-
Cash flows before changes in operating assets and liabilities		831,472,160	701,554,374	915,819,858	747,581,339
Changes in operating assets and liabilities					
- Temporary investments		238,410,448	418,186,870	238,410,448	418,186,870
- Trade accounts receivable		(912,192,987)	267,485,496	(447,666,443)	(166,031,318)
- Unbilled sales electricity		(26,307,790)	-	-	-
- Unbilled contract revenue		(1,623,256,846)	(547,400,299)	(2,798,668,930)	(1,022,967,668)
- Other accounts receivable		(173,949,610)	(41,418,263)	(102,523,811)	(40,164,033)
- Construction in progress		(202,894,382)	(5,510,417)	(875,055,548)	(187,570,452)
- Advance payments to sub-contractors		(147,225,673)	(60,467,034)	(568,174,078)	(60,634,826)
- Input tax refundable		(37,268,105)	(2,737,448)	(43,112,721)	(2,829,916)
- Other current assets		(29,240,539)	(13,384,418)	(10,552,511)	(14,125,775)
- Deposit at bank used as collateral		-	12,000,000	-	12,000,000
- Retention receivable		(24,083,074)	(40,814,289)	(24,083,074)	(40,814,289)
- Other non-current assets		(18,135,906)	(2,851,458)	(9,587,494)	(3,714,025)
- Trade accounts payable		(373,578,896)	399,215,927	305,098,496	363,132,761
- Other accounts payable		(253,695)	(2,398,241)	(674,033)	(3,296,895)
- Retention payable to sub-contractors		22,873,194	(10,006,408)	22,601,004	(10,006,408)
- Accrued construction costs		1,324,188,782	(283,709,681)	1,182,082,369	(28,411,158)
- Advance received from customers under construction contracts		50,955,019	219,436,589	(98,328,893)	682,073,972
- Deferred construction revenue		835,594,876	(540,394,400)	699,304,378	(164,608,367)
- Accrued expense		(10,285,305)	37,137,557	(2,197,687)	25,550,270
- Other current liabilities		6,264,655	19,063,805	(17,060,213)	27,557,809
- Deferred income		4,639,147	9,000,000	-	-
- Employee benefit obligations		(1,324,947)	-	(1,317,597)	-
Cash generated from (use in) operations		(265,599,474)	531,988,262	(1,635,686,480)	530,907,891
- Interest paid		(25,083,372)	-	(3,046,745)	-
- Income tax paid		(212,657,077)	(180,165,958)	(177,563,979)	(174,747,200)
Net cash generated from (used in) operating activities		(503,339,923)	351,822,304	(1,816,297,204)	356,160,691

The notes to the consolidated and company financial statements on pages 112 to 162 are an integral part of these financial statements.

Statements of Cash Flows (Cont'd)

For the year ended 31 December 2013

	Notes	Consolidated		Company	
		2013	Restated	2013	Restated
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Payment for advance share to related party	11	(66,290,101)	-	-	-
Payment for additional paid-up shares in subsidiaries	13	-	-	(851,527,594)	(433,202,174)
Payment for shares in joint venture	14	(8,000,000)	-	-	-
Payment for shares in associate	15	-	(62,499,900)	-	(62,499,900)
Payment for general investment	12	(88,619,390)	(456,514,800)	(88,619,390)	(456,514,800)
Cash receipt from sales on general investment	12	-	426,758,603	-	426,758,603
Payment for held to maturities security		19,924,641	-	20,000,000	-
Loan made to a subsidiary	11	-	-	(89,180,550)	(30,389,000)
Proceeds from loan to a related party	11	-	-	-	35,389,000
Cash receipts from interest income		11,488,274	73,998,107	9,139,291	54,161,937
Purchases of plant and equipment	16	(2,186,152,267)	(802,298,532)	(42,725,239)	(34,079,044)
Proceeds from disposals of equipment		1,975,060	2,020,473	323,088	2,020,473
Purchases of right to operate of power plant	17	-	(177,772,546)	-	-
Purchases of computer software	17	(1,996,788)	(11,577,232)	(1,742,249)	(11,364,608)
Net cash used in investing activities		<u>(2,317,670,571)</u>	<u>(1,007,885,827)</u>	<u>(1,044,332,643)</u>	<u>(509,719,513)</u>
Cash flows from financing activities					
Short-term loan from financial institute		891,466,290	-	891,466,290	-
Cash receipts from issued ordinary shares	22	2,580,334,647	-	2,580,334,647	-
Cash receipt of shares from related parties		-	260,368,600	-	-
Cash receipt in advance of shares from related parties	11	-	260,368,600	-	-
Dividends paid to shareholders	25	(354,788,306)	(215,991,137)	(354,788,306)	(215,991,137)
Net cash receipts from (used in) financing activities		<u>3,117,012,631</u>	<u>304,746,063</u>	<u>3,117,012,631</u>	<u>(215,991,137)</u>
Net (decrease) increase in cash and cash equivalents		<u>296,002,137</u>	<u>(351,317,460)</u>	<u>256,382,784</u>	<u>(369,549,959)</u>
Cash and cash equivalents at the beginning of the year		2,056,811,739	2,441,315,959	1,382,641,888	1,769,144,177
Exchange rate gains(losses) on cash and cash equivalents		<u>34,853,295</u>	<u>(33,186,760)</u>	<u>(2,368,273)</u>	<u>(16,952,330)</u>
Cash and cash equivalents at the end of the year	7	<u>2,387,667,171</u>	<u>2,056,811,739</u>	<u>1,636,656,399</u>	<u>1,382,641,888</u>
Non-cash item					
Accounts payable for purchases of equipment		917,933,443	2,702,223	1,590,532	2,702,223
Accounts receivable - shares capital		(689,086)	-	-	-
Change from investment in joint venture to subsidiary		20,353,003	-	24,000,000	-
Transfer advance received of shares from related party to ordinary shares		260,368,600	-	-	-

The notes to the consolidated and company financial statements on pages 112 to 162 are an integral part of these financial statements.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

1 General information

Toyoto-Thai Corporation Public Company Limited (the “Company”) is a public limited company incorporated and resident in Thailand. The address of the Company’s registered office is at 159 Sermmit Tower Floor 27-30, Soi Sukhumvit 21, Asoke Road, Klong-Toeynua, Wattana, Bangkok.

Head Office: 159 Sermmit Tower Floor 28, Soi Sukhumvit 21, Asoke Road, Klong-Toeynua, Wattana, Bangkok

Philippines Branch: Suite B, 5th Floor Builder’s Center, 170 Salcedo Street, Legaspi Village, Makati City

Qatar Branch: Al Emadi Building Area No.41, Street No.230 Building No.233 1st Floor, Office No.8 P.O. Box 55420 Doha

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

The principal business operations of the Group are engineering services including design, procurement and construction for integrated industrial factories.

These consolidated and company financial statements were authorised for issue by the Board of Directors on 27 February 2014.

2 Accounting policies

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

2.1 Basis of preparation

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

The consolidated and company financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

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

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards, revised accounting standards, revised financial reporting standards, Interpretation of financial reporting standards and Interpretation of accounting standards (collectively "Accounting standards")

2.2.1 Accounting standards which are effective on beginning or after 1 January 2013

TAS 12	Income Taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Group applied the above accounting standards from 1 January 2013, the application of those accounting standards does not have significant impact to the financial information being presented, except TAS 12 "Income Taxes" and TAS 21 (Revised 2009) "The Effects of Changes in Foreign Exchange Rates". The Group has retrospectively applied those two accounting standards. The impact of the changes on the consolidated and company financial statements are shown in Note 3.

2.2.2 Revised accounting standards and revised financial reporting standards which are effective on beginning or after 1 January 2014

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Statement of Cash Flows
TAS 12 (Revised 2012)	Income Taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee Benefits
TAS 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (Revised 2012)	Related Party Disclosures
TAS 28 (Revised 2012)	Investments in Associates
TAS 31 (Revised 2012)	Interest in Joint Ventures
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 38 (Revised 2012)	Intangible Assets
TFRS 2 (Revised 2012)	Share-based Payment
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets held for Sale and Discontinued Operations
TFRS 8 (Revised 2012)	Operating Segments

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards, revised accounting standards, revised financial reporting standards, Interpretation of financial reporting standards and Interpretation of accounting standards (collectively "Accounting standards")

2.2.2 Revised accounting standards and revised financial reporting standards which are effective on beginning or after 1 January 2014 (Cont'd)

The Group has not early adopted the aforementioned accounting standards and the Group's management is in the process of reviewing the impacts of those accounting standards. Significant changes in accounting standards are summarised as below.

TAS 1 (revised 2012) clarifies that conversion features that are at the holder's discretion do not impact the classification of the liability component of the convertible instrument. TAS 1 also explains that, for each component of equity, an entity may present the breakdown of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements.

TAS 7 (revised 2012) clarifies that only expenditures that result in a recognised asset in the statement of financial position are eligible for classification as investing activities.

TAS 12 (revised 2012) amends an exception to the existing principle for the measurement of deferred tax assets or liabilities on investment property measured at fair value. TAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. This amendment therefore adds the rebuttable presumption that the carrying amount of an investment property measured at fair value is entirely recovered through sale. As the result of the amendment, TSIC 21 - Income tax - recovery of revalued non-depreciable assets is incorporated in to TAS 12 (revised 2012).

TAS 17 (revised 2012) deletes the guidance for a lease of land with an indefinite useful life to be classified as an operating lease. The standard has been amended to clarify that when a lease includes both land and buildings, classification as a finance or operating lease is performed separately in accordance with TAS 17's general principles.

TAS 18 (revised 2012) removes the appendix to TAS 18.

TAS 19 (revised 2012) deletes the transition provisions of the current TAS 19.

TAS 21 (revised 2012) clarified the method of recording cumulative amount of the exchange different relating to disposal or partial disposal of a foreign operation. This matter should be adjusted prospectively effective for the period begins on or after 1 January 2014.

TAS 24 (revised 2012) removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. It also clarifies and simplifies the definition of related parties.

TAS 28 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity losses significant influence, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 January 2014.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards, revised accounting standards, revised financial reporting standards, Interpretation of financial reporting standards and Interpretation of accounting standards (collectively "Accounting standards")

2.2.2 Revised accounting standards and revised financial reporting standards which are effective on beginning or after 1 January 2014 (Cont'd)

TAS 31 (revised 2012) clarifies that when an entity moves from an equity accounting to cost accounting in the separate financial statements, the standard requires this to be adjusted retrospectively. An entity losses of joint control in its interest in joint control, the remaining interest of investment should be valued at fair value. This matter should be adjusted prospectively effectively for the period begins on or after 1 January 2014.

TAS 34 (revised 2012) emphasises the existing disclosure principles for significant event and transactions. Additional requirements cover disclosure of changes in fair value measurements (if significant), and the need to update relevant information from the most recent annual report.

TAS 38 (revised 2012) clarified that an intangible asset acquired in a business combination might be separable, but only together with a related contract, identifiable asset or liability. In such cases, intangible asset is recognised separately from goodwill, but together with related item. Intangible assets are recognised as a single asset provided the individual assets have similar useful lives.

TFRS 2 (revised 2012) expands the scope to cover classification and accounting of both cash-settled and equity-settled share-based payment transactions in group situation.

TFRS 3 (revised 2012) amends the measurement required for non-controlling interests. The choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation. All other component of non-controlling interests is measured at fair value unless another measurement basis is required by TFRS. The application guidance in the revised TFRS also applies to all share-based payment transactions that are part of a business combination, including unreplaced and voluntarily replaced share-based payment awards.

TFRS 5 (revised 2012) specifies the disclosures required for assets held for sale and discontinued operations. Disclosures in other standards do not apply, unless those TFRS requires.

TFRS 8 (revised 2013) clarifies that an entity is required to disclose a measure of segment assets only if the measure is regularly reported to the chief operating decision-maker.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.2.3 Interpretation of financial reporting standards and Interpretation of accounting standards being effective for the accounting periods beginning or after 1 January 2014

TFRIC 1	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4	Determining whether an arrangement contains a lease
TFRIC 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7	Applying the restatement approach under IAS 29 financial reporting in hyperinflationary economies
TFRIC 10	Interim financial reporting and impairment
TFRIC 12	Service concession arrangements
TFRIC 13	Customer loyalty programmes
TFRIC 17	Distributions of non-cash assets to owners
TFRIC 18	Transfers of assets from customers
TSIC 15	Operating leases - incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease
TSIC 29	Service concession arrangements: Disclosure
TSIC 32	Intangible assets - Web site costs

The Group has not early adopted the aforementioned accounting standards and the Group's management is in the process of reviewing the impacts of those accounting standards. The significant changes in accounting standards are summarised as below.

- TFRIC 1 provides guidance on accounting for changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate.
- TFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset.
- TFRIC 5 provides guidance on accounting in the financial statements of a contributor for interests arising from decommissioning funds that the assets are administered separately and a contributor's right to access the assets is restricted.
- TFRIC 7 provides guidance on how to apply the requirements of TAS 29, Financial Reporting in Hyperinflationary Economics, in a reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period.
- TFRIC 10 prohibits reversal of an impairment losses recognised in a previous interim period in respect of goodwill.
- TFRIC 12 deals with public-to-private service concession arrangement for the delivery of public services. It applies only to concession agreements where the use of the infrastructure is controlled by the grantor. This interpretation requires two different accounting treatments, depending on the specific terms of the concession agreement. When the operator builds infrastructure and has an unconditional contractual right to receive cash or another financial asset from the grantor, that right is treated as financial asset. When the operator builds infrastructure and receives a right (a licence) to charge users of the public service, that right is treated as an intangible asset.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.2 New accounting standards, new financial reporting standards, revised accounting standards, revised financial reporting standards, Interpretation of financial reporting standards and Interpretation of accounting standards (collectively "Accounting standards")

2.2.3 Interpretation of financial reporting standards and Interpretation of accounting standards being effective for the accounting periods beginning or after 1 January 2014 (Cont'd)

- TFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values.
- TFRIC17 provides guidance on accounting for the distributions of non-cash assets to owners acting in their capacity as owners. The interpretation addresses the issues on the dividend payable recognition and measurement and the accounting for any difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable when an entity settles the dividend payable.
- TFRIC 18 sets out the accounting for transfers of items of property, plant and equity by entities that receive such transfers from their customers. Agreements within the scope of this interpretation are agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect to a network or to provide the customer with ongoing access to supply of goods or services. The interpretation addresses the issues on the initial recognition and the accounting treatment of the transferred assets.
- TSIC 15 sets out the accounting for the recognition of incentive that a lessor provides to a lessee in an operating lease.
- TSIC 27 provides guidance on evaluating the substance of transactions in the legal form of a lease between the entity and the investor whether a series of transactions is linked and should be accounted for as one transaction and whether the arrangement meets the definition of a lease under TAS 17 "Leases". The accounting shall reflect the substance of the arrangement.
- TSIC 29 contains disclosure requirements in respect of public-to-private service arrangements.
- TSIC 32 provides guidance on the internal expenditure on the development and operation of the entity web site for internal or external access. The entity shall comply with the requirements described in TAS 38 "Intangible Assets".

2.2.4 The accounting standard effective for the accounting periods beginning on or after 1 January 2016

TFRS 4 Insurance Contracts

TFRS 4 applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. TFRS 4 is not relevant to the Group's operations.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.3 Financial instruments

Financial assets carried in the statement of financial position include cash and cash equivalents, deposits in financial institutions, temporary investment, trade account receivable, other receivables and loan to subsidiary. Financial liabilities carried in the statement of financial position include accounts payable and other payable. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The Company is party to derivative financial instruments which comprise forward foreign exchange contracts (Note 29).

2.4 Group Accounting - Investments in subsidiaries and interests in joint venture

2.4.1 Investments in subsidiaries

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

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

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

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

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

A list of the Group's subsidiaries and the effects acquisitions of subsidiaries are shown in Note 13.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.4 Group Accounting - Investments in subsidiaries and interests in joint venture (Cont'd)

2.4.2 Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, the difference between any consideration paid/received and the relevant share acquired/disposed of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

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

2.4.3 Interests in joint ventures

The Group's interests in jointly controlled entities are accounted for using the equity method of accounting in the consolidated financial statements. Under the equity method, the interests in joint ventures are initially recognised at cost which includes goodwill identified on acquisition, net of any accumulated impairment loss (if any). The Group's share of its joint ventures' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the interests in joint ventures. When the Group's share of losses in joint ventures equals or exceeds its interests in joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

2.4.4 Investment in associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting in consolidated financial statement and are initially recognised at cost.

The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

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

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.5 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

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

(c) Group companies

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

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

2.6 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. Cash and cash equivalents comprise cash on hand, deposits held with financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.7 Trade accounts receivable

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

2.8 Spare parts and supplies

Spare parts and supplies are stated at cost less allowance for obsolescence. Cost is calculated based on the moving average basis. The spare parts are categorised as specific spare parts and common spare parts. Specific spare parts are used for specific plant equipment in the power plant; common spare parts are for general use. The Group reviews its allowance for obsolete, slow-moving and defective spare parts and supplies for specific cases.

2.9 Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose of use.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable those costs will be recoverable. Contract costs are recognised when incurred.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised by using the percentage of completion method. The stage of completion is measured by referencing to the completion of a physical proportion of the contract work performed as per the conditions agreed with customers. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Costs incurred in the year in connection with future activity on a contract are excluded and shown as work in process.

The aggregate of the costs incurred and the profit/loss recognised on each contract is compared against the progress billings up to the year end. Where the total costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as "Unbilled contract revenue" under current assets in the statement of financial position. Where progress billings exceed total costs incurred plus recognised profits (less recognised losses), the balance is shown as "Deferred construction revenue" under current liabilities in the statement of financial position.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.10 Investments

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

- Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity and are included in non-current assets, except those with maturities within 12 months from the end of the reporting period, which are classified as current assets.
- Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.
- Investments in non-marketable equity securities are classified as general investments.

Three categories of investments are initially recognised at cost, which is the fair value to purchase the investments. Cost of investment includes transaction costs.

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

Trading investments are subsequently carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value of trading investments are included in the income statement. Trading investments in active markets are valued at the market value at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand and the Thai Bond Dealing Centre quoted bid price.

General investments are carried at cost less impairment.

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

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

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.11 Property, plant and equipment

All property, plant and equipment are initially recorded at cost. Subsequently all plant and equipment are stated at historical cost less accumulated depreciation and impairment (if any). The costs of property, plant and equipment comprise both the purchase price and any costs directly attributable to bringing the assets to location and condition necessary for them to be capable of operating in the manner intended by management. Their costs also include the initial estimate of the costs of dismantling and removing the item and restoring the site on which they are located, the obligation for which the Group incurs either when the items are acquired or as a consequence of having used the items during a particular period.

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

Depreciation is calculated on the straight-line basis to write off the cost of each asset, except for land which is considered to have an indefinite life, to its residual value over the estimated useful life as follows:

Power plant and components	15, 20, and 30 years
Buildings	20 years
Furniture and fixtures	5 to 10 years
Office equipment	5 years
Motor vehicles	5 years

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

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the profit or loss.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of the assets, during the period of time required to complete and prepare the assets for their intended use. All other borrowing costs are recognised as expenses in the income statement.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.12 Intangible assets

2.12.1 Computer software

Acquired computer software licenses are capitalised based on the costs incurred to acquire and for intended bring into use of the specific software acquired. These costs are amortised using straight-line method over their estimated useful lives of 10 years.

2.12.2 Golf membership

Expenditure associated with golf membership acquisition is capitalised and amortised using the straight-line method over the useful life of 10 years. Intangible assets are not revalued.

2.12.3 Right to operate power plant

Right to operate power plant is capitalised based on the costs incurred to acquire concession to produce and sell electricity in the Republic of the Union of Myanmar. The right is presented at costs less accumulated amortisation over 30 years starting from the commercial operation date.

2.13 Impairment of assets

Assets and intangible assets that have a definite life are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Assets that suffered an impairment are reversed for possible impairment loss when the estimation of the recoverable amounts were changed in the subsequent period after the Group's recognition of impairment.

2.14 Leases - where a Group company is the lessee

Leases of assets which substantially transfer 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 to the statement of income over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset or the lease 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 to the statement of income 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.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.15 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and 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.

2.16 Government grant

Government grant relating to assets

The Group initially recognise government grant relating to assets as deferred income and systematically recognise as revenue in the income statement in accordance with depreciation expense incurred from the related assets in each accounting period.

Government grant relating to revenue

The Group initially recognise government grant relating to revenue as deferred income and systematically recognise as revenue in the income statement in accordance with carbon credit portion delivered to the government in each accounting period compare to all carbon credit required to deliver.

2.17 Employee benefits

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

2.17.1 Defined benefit plan - retirement benefit

The Group provides for post employment benefits, payable to employees under the labour laws applicable in Thailand and other countries in which the Group has its operations. The liability in respect of employee benefits is the present value of the defined benefit obligation which is calculated by an independent actuary in accordance with the actuarial technique. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using yields on government bonds which have terms to maturity approximating the terms of the related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and other factors. Actuarial gains or losses will be recognised in the profit or loss in the period to which they relate. The costs associated with providing these benefits are charged to the profit or loss so as to spread the cost over the employment period during which the entitlement to benefits is earned.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.17.2 Defined contribution plan - provident fund

The Group operates a provident fund that is a defined contribution plan. The assets are held in a separate fund which is managed by an external fund. The provident fund is funded by payments from employees and by the Group. Contributions to the provident fund are charged to the profit or loss in the year to which they relate.

2.18 Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares including mandatory redeemable preference shares are classified as liabilities.

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

2.19 Revenue recognition

a) Construction revenues

Revenues from construction contracts are recognised using the percentage-of-completion method by reference to the completion of a physical proportion of the contract work performed as assessed by the project engineers and owners or customers. Provision for anticipated loss on construction project will be made in the accounts as soon as the possibility of loss is ascertained (accounting policy no. 2.9 construction contracts).

b) Interest income

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

c) Dividends

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

d) Government grants

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as other liabilities and are credited to the income statement when related conditions are met, on a straight line basis over the expected lives of the related assets.

Government grants relating to revenue are included in deferred income and are credited to the income statement in accordance with the portion of carbon credit delivered to government in each accounting period compare to carbon credit required to deliver.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

2 Accounting policies (Cont'd)

2.20 Costs of construction

Costs of construction contracts comprise the costs of labour, subcontractors' charges, other services and overheads which are recognised on the percentage-of-completion method.

Contracts of which incurred construction costs exceed calculated costs of construction, and costs of project of which revenue have not yet been recognised are shown as "Construction in progress" under current assets in the statement of financial position, while contracts of which calculated costs of construction exceed incurred costs of construction are shown as "Accrued construction costs" under current liabilities in the statement of financial position.

2.21 Dividends

Dividends are recorded in the consolidated and company's financial statements in the period in which they are approved by the shareholders of the Company and subsidiaries. Interim dividends are recorded in the consolidated and company financial statements when they are approved by the Board of Directors of the Company and subsidiaries.

2.22 Corporate income tax

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

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

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

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

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

2.20 Segment reporting

Segment information is presented by geographical areas of the Group and Company's operations.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

3 Impact of adoptions of TAS 12 “Income taxes” and TAS 21 (Revised 2009) “The Effects of Changes in Foreign Exchange Rates”

The change in accounting policies has been applied retrospectively. The effects on the consolidated and company financial information are as follows:

Impact to the Consolidated and Company statement of financial position

	<u>Consolidated</u> <u>Baht</u>	<u>Company</u> <u>Baht</u>
	<u>Increase</u> <u>(Decrease)</u>	<u>Increase</u> <u>(Decrease)</u>
Statements of financial position		
Deferred tax assets as at 31 December 2012	42,828,652	16,955,468
Retained earnings as at 1 January 2012	17,726,204	14,966,892
Retained earnings as at 31 December 2012	45,425,005	19,551,821
Other component of shareholders' equity as at 1 January 2012	-	-
Other component of shareholders' equity as at 31 December 2012	(1,611,173)	(1,611,173)
Cash and cash equivalents	354,382	354,382
Trade accounts receivable - third parties	106,594	106,594
Unbilled contract revenue - third parties	25,799	25,799
Advance payments to sub-contractors - related parties	(680)	(680)
Other current assets	12,259	12,259
Other accounts payable - third parties	(188,030)	(188,030)
Accrued construction costs	(87,198)	(87,198)
Advances received from customers - third parties	(344,827)	(344,827)
Corporate income tax payable	(22,770)	(22,770)
Accrued expenses	155,999	155,999
Statement of comprehensive income for the year ended 31 December 2012		
Income taxes	(25,090,649)	(1,976,777)
Net profit	27,698,801	4,584,929
Basic earnings per share (Baht)	0.06	0.01

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

4 Financial risk management

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign currency forward contracts to hedge certain exposures.

Risk management is carried out by management in accordance with policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and investing excess liquidity.

4.1.1 Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollars. Entities in the Group use foreign currency forward contracts to hedge their exposure to foreign currency risk in connection with measurement currency.

4.1.2 Credit risk

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution.

4.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

4.2 Accounting for derivative financial instruments and hedging activities

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts. Such instruments are not recognised in the financial statements on inception.

Foreign currency forward contracts protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability will be settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the foreign currency forward contract. The gains and losses on the derivative instruments and the underlying financial asset or liability are therefore offset for financial reporting purposes and are not recognised in the financial statements. The fee incurred in establishing each agreement is amortised over the contract period, if any.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

4 Financial risk management (Cont'd)

4.3 Fair value estimation

The fair value of publicly traded derivatives and trading investments is based on quoted market prices at the statement of financial position date. The fair value of foreign currency forward contracts is determined using forward exchange market rates at the statement of financial position date.

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

5 Additional information

5.1 Significant accounting judgments and estimates

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

5.1.1 Accrued construction costs

Accrued construction costs are estimated based from management experience after taking into consideration of work progress and updated budget project costs incurred as part of the budget.

5.1.2 Construction revenue and unbilled contract revenue

Construction revenue and construction costs are recognised by using the percentage of completion method. The stage of completion is measured by reference to the completion of a physical proportion of the contract work performed as assessed by the project engineers and owners or customers.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

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.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

6 Segment information

Financial information by geographical segments

	Consolidated			
	Energy business		Construction business	
	Projects providing services in Thailand Baht	Projects providing services overseas Baht	Projects providing services in Thailand Baht	Projects providing services overseas Baht
				Total Baht
For the year ended 31 December 2013				
Construction and service income	-	105,107,385	4,795,424,065	10,540,053,127
Segment result		31,928,580	502,143,071	919,351,934
Unallocated costs				(821,470,217)
Net profit for the year				631,953,368
As at 31 December 2013				
Fixed assets	182,034,051	3,726,420,784	84,781,664	10,468,522
Consolidated total assets	199,339,455	4,043,620,392	6,761,901,991	3,290,954,852

	Consolidated			
	Energy business		Construction business	
	Projects providing services in Thailand Baht	Projects providing services overseas Baht	Projects providing services in Thailand Baht	Projects providing services overseas Baht
				Total Baht
For the year ended 31 December 2012				
Construction and service income	-	-	5,964,181,436	5,394,252,580
Segment result	-	-	644,950,093	630,722,600
Unallocated costs				(702,207,530)
Net profit for the year				573,465,163
As at 31 December 2012				
Fixed assets	158,284,771	727,703,996	76,933,287	7,024,708
Consolidated total assets	174,032,893	1,124,662,936	5,508,720,652	851,284,461

Chief Operating Decision Maker considers monthly performance of reporting segments from profit before finance costs and income tax.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

7 Cash and cash equivalents

As at 31 December	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
Cash and cash at banks	861,346,054	1,790,034,604	386,656,399	1,332,317,493
Fixed deposits due within 3 months	1,526,321,117	266,777,135	1,250,000,000	50,324,395
Cash and cash equivalents	<u>2,387,667,171</u>	<u>2,056,811,739</u>	<u>1,636,656,399</u>	<u>1,382,641,888</u>

8 Temporary investments

Temporary investments are as follows:

As at 31 December	Consolidated and Company	
	2013 Baht	Restated 2012 Baht
Fixed deposits over 3 months	-	141,394,725
Promissory notes	-	-
Government bond	-	50,000,000
Trading securities	-	47,015,723
Total short-term investments	<u>-</u>	<u>238,410,448</u>

Trading securities are as follows:

As at 31 December	Consolidated and Company			
	2013		Restated 2012	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Trading securities	-	-	47,000,686	47,015,723

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

9 Trade accounts receivable

As at 31 December	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
Related parties				
Not yet due	-	361,035,199	4,010,492	361,155,382
Overdue				
- up to 3 months	-	22,642,905	508,094,746	22,642,905
- 3 - 6 months	4,457,265	-	4,457,265	-
- 6 - 12 months	-	-	-	-
- more than 12 months	-	-	-	-
Total	4,457,265	383,678,104	516,562,503	383,798,287
As at 31 December	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
Third parties				
Not yet due	1,968,344,850	788,521,026	1,057,901,085	788,497,048
Overdue				
- up to 3 months	368,484,094	299,768,452	281,285,778	272,486,130
- 3 - 6 months	50,562,134	9,145,710	49,664,148	9,145,710
- 6 - 12 months	87,296	13,688,201	-	13,688,201
- more than 12 months	42,897,233	27,838,392	14,672,463	-
Total	2,430,375,607	1,138,961,781	1,403,523,474	1,083,817,089

10 Unbilled contracts revenue and deferred construction revenue

10.1 Unbilled contract revenue - related parties

As at 31 December	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
Contract costs to date	2,599,021,209	2,827,267,188	5,932,385,269	2,745,363,583
Recognised profits to date	345,853,882	314,622,704	656,886,455	308,457,918
Contract costs incurred and Recognised profits to date	2,944,875,091	3,141,889,892	6,589,271,724	3,053,821,501
<u>Less</u> Progress billings	<u>(2,853,911,499)</u>	<u>(2,903,851,455)</u>	<u>(4,529,234,808)</u>	<u>(2,235,999,292)</u>
	90,963,592	238,038,437	2,060,036,916	817,822,209

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

10 Unbilled contract revenue and deferred construction revenue (Cont'd)

10.2 Unbilled contract revenue - third parties

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
As at 31 December	Baht	Baht	Baht	Baht
Contract costs to date	23,420,769,483	18,445,589,132	19,327,375,487	17,917,307,810
Recognised profits to date	2,662,033,806	2,448,237,066	2,443,775,486	2,402,853,237
Contract costs incurred and Recognised profits to date	26,082,803,289	20,893,826,198	21,771,150,973	20,320,161,047
<u>Less</u> Progress billings	(22,969,032,208)	(19,550,386,808)	(19,075,574,018)	(19,181,038,315)
	<u>3,113,771,081</u>	<u>1,343,439,390</u>	<u>2,695,576,955</u>	<u>1,139,122,732</u>

10.3 Deferred construction revenue - related parties

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
As at 31 December	Baht	Baht	Baht	Baht
Contract costs to date	-	-	1,236,064,751	-
Recognised profits to date	-	-	126,204,589	-
Contract costs incurred and recognised profits to date	-	-	1,362,269,340	-
<u>Less</u> Progress billings	-	-	(1,614,321,398)	-
	<u>-</u>	<u>-</u>	<u>(252,052,058)</u>	<u>-</u>

10.4 Deferred construction revenue - third parties

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
As at 31 December	Baht	Baht	Baht	Baht
Contract costs to date	4,810,483,219	2,326,306,868	3,047,126,609	245,589,589
Recognised profits to date	283,918,164	113,744,370	242,499,516	38,277,939
Contract costs incurred and recognised profits to date	5,094,401,383	2,440,051,238	3,289,626,125	283,867,528
<u>Less</u> Progress billings	(5,996,377,580)	(2,506,432,559)	(3,720,139,819)	(303,513,117)
	<u>(901,976,197)</u>	<u>(66,381,321)</u>	<u>(430,513,694)</u>	<u>(19,645,589)</u>

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

11 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 family members 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.

Related parties are those parties connected with the Group and the Company through shareholders, common shareholders or directors. The significant investments in subsidiaries, associates and joint ventures are set out in Notes 13, 14 and 15. As at 31 December 2013, the major shareholders are as follows:

	<u>Shareholding (%)</u>
• Toyo Engineering Corporation (incorporated in Japan)	26
• Chiyoda Corporation (incorporated in Japan)	7
• Global Business Management Company Limited	6.67
• Italian Thai Development Public Company Limited	3.83
• Others	56.50

The significant trading transactions with subsidiaries and related parties are show below. These transactions are considered to be in the normal course of business and are based on the prices as agreed in related contracts.

	<u>Consolidated</u>		<u>Company</u>	
	<u>2013</u>	<u>Restated</u>	<u>2013</u>	<u>Restated</u>
For the years ended 31 December	Baht	2012	Baht	2012
		Baht		Baht
Services income				
Major shareholder	-	219,400	-	219,400
Subsidiaries	-	-	3,989,141,782	250,797,334
Associates	4,628,520	-	15,306,771	-
Related parties - shareholders	971,183,174	1,334,925,261	971,183,174	1,334,925,261
Joint venture	-	10,820,563	-	10,820,563
	<u>975,811,694</u>	<u>1,345,965,224</u>	<u>4,975,631,727</u>	<u>1,596,762,558</u>
Revenue from operation and maintenance				
Subsidiaries	-	-	43,125,000	-
	<u>-</u>	<u>-</u>	<u>43,125,000</u>	<u>-</u>
Interest income				
Subsidiaries	-	-	2,665,265	4,169,981
	<u>-</u>	<u>-</u>	<u>2,665,265</u>	<u>4,169,981</u>

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

11 Related party transactions (Cont'd)

	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
For the years ended 31 December				
Cost of construction and services				
Major shareholders	3,968,135	46,215,561	3,968,135	46,215,561
Subsidiaries	-	-	142,332,686	120,602,902
Joint venture	-	-	-	332,392,384
	<u>3,968,135</u>	<u>46,215,561</u>	<u>146,300,821</u>	<u>499,210,847</u>
Dividends paid				
Major shareholders	92,352,000	56,160,000	92,352,000	56,160,000
Related parties - shareholders	77,361,890	37,800,000	77,361,890	37,800,000
	<u>169,713,890</u>	<u>93,960,000</u>	<u>169,713,890</u>	<u>93,960,000</u>
Director and management Remuneration				
Short-term employee benefits	89,089,846	74,484,350	79,270,809	66,623,760
Post-employee benefits	463,626	3,211,639	1,936,479	1,594,466
	<u>89,553,472</u>	<u>77,695,989</u>	<u>81,207,288</u>	<u>68,218,226</u>
	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
As at 31 December				
Accounts receivable - related parties				
Subsidiaries	-	-	511,986,041	145,350
Joint venture	-	4,095,415	-	4,095,415
Associate	4,457,625	22,642,905	4,576,462	22,642,905
Related parties -shareholders	-	356,939,784	-	356,914,617
	<u>4,457,625</u>	<u>383,678,104</u>	<u>516,562,503</u>	<u>383,798,287</u>
Others receivable - related parties				
Subsidiaries	-	-	116,380,944	-
Related parties -shareholders	745,582	1,786,403	56,496	1,786,403
	<u>745,582</u>	<u>1,786,403</u>	<u>116,437,440</u>	<u>1,786,403</u>
Construction in progress - related party				
Subsidiaries	-	-	877,364,883	187,693,237
Related parties -shareholders	55,860,618	-	55,860,618	-
	<u>55,860,618</u>	<u>-</u>	<u>933,225,501</u>	<u>187,693,237</u>
Advance payments to sub-contractors				
Subsidiaries	-	-	449,106,016	29,333,759
	<u>-</u>	<u>-</u>	<u>449,106,016</u>	<u>29,333,759</u>

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

11 Related party transactions (Cont'd)

As at 31 December	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
Advance payments for share subscription - related party				
Related parties -shareholders	66,290,101	-	-	-
	66,290,101	-	-	-
Accrued Interest Income from loan to subsidiaries				
Subsidiaries	-	-	3,480,975	815,710
	-	-	3,480,975	815,710
Retention receivable - related party				
Subsidiaries	45,822,348	40,814,289	45,822,348	40,814,289
	45,822,348	40,814,289	45,822,348	40,814,289
Loan to subsidiaries				
Non - current asset				
Subsidiaries	-	-	133,033,400	35,000,000
	-	-	133,033,400	35,000,000
Trade accounts payable - related parties				
Major shareholder	-	3,216,249	-	3,216,249
Related parties - shareholders	-	-	34,949,449	7,523,521
	-	3,216,249	34,949,449	10,739,770
Advance received from customers under construction contract				
Subsidiaries	-	-	372,433,658	465,478,910
	-	-	372,433,658	465,478,910
Advance received for shares from related parties				
Related parties - shareholders	-	260,368,600	-	-
	-	260,368,600	-	-

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

11 Related party transactions (Cont'd)

Advance payment for share subscription - related parties

On 25 September 2013, the Board of Directors' meeting of Toyo Thai Solar Power Pte. Ltd. approved the investment in 'Global New Energy Japan Co., Ltd.' to operate energy business in Japan. Such company has authorised share capital of 2,000 ordinary shares at a par value of JPY 100 per share. Toyo Thai Solar Power Pte. Ltd. holds 100% of the authorised share capital of JPY 200 million. As at 31 December 2013, an advance payment for share subscription of JPY 200 million, equivalent to Baht 66.29 million was made as an advance payment by Toyo Thai Solar Power Pte. Ltd. to Global New Energy Japan Co. Ltd.

Loans to related parties

As at 31 December 2013, the outstanding loan to subsidiary of Baht 35 million (31 December 2012: Baht 35 million) is a long-term loan granted to Bio Natural Energy Co., Ltd. This loan bears interest at the rate of 8% per annum with the principal and interest repayment due on an annual basis as per the amount specified in the loan agreement from 2011 until 2020. On 1 October 2012, the Company amended the loan agreement to decrease the interest rate from 8% to 2.75% per annum.

In 2013, the Company granted a short-term loan to its subsidiary Toyo-Vietnam Corporation Limited of Baht USD 3 million (Baht 93.74 million. This loan bears interest at the rate of 2.75% per annum with the principal and interest repayment due within 12 months or on demand.

The movements in loans to subsidiaries can be analysed as follow:

	Consolidated	Company
For the year ended 31 December 2013	Baht	Baht
Opening balance	-	35,000,000
Increase	-	89,180,550
Decrease	-	-
Translation adjustment	-	8,852,850
Ending balance	-	133,033,400

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

12 General investment

General investment - Navanakorn Electric Company Limited

At the Board of Directors' meeting on 12 November 2010, the Board approved the Company's investment in preferred shares of Navanakorn Electric Company Limited (NNE). On 21 December 2010, the Company made a deposit payment of Baht 100 million to acquire newly issued preferred shares of NNE. At the Board of Directors' meeting held on 25 January 2011, the Board approved the acquisition of newly issued preferred shares in NNE. The Company entered into Shareholder's agreement in the first quarter of 2011. The Company invested in not more than 11,000,000 newly issued preferred shares at a par value of Baht 100 per share amounting to not more than Baht 1,100 million. The Company's investment proportion in NNE is not more than 71% of the authorised share capital. On 8 November 2012, the Company sold of the 4,442,800 preferred shares of NNE to Korea Midland Power Co., Ltd (KOMIPO) with paid-up value of Baht 91 per share. KOMIPO agreed to purchase such preferred shares at Baht 96 per share with fully paid of Baht 426.76 million. As at 31 December 2013, the Company retain 41.95% of its authorised share capital of 15,320,000 shares (6,426,600 shares at a par value of Baht 100 per share and fully paid-up capital of Baht 642.66 million) which represents less than 1% of total voting rights.

The investment in preferred shares limits the voting right of the Company to the maximum of 1% of the total voting rights in which the Company will receive its return on investment through accumulative dividends at a fixed rate. The overall objective of such investment transaction is to invest in a good prospective project in which the Company will not be involved in routine management as outlined in various terms and conditions in the Shareholders' agreement dated 26 January 2011.

General investment - Skyonic Corporation

At the Board of Directors' meeting on 12 November 2010, the Board approved the Company's investment in preferred shares of Skyonic Corporation which registered in the USA. The Company paid USD 999,999.69 or equivalent to Baht 30.78 million for 610,948 preferred stocks with paid-up value of USD 1.6368 per share on 7 June 2013.

Such investment in preferred shares limits the voting right of the Company to the maximum of 1.1% of total voting rights in which the Company will receive its return on investment through inaccumulative dividends at a fixed rate. The overall objective of such investment transaction is to invest in a good prospective project in which the Company will not involve in routine management as outlined in various terms and conditions in the Shareholders' agreement dated 7 June 2013.

The movements in general investment can be analysed as follows:

	Consolidated and Company Baht
For the year ended 31 December 2013	
Beginning balance	584,820,600
Payment for additional shares	88,619,390
Disposal of general investment	-
Ending balance	<u>673,439,990</u>

Toyo-Thai Corporation Public Company Limited

Notes to the Consolidated and Company Financial Statements

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13 Investments in subsidiaries, net

Investments in subsidiaries as at 31 December 2013 and 31 December 2012 are as follows:

As at 31 December	Country	Type of business	Ownership interest		Paid-up capital		Company	
			2013	2012	2013	2012	2013	At cost
			%	%			Baht	Restated 2012 Baht
Toyo-Vietnam Corporation	Vietnam	Constructions and engineering services	93.34	93.34	USD 1,500,000	USD 1,500,000	43,985,494	43,985,494
Bio Natural Energy Co., Ltd.	Thailand	Renewable energy development	70	70	Baht 5,000,000	Baht 5,000,000	3,500,000	3,500,000
Toyo-Thai Malaysia SDN.BHD	Malaysia	Constructions and engineering services	100	100	Malaysian Ringgit 750,000	Malaysian Ringgit 750,000	7,593,351	7,593,351
ToyoThai Myanmar Corporation Co., Ltd.	Myanmar	Constructions and engineering services	90	90	USD 300,000	USD 300,000	8,465,331	2,551,710
ToyoThai-USA Corporation	USA	Constructions and engineering services	80	80	USD 50,000	USD 50,000	1,233,200	1,233,200
Toyo Thai Power Corporation Pte. Ltd.	Singapore	Constructions and engineering services and Renewable energy development	60	60	USD 21,250,000	USD 21,250,000	-	393,335,000
Toyo-Thai Power Myanmar Corporation Co., Ltd.	Myanmar	Electricity generating services	72	62	USD 500,000	USD 500,000	734,273	-
Toyo-Thai Power Holding Pte. Ltd.	Singapore	Investing in energy business	70.18	-	USD 57,000,000	USD -	1,238,015,000	-
TT Solar Company Limited	Thailand	Investing in energy business	99.85	-	Baht 199,700	Baht -	199,700	-

Toyo-Thai Corporation Public Company Limited

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13 Investments in subsidiaries, net (Cont'd)

			Company				
As at 31 December	Country	Type of business	Ownership interest	Paid-up capital	At cost		Restated 2012 Baht
			2013 %	2012 %	2013	2012	2013 Baht
Global New Energy Company Limited	Thailand	Development Services	40	-	Baht 60,000,000	Baht -	24,000,000 -
Total							1,327,726,349
Less : Impairment charge							-
Investment in subsidiaries, net							1,327,726,349

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For the year ended 31 December 2013

13 Investments in subsidiaries, net (Cont'd)

A summary of movements in investments in subsidiaries are as follows:

	Company	
	2013	Restated
	Baht	2012
For the year ended 31 December		Baht
Opening net book value	452,198,755	18,996,581
Payment for shares in a subsidiary	851,527,594	433,202,174
Change in type of investment (Note 14)	24,000,000	-
Disposal of investment in a subsidiary	-	-
Closing net book value	<u>1,327,726,349</u>	<u>452,198,755</u>

Payment for additional paid-up shares in subsidiaries

a) Payment for share in Toyo Thai Power Holdings Pte. Ltd.

The Board of Directors' meeting on 8 November granted approval for the Company to establish a new subsidiary company in Singapore named ToyoThai Power Holdings Pte. Ltd.(TTPHD) with initial authorised share capital of USD 42.5 million or equivalent to Baht 1,284.64 million.

The Board of Directors' meeting on 27 February 2013 also granted approval for the Company to change shareholders in Toyo Thai Power Corporation Pte. Ltd. from former shareholders (Toyo-Thai Corporation Public Company Limited, 8 Coins Capital Pte, Ltd. and Pacific New Power Co., Ltd.) to Toyo Thai Power Holdings Pte. Ltd. Toyo Thai Power Holdings Pte. Ltd. changed their testimonial for the increase in share capital from USD 1 to USD 42.5 million. Toyo Thai Power Corporation Pte. Ltd. changed their testimonial shareholder to Toyo Thai Power Holdings Pte. Ltd. for USD 42 million.

After the change in shareholders of Toyo Thai Power Corporation Pte. Ltd., the Company paid USD 12.75 million or equivalent to Baht 379.31 million to Toyo Thai Power Corporation Pte. Ltd for 12.75 million shares. On 13 December 2013 the Company increased share capital of TTPHD amounting USD 14.5 million or equivalent to Baht 466.01 million. The portion of share which held by the Company increase from 60% to 70.18% of its authorised share capital of 1,238.02 million. The new authorised share capital of Toyo Thai Power Holding Pte.Ltd. increased from USD 42.5 million to USD 57 million or equivalent to Baht 1,764.06 million.

b) Payment for share in TT Solar Company Limited

The Board of Directors' meeting of TT Solar Company Limited on 18 September 2013 called for the payment for 2,000 common shares at Baht 100 per share. The Company holds 99.85% of TT Solar's authorised share capital totalling Baht 0.2 million.

c) Payment for additional paid-up shares in Toyo Thai Power Holdings Pte. Ltd. (TTPHD)

On 30 April 2013 the Company paid for share subscription to Toyo-Thai Power Myanmar Corporation for 25,000 common shares amounting USD 25,000 or equivalent to Baht 0.74 million.

Establishment of subsidiaries and affiliates

The Board of Directors' meeting on 10 May 2013 acknowledged the establishment of a new subsidiary of Toyo Thai Power Holdings Pte. Ltd. in Singapore named Toyo Thai Solar Power Pte. Ltd. This subsidiary's objective is to invest in energy business. This new company has 3,000,000 authorised shares at a par value of USD 1 per share. Toyo Thai Power Holding Pte. Ltd. hold 100% of share capital totalling USD 3 million and has paid for these shares in full.

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14 Interest in joint venture

Global New Energy Company Limited

On 22 January 2010, the Company and Mitsubishi Corporation (Japan) entered into a joint venture (JV) agreement to establish a joint venture company in Thailand named “Global New Energy Co., Ltd.”. This JV has engaged in a renewable energy business with a total of 600,000 registered ordinary shares at a par value of Baht 100 per share. The Company holds 40% of its authorised share capital amounting to Baht 24 million.

In the year 2013, the interest in joint venture was changed into subsidiaries because Mitsubishi Corporation (Japan) sold 60% of shares to Global Business Management Company Limited (GBM) which is one of the major shareholders of the Company and key management of GBM and of the Company is the same group of person. Therefore, the Company have significant influence on Global Energy Company Limited. However, the proportion of non-controlling interests has not changed.

Siam GNE Solar Co., Ltd

On 15 November 2013, Global New Energy Co, Ltd., which is a subsidiary of the company, and Siam Eco Energy Business Co, Ltd entered into a joint venture (JV) agreement to establish a joint venture agreement named “Siam Solar GNE Co, Ltd.”. This JV has engaged in a renewable energy business with a total of 160,000 registered ordinary shares at a par value of Baht 100 per share. The Company holds 50% of its authorized share capital amounting to Baht 8 million.

The movements in interest in the joint venture can be analysed as follow:

	Consolidated	Company
	Baht	Baht
For the year ended 31 December 2013		
Opening book value	-	-
Payment in interest in joint venture	8,000,000	-
Share of loss of joint venture	(203,254)	-
Closing book value	<u>7,796,746</u>	<u>-</u>

15 Investment in associate

On 2 April 2012, the Company and Siam Steel Grating entered into a shareholder’s agreement to establish an associate in Thailand named Siam Solar Power Company Limited. The associate engages in electricity generation using solar power. The Company holds a total of 2,500,000 registered ordinary shares with a par value of Baht 100 representing 25% of Siam Solar Power’s authorised share capital. As at 31 December 2012, the Company had fully paid for 2,500,000 authorised shares, amounting to Baht 62.50 million.

The movements in investment in the associate can be analysed as follows:

	Consolidated	Company
	Baht	Baht
For the year ended 31 December 2013		
Opening book value	60,589,194	62,499,900
Payment for shares in associate	-	-
Share of result of associate	6,471,429	-
Closing book value	<u>67,060,623</u>	<u>62,499,900</u>

The share of the associate’s profit is calculated on the Company’s 25% interest based on Siam Solar Power Company Limited’s statement of income for the year ended 31 December 2013.

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Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

16 Property, plant and equipment, net

Consolidated

	Land	Construction of building and power plant in progress	Furniture, fixtures and equipment	Motor vehicles	Power plant	Total
At 1 January 2012						
Cost	6,750,000	134,371,648	91,682,858	31,682,696	-	264,487,202
<u>Less</u> Accumulated depreciation	-	-	(59,086,704)	(18,187,808)	-	(77,274,512)
Net book amount	<u>6,750,000</u>	<u>134,371,648</u>	<u>32,596,154</u>	<u>13,494,888</u>	<u>-</u>	<u>187,212,690</u>
For the year ended 31 December 2012						
Opening net book amount	6,750,000	134,371,648	32,596,154	13,494,888	-	187,212,690
Additions	-	773,306,606	23,695,149	7,999,000	-	805,000,755
Disposals, net	-	-	(1,209)	(125,938)	-	(127,147)
Write-off, net	-	-	(38,559)	-	-	(38,559)
Depreciation charge (Note 28)	-	-	(16,054,709)	(5,075,486)	-	(21,130,195)
Currency translation differences	-	(967,037)	(3,745)	-	-	(970,782)
Closing net book amount	<u>6,750,000</u>	<u>906,711,217</u>	<u>40,193,081</u>	<u>16,292,464</u>	<u>-</u>	<u>969,946,762</u>
At 31 December 2012						
Cost	6,750,000	906,711,217	103,518,803	29,931,596	-	1,046,911,616
<u>Less</u> Accumulated depreciation	-	-	(63,325,722)	(13,639,132)	-	(76,964,854)
Net book amount	<u>6,750,000</u>	<u>906,711,217</u>	<u>40,193,081</u>	<u>16,292,464</u>	<u>-</u>	<u>969,946,762</u>

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

16 Property, plant and equipment, net (Cont'd)

	Consolidated					
	Land	Construction of building and power plant in progress	Furniture, fixtures and equipment	Motor vehicles	Power plant	Total
For the year ended 31 December 2013						
Opening net book amount	6,750,000	906,711,217	40,193,081	16,292,464	-	969,946,762
Additions	-	3,056,933,405	41,430,779	5,721,526	-	3,104,085,710
Disposals, net	-	-	(1,501,838)	(184,380)	-	(1,686,218)
Write-off, net	-	-	-	-	-	-
Transfer in (out)	-	(2,454,716,898)	12,649,963	-	2,442,066,935	-
Depreciation charge (Note 28)	-	-	(17,687,089)	(5,262,481)	(46,479,883)	(69,429,453)
Currency translation differences	-	-	(144,616)	932,836	-	788,220
Closing net book amount	<u>6,750,000</u>	<u>1,508,927,724</u>	<u>74,940,280</u>	<u>17,499,965</u>	<u>2,395,587,052</u>	<u>4,003,705,021</u>
At 31 December 2013						
Cost	6,750,000	1,508,927,724	145,554,281	36,012,053	2,442,066,935	4,139,310,993
<u>Less</u> Accumulated depreciation	-	-	(70,614,001)	(18,512,088)	(46,479,883)	(135,605,972)
Net book amount	<u>6,750,000</u>	<u>1,508,927,724</u>	<u>74,940,280</u>	<u>17,499,965</u>	<u>2,395,587,052</u>	<u>4,003,705,021</u>

A 100MW power plant station in Alone, Yangon, Myanmar, which is expected to produce and sell electricity in the third quarter of 2013, accounts for power plant assets totalling Baht 2,257 million and construction of power plant in progress totalling Baht 1,509 million. Construction of the power plant is expected to be completed in 2014 with a project value of USD 170 million (Baht 5,100 million).

Power plant assets include a 1.2 MW power plant station in Ayutthaya province of Baht 185 million. The operation of such power plant depends on the volume of wastewater from the ethanol plant.

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For the year ended 31 December 2013

16 Property, plant and equipment, net (Cont'd)

Company

	Land Baht	Furniture, fixtures and equipment Baht	Motor vehicles Baht	Construction in progress Baht	Total Baht
At 1 January 2012					
Cost	6,750,000	83,164,073	27,339,337	-	117,253,410
<u>Less</u> Accumulated depreciation	-	(56,166,242)	(17,153,977)	-	(73,320,219)
Net book amount	<u>6,750,000</u>	<u>26,997,831</u>	<u>10,185,360</u>	<u>-</u>	<u>43,933,191</u>
For the year ended 31 December 2012					
Opening net book amount	6,750,000	26,997,831	10,185,360	-	43,933,191
Additions	-	23,059,788	7,999,000	5,722,479	36,781,267
Write-off, net	-	(12,494)	(125,938)	-	(138,432)
Depreciation charge (Note 28)	-	(14,289,699)	(4,353,009)	-	(18,642,708)
Closing net book amount	<u>6,750,000</u>	<u>35,755,426</u>	<u>13,705,413</u>	<u>5,722,479</u>	<u>61,933,318</u>
At 31 December 2012					
Cost	6,750,000	94,397,319	25,588,237	5,722,479	132,458,035
<u>Less</u> Accumulated depreciation	-	(58,641,893)	(11,882,824)	-	(70,524,717)
Net book amount	<u>6,750,000</u>	<u>35,755,426</u>	<u>13,705,413</u>	<u>5,722,479</u>	<u>61,933,318</u>

Toyo-Thai Corporation Public Company Limited

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For the year ended 31 December 2013

16 Property, plant and equipment, net (Cont'd)

	Company				
	Land Baht	Furniture, fixtures and equipment Baht	Motor vehicles Baht	Construction in progress Baht	Total Baht
For the year ended 31 December 2013					
Opening net book amount	6,750,000	35,755,426	13,705,413	5,722,479	61,933,318
Additions	-	30,597,640	5,721,526	7,996,545	44,315,711
Write-off, net	-	(244,672)	(115,736)	-	(360,408)
Transfer in (out)	-	12,649,964	-	(12,649,964)	-
Depreciation charge (Note 28)	-	(15,385,145)	(4,644,092)	-	(20,029,237)
Currency translation differences	-	6,493	38,411	-	44,904
Closing net book amount	<u>6,750,000</u>	<u>63,379,706</u>	<u>14,705,522</u>	<u>1,069,060</u>	<u>85,904,288</u>
At 31 December 2013					
Cost	6,750,000	128,267,823	31,092,691	1,069,060	167,179,574
<u>Less</u> Accumulated depreciation	-	<u>(64,888,117)</u>	<u>(16,387,169)</u>	-	<u>(81,275,286)</u>
Net book amount	6,750,000	63,379,706	14,705,522	1,069,060	85,904,288

Toyo-Thai Corporation Public Company Limited

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For the year ended 31 December 2013

17 Intangible assets, net

	Consolidated				
	Computer software Baht	Golf membership Baht	Right to operate the power plant Baht	Construction in progress Baht	Total Baht
At 1 January 2012					
Cost	28,802,746	2,082,000	-	-	30,884,746
<u>Less</u> Accumulated amortisation	(15,827,460)	(1,183,720)	-	-	(17,011,180)
Net book amount	12,975,286	898,280	-	-	13,873,566
For the year ended 31 December 2012					
Opening net book amount	12,975,286	898,280	-	-	13,873,566
Additions	10,574,624	-	177,772,546	1,002,608	189,349,778
Write-off, net	(86,330)	-	-	-	(86,330)
Amortisation charge (Note 28)	(2,536,846)	(130,000)	-	-	(2,666,846)
Currency translation differences	-	-	-	-	-
Closing net book amount	20,926,734	768,280	177,772,546	1,002,608	200,470,168
At 31 December 2012					
Cost	39,064,370	2,082,000	177,772,546	1,002,608	219,921,524
<u>Less</u> Accumulated amortisation	(18,137,636)	(1,313,720)	-	-	(19,451,356)
Net book amount	20,926,734	768,280	177,772,546	1,002,608	200,470,168

Toyo-Thai Corporation Public Company Limited

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For the year ended 31 December 2013

17 Intangible assets, net (Cont'd)

	Consolidated				
	Computer software Baht	Golf membership Baht	Right to operate the power plant Baht	Construction in progress Baht	Total Baht
For the year ended 31 December 2013					
Opening net book amount	20,926,734	768,280	177,772,546	1,002,608	200,470,168
Additions	1,672,956	-	-	323,832	1,996,788
Write-off, net	-	-	-	-	-
Transfer in (out)	1,326,440	-	-	(1,326,440)	-
Amortisation charge (Note 28)	(3,874,977)	(130,000)	(3,750,270)	-	(7,755,247)
Currency translation differences	7,729	-	-	-	7,729
Closing net book amount	20,058,882	638,280	174,022,276	-	194,719,438
At 31 December 2013					
Cost	42,256,618	2,082,000	177,772,546	-	222,111,164
<u>Less</u> Accumulated amortisation	(22,197,736)	(1,443,720)	(3,750,270)	-	(27,391,726)
Net book amount	20,058,882	638,280	174,022,276	-	194,719,438

Toyo-Thai Corporation Public Company Limited

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

17 Intangible assets, net (Cont'd)

	Company		
	Computer software Baht	Golf membership Baht	Construction in progress Baht
	Baht	Baht	Total Baht
At 1 January 2012			
Cost	26,355,492	2,082,000	-
<u>Less</u> Accumulated amortisation	(13,757,059)	(1,183,720)	-
Net book amount	<u>12,598,433</u>	<u>898,280</u>	<u>-</u>
For the year ended 31 December 2012			
Opening net book amount	12,598,433	898,280	-
Additions	10,362,000	-	1,002,608
Write off, net	(86,330)	-	-
Amortisation charge (Note 28)	(2,220,318)	(130,000)	-
Closing net book amount	<u>20,653,785</u>	<u>768,280</u>	<u>1,002,608</u>
At 31 December 2012			
Cost	36,404,492	2,082,000	1,002,608
<u>Less</u> Accumulated amortisation	(15,750,707)	(1,313,720)	-
Net book amount	<u>20,653,785</u>	<u>768,280</u>	<u>1,002,608</u>

Toyo-Thai Corporation Public Company Limited

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

17 Intangible assets, net (Cont'd)

	Company		
	Computer software Baht	Golf membership Baht	Construction in progress Baht
			Total Baht
For the year ended 31 December 2013			
Opening net book amount	20,653,785	768,280	1,002,608
Additions	1,418,417	-	323,832
Write off, net	-	-	-
Transfer in (out)	1,326,440	-	(1,326,440)
Amortisation charge (Note 28)	(3,617,671)	(130,000)	-
Closing net book amount	19,780,971	638,280	-
At 31 December 2013			
Cost	39,149,349	2,082,000	-
<u>Less</u> Accumulated amortisation	(19,368,378)	(1,443,720)	-
Net book amount	19,780,971	638,280	-

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

18 Short term loan from financial institution

At 31 December	Consolidated and Company	
	2013 Baht	2012 Baht
Short term loan from financial institution	933,670,673	-

As at 31 December 2013 the Company has trust receipt with 1.4% interest rate with Siam Commercial Bank. The objective of this trust receipt is for purchasing machinery and equipment.

19 Deferred tax assets, net

	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
Deferred tax assets				
Deferred tax asset to be recovered within 12 months	-	-	-	-
Deferred tax asset to be recovered after 12 months	181,709,565	45,587,964	19,605,359	16,955,468
	181,709,565	45,587,964	19,605,359	16,955,468
Deferred tax liabilities				
Deferred tax liabilities to be recovered within 12 months	(2,382,447)	-	-	-
Deferred tax liabilities to be recovered after 12 months	(56,097,107)	(2,759,312)	-	-
	(58,479,554)	(2,759,312)	-	-
Net deferred tax assets	123,230,011	42,828,652	19,605,359	16,955,468

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

19 Deferred tax assets (Cont'd)

The movement in deferred tax assets and liabilities during the year is as follows:

	Consolidated	
	2013 Baht	Restated 2012 Baht
At 1 January	42,828,652	17,726,204
Charged/(credited) to profit or loss	57,703,805	24,880,029
Translation adjustment	22,697,554	222,419
At 31 December	<u>123,230,011</u>	<u>42,828,652</u>

	Consolidated		
	Employee benefit obligation Baht	Fixed assets Baht	Total Baht
Deferred tax assets			
At 1 January 2013	17,002,504	25,826,148	42,828,652
Charged/(credited) to profit or loss	9,438,434	104,503,496	113,941,930
Translation adjustment	-	24,938,983	24,938,983
At 31 December 2013	<u>26,440,938</u>	<u>155,268,627</u>	<u>181,709,565</u>
At 1 January 2012	17,726,204	-	17,726,204
Charged/(credited) to profit or loss	(723,700)	25,603,729	24,880,029
Translation adjustment	-	222,419	222,419
At 31 December 2012	<u>17,002,504</u>	<u>25,826,148</u>	<u>42,828,652</u>

	Consolidated		
	Fixed assets Baht	Construction in progress Baht	Total Baht
Deferred tax liabilities			
At 1 January 2013	-	-	-
Charged/(credited) to profit or loss	53,855,678	2,382,447	56,238,125
Translation adjustment	2,241,429	-	2,241,429
At 31 December 2013	<u>56,097,107</u>	<u>2,382,447</u>	<u>58,479,554</u>

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For the year ended 31 December 2013

19 Deferred tax assets (Cont'd)

The movement in deferred tax assets during the year is as follows

	Company	
	2013	Restated
	Baht	2012
		Baht
At 1 January	16,955,468	14,966,892
Charged/(credited) to profit or loss	2,649,891	1,988,576
At 31 December	<u>19,605,359</u>	<u>16,955,468</u>

	Company	
	Employee	
	benefit	
	obligation	Total
	Baht	Baht
Deferred tax assets		
At 1 January 2013	16,955,468	16,955,468
Charged/(credited) to profit or loss	2,649,891	2,649,891
At 31 December 2013	<u>19,605,359</u>	<u>19,605,359</u>
At 1 January 2012	14,966,892	14,966,892
Charged/(credited) to profit or loss	1,988,576	1,988,576
At 31 December 2012	<u>16,955,468</u>	<u>16,955,468</u>

Notes to the Consolidated and Company Financial Statements

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20 Government grants

The subsidiary, Bio Natural Energy Co., Ltd., entered into the government grant assistance agreement with the Energy Policy and Planning Office (EPPO) of Thailand in 2010. This government programme enabled Bio Natural Energy to receive subsidy with a total credit facility line of Baht 20 million from the Energy Conservation Promotion Fund support programme for industrial biogas technology. To receive the subsidy, the subsidiary has to operate the power plant using the biogas generated from the wastewater of Ethanol plants at the minimum volume specified in the agreement.

Bio Natural Energy is also receive a subsidy from the Ministry of Environment of Japan (MOE) to construct the biogas power plant and to sell back the carbon credit generated from production to MOE at the volume stipulated in the agreement. The subsidy received will be based on the percentage of completion of the plant not to exceed Yen 350 million or Baht 129.16 million.

During the year 2013, the group recorded government grants relating to assets of Baht 20 million and recognised revenue of Baht 0.36 million in comprehensive income statement. The group has not recognised any revenue from government grant relating to revenue of Baht 129.16 million since the Group did not start deliver carbon credit to government yet.

As at 31 December 2013, the government grants of Baht 148.80 million were included in non-current liabilities as deferred revenue (31 December 2012: Baht 144.16 million).

21 Employee benefits obligation

	Consolidated	Company
	2013	2013
	Baht	Baht
Statement of financial position	100,573,621	98,048,645
Expenses of employee benefits for the year	12,645,695	12,403,396
	Consolidated	Company
	2013	2013
	Baht	Baht
Current portion due within one year	-	-
Long-term portion due more than one year	100,573,621	98,048,645
Total	100,573,621	98,048,645

The movement in the employee benefit obligation over the year is as follows:

	Consolidated	Company
	2013	2013
	Baht	Baht
At 1 January	87,927,926	85,645,249
Current service cost	9,480,561	9,230,912
Interest cost	4,490,081	4,490,081
Unrecognised actuarial (gain)/loss	-	-
Benefits paid	(1,324,947)	(1,317,597)
At 31 December	100,573,621	98,048,645

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21 Employee benefits obligation (Cont'd)

The amounts recognised in the statement of income are as follows:

	Consolidated	Company
	2013	2013
	Baht	Baht
Current service cost	9,480,561	9,230,912
Interest cost	4,490,081	4,490,081
Unrecognised actuarial (gain)/loss	-	-
Benefit paid	(1,324,947)	(1,317,597)
Total, included in administrative expenses	<u>12,645,695</u>	<u>12,403,396</u>

The principle actuarial assumptions used were as follows;

	2013
Discount rate	4.59% per annum
Future salary increases	7.96% per annum

22 Share capital and premium on share capital

	Number of shares				
	(Share)				
	Authorised	Issued and	Issued and	Premium on	Total
	ordinary	paid-up	paid-up	share capital	Baht
	shares	shares	Baht	Baht	Baht
At 1 January 2012	480,000,000	480,000,000	480,000,000	405,162,100	885,162,100
Issued of shares	-	-	-	-	-
At 31 December 2012	480,000,000	480,000,000	480,000,000	405,162,100	885,162,100
Issued of shares	80,000,000	80,000,000	80,000,000	2,500,334,647	2,580,334,647
At 31 December 2013	<u>560,000,000</u>	<u>560,000,000</u>	<u>560,000,000</u>	<u>2,905,496,747</u>	<u>3,465,496,747</u>

According to the Minutes of Extraordinary Shareholders Meeting 1/2013 on 26 July 2013, the Board of Directors granted approval to the Company to increase authorised share capital from Baht 480 million to Baht 560 million by issuing 80 million new common stocks at a par value of Baht 1 totalling Baht 80 million. The Company registered these new shares with Ministry of Commerce on 16 August 2013.

During 22 - 27 November 2013, the Company sold 80 million ordinary shares to the Public Offering to be made to the public who are shareholders and others of Baht 33 per share totalling of Baht 2,580.33 million net of expenditure incurred issuing those shares.

As at 31 December 2013, the total authorised ordinary shares are 560 million shares at Baht 1 par value (2012: 480 million shares at Baht 1 par value).

Issuance and sale of corporate bond

The Board of Directors' meeting on 19 June 2013 and Extraordinary Shareholders' Meeting No. 1/2556 on 26 July 2013 granted approval the issuance and sale of corporate bond with the maximum amount of Baht 4,000 million and/or loans from financial institution for expanding business and/or financial management.

Notes to the Consolidated and Company Financial Statements

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23 Legal reserve

	Consolidated		Company	
	2013 Baht	Restated 2012 Baht	2013 Baht	Restated 2012 Baht
Beginning balance	48,000,000	48,000,000	48,000,000	48,000,000
Appropriation during the year	8,000,000	-	8,000,000	-
Ending balance	56,000,000	48,000,000	56,000,000	48,000,000

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after the accumulated deficit is brought forward (if any) until the reserve is not less than 10 percent of the registered capital.

24 Earnings per share

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

	Consolidated		Company	
	2013	Restated 2012	2013	Restated 2012
Net profit attributable to equity holders of the parent (Baht)	655,009,377	573,358,078	732,205,379	599,590,925
Weighted average number of ordinary shares in issue (Shares)	532,164,384	480,000,000	532,164,384	480,000,000
Basic earnings per share (Baht)	1.23	1.19	1.38	1.25

There are no dilutive potential ordinary shares issued in years presented above.

25 Dividends

At the Board of Directors' meeting held 14 August 2013, the Board of Directors approved the interim dividend payment in respect of 2013 half-year performance for 480 million shares at Baht 0.30 per share totaling Baht 143.59 million. These dividends were paid to shareholders on 13 September 2013.

At the Annual General Shareholders' Meeting on 5 April 2013, the shareholders approved a dividend payment for 2012 at Baht 0.64 per share for 480 million shares, totaling Baht 307.2 million. The Company paid interim dividends during 2012 at Baht 0.20 per share, totaling Baht 96 million. The remaining dividends of Baht 0.44 per share, totaling Baht 211.2 million, were paid to the shareholders on 3 May 2013.

At the Annual General Shareholders' Meeting on 3 April 2012, the shareholders approved a dividend payment for 2011 at Baht 0.43 per share for 480 million ordinary shares, totaling Baht 206.4 million. The Company already paid the interim dividends during the year 2011 at Baht 0.18 per share, totaling Baht 86.40 million. The remaining dividends of Baht 0.25 per share, totaling Baht 119.99 million were paid to the shareholders on 30 April 2012.

At the Board of Directors' meeting held on 9 August 2012, the Board of Directors approved the payment of dividends in respect of the 2012 half-year performance for 480 million shares of Baht 0.20 per share, totaling Baht 96 million. These dividends were paid to shareholders in September 2012.

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26 Other income

	Consolidated		Company	
	2013	Restated	2013	Restated
	Baht	Baht	Baht	Baht
Interest income	15,395,124	70,729,959	12,426,988	50,368,131
Unrealised gains/(losses) from changes in value of investments	-	289,596	(21,851)	289,596
Gain from disposal equipments	-	1,893,326	(37,320)	1,893,326
Gain from disposal of general investment	-	22,214,000	-	22,214,000
Compensation from insurance claim	-	27,912,870	-	27,912,870
Gain/(loss) from exchange rate	-	38,957,457	17,125,823	37,551,585
Other income	8,629,359	2,273,156	5,946,379	2,276,912
Total	24,024,483	164,270,364	35,440,019	142,506,420

27 Income tax

	Consolidated		Company	
	2013	Restated	2013	Restated
	Baht	Baht	Baht	Baht
Current tax	242,498,708	213,788,992	187,069,162	189,243,533
Deferred tax (Note 19)	(80,401,359)	(25,102,448)	(2,649,891)	(1,988,576)
Total tax expense	162,097,349	188,686,544	184,419,271	187,254,957

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

	Consolidated		Company	
	2013	Restated	2013	Restated
Profit before tax	794,050,717	762,151,707	916,624,650	786,845,882
Tax calculated at a tax rate of 20% (prior year: 23%)	20 158,810,143	23 175,294,893	20 183,324,930	23 180,974,553
Tax effect of				
Income not subject to tax	(442,618)	(2,125,287)	(442,619)	(2,125,287)
Expenses not deductible for tax purpose	13,561,067	13,561,293	1,536,960	8,405,691
Utilisation of previously unrecognised tax losses	-	-	-	-
Tax losses for which no deferred income tax asset was recognised	(11,753,811)	(1,650,685)	-	-
Share of profit (loss) of associate	(1,294,286)	439,462	-	-
Share of profit (loss) of joint venture	40,650	(339,030)	-	-
Difference on tax rate in which countries the group operated	3,176,204	3,505,898	-	-
Tax charge	162,097,349	188,686,544	184,419,271	187,254,957

The weighted average applicable tax rate for the group and the company were 23% and 20%, respectively (2012 : 24% and 25%, respectively).

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

28 Expenses by nature

	Consolidated		Company	
	2013	Restated	2013	Restated
	Baht	2012	Baht	2012
		Baht		Baht
Construction supplies and subcontractor charges	8,531,489,242	5,347,847,882	6,117,661,924	4,399,995,338
Salaries, wages and other employee benefits	2,647,159,762	2,916,831,791	2,464,120,019	2,616,947,208
Estimated construction cost	2,695,297,708	1,789,045,925	2,722,479,476	2,187,467,915
Consultant expenses	22,705,228	59,418,087	15,828,044	58,662,224
Rental expenses	164,301,937	141,775,466	139,920,375	105,492,273
Depreciation and amortisation expenses (Notes 16 and 17)	77,184,700	23,797,041	23,776,908	20,993,026

29 Financial instruments

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from the purchase of equipment and services that are denominated in foreign currencies. The Company manages its exposure to foreign currency risk by balancing its net position of receipt and payment of the foreign currency transactions in each period, and by considering the purchase/sale of forward contracts from time to time so as to reduce exposure to the foreign currency risk it may incur.

At 31 December 2013, the Company had forward foreign exchange contracts amounting to USD 3.45 million. The settlement dates on open forward contracts ranged between 6 and 11 months. Amounts in US dollar to be settled and contractual exchange rates of the outstanding contracts were:

	Company
USD 1 million at the rate of Baht 32.5675 per USD 1	32,567,500 Baht
USD 1 million at the rate of Baht 32.3550 per USD 1	32,355,000 Baht
USD 0.23 million at the rate of Yen 94.4900 per YEN 1	22,000,000 Yen
USD 0.39 million at the rate of Yen 94.4600 per YEN 1	37,000,000 Yen
USD 0.83 million at the rate of Yen 94.4100 per YEN 1	78,000,000 Yen

Net fair values

The net fair values of the forward foreign exchange contracts at 31 December 2013 were:

	Baht
Favourable forward foreign exchange contracts	-
Unfavourable forward foreign exchange contracts	5,554,075

The fair values of forward foreign exchange contracts have been calculated using rates quoted by the Company's bankers that terminate the contracts at 31 December 2013.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

29 Financial instruments (Cont'd)

Foreign currency risk

As at 31 December 2013, the Company and the subsidiary had outstanding balances of financial assets and financial liabilities denominated in foreign currencies as follows:

Currency	(Unit : Baht/1 foreign currency)					
	Consolidated		Company		Exchange rate	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	As at 31 December 2013	
					Buying	Selling
USD	69,619,481	51,548,135	67,359,590	44,719,273	32.6778	32.9494
Yen	201,521,208	100,114,619	1,415,558	100,114,619	0.3102	0.3159
Euro	162,500	2,408,571	162,500	2,408,571	44.7210	45.3225
Singapore Dollar	72,984	212,189	-	192,189	25.6485	26.1167
Australia Dollar	-	84,119	-	84,119	28.9078	29.4474
Philippines Peso	24,840	-	-	-	0.7266	0.7529
Sweden Kroner	75,944,358	46,360,000	-	-	4.9802	4.8902
Malaysia Ringgit	-	17,264	-	17,264	9.8205	10.1137
Myanmar Kyat	64,874	209,332,780	-	-	0.0331	0.0334

30 Commitments and contingent liabilities

As at 31 December 2013, the Group had commitments and contingent liabilities including contracts as following:

1) Capital commitments

The Company has an outstanding commitment in respect of the uncalled portion of investment in Toyo Thai Myanmar Corporation Co., Ltd., a subsidiary in Myanmar, of USD 0.189 million or equivalent to approximately Baht 5.82 million.

2) Operating leases and services commitments

The Company and its subsidiary have entered into lease agreements in respect of the lease of office building space and services and the rental of vehicles. The rental payable under these contractual obligations is as follows:

Paid within	2013	2012
	Million Baht	Million Baht
1 year	129.46	48.92
1 - 2 years	139.20	28.68
3 - 5 years	19.99	-
Total	288.65	77.60

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

30 Commitments and contingent liabilities (Cont'd)

3) Guarantees

- 3.1) The Company has guaranteed bank credit facilities of its subsidiary up to USD 4.0 million or equivalent to Baht 131.80 million (2012: Baht 123.11 million).
- 3.2) As at 31 December 2013, the Group had outstanding bank guarantees in respect of certain performance bond and contractual performance as follows:
 - 3.2.1 Letter of guarantee for contractual performance as required in the normal course of the business of the Group amounting to USD 153.30 million (2012: USD 121.29 million) and Baht 1,921.38 million (2012: Baht 1,618.84 million) and SEK 180.42 million.
 - 3.2.2 Letter of guarantee for electricity use and others amounting to Baht 12.04 million (2012: Baht 11.98 million).
 - 3.2.3 The Company had no letter of guarantee for refundable corporate income tax (2012: Baht 126.84 million).
- 3.3) As at 31 December 2013, a subsidiary had outstanding bank guarantee for contractual performance as required in the normal course of business amounting to USD 14.68 million or equivalent to approximately 481.70 Baht million (2012: Baht 416.89 million) and EUR 4.5 million and QAR 0.16 million.

4) Litigations

- 4.1) During the year 2013, the Company's employees claimed a total of Baht 20.08 million when the Company made instruction to relocate employees back from Myanmar site to Rayong site. The Company has filed answer to the court that the instruction in relocation is a general authorization in management and not reduce benefits of the employees of which is necessarily and legally to do so. As at 31 December 2013, the case is on mediation process, the next appointment is on 11 June 2014.
- 4.2) During the year 2013, Zamil Steel Buildings Vietnam Co.,Ltd and Zamil Steel Buildings Malaysia claimed the Company for supply steel structure and installation in the construction project in Malaysia amounting of USD 0.333 million or equivalent to Baht 10.65 million while the Company was not in default to perform the obligation in according to the contract. Therefore, the Company has filed the Answer and counterclaim of RM 1.16 million or equivalent to Baht 11.6 million as a result of the Company was not in default. As at 31 December 2013, this case is on mediation process.

Notes to the Consolidated and Company Financial Statements

For the year ended 31 December 2013

31 Significant contracts

Share Purchase Agreement

According to the share purchase agreement dated 25 September 2013, Toyo Thai Solar Power Pte. Ltd entered into the share purchase agreement with Global New Energy Japan Co., Ltd. for purchase ordinary shares of 2,000 shares for Yen 200 million or equivalent to Baht 66.29 million. The purchase will be effective upon both the completion of settlement of the price for the shares and the receipt of a company registration certificate. As at 31 December 2013, Toyo Thai Solar Power Pte. Ltd. made advance payment for shares to Global New Energy Japan Co., Ltd. for Yen 200 million or equivalent to Baht 66.29 million.

Power purchase agreement

Toyo-Thai Power Myanmar Corporation Ltd., a subsidiary, agreed into power purchase agreement dated 15 May 2013 with Ministry of Electric of Myanmar. The term of this agreement began on the agreement date and will continue for 30 years from the commercial operation date.

Bio Natural Energy Co., Ltd., a subsidiary, entered into power purchase agreement dated 9 February 2011 with Provincial of Electricity Authority. The term of this agreement began on the agreement date and will continue for 5 year and automatically continue 5 year and effective until terminated the agreement.

Land rental contract

The Company entered into land rental contract with Ministry of Electric of Myanmar for 30 years land rental. The term of this agreement began on the agreement date and will continue for 30 years from 15 May 2013.

32 Post financial position event

On 18 February 2014, Toyo Thai Power Holdings Pte. Ltd. (TTPHD), a subsidiary, increase capital registered of USD 12.5 million. These shares are held by TTP Partners LP (TTPLP) which is an exempted limited partnership registered under the laws of Cayman Islands. TTPLP's shareholders are held by the directors, executives and employees of the Company. Therefore, the capital registered of TTPHD will increase from USD 57 million to USD 69.5 million and make the Company's proportion held in TTPHD to decrease from 70.18% to 57.55%.

At the Board of Directors' meeting no. 1/2014 on 27 February 2014, the Board approved a dividend payment for the operating results of 2013 at Baht 0.70 per share, totalling Baht 368 million. The dividend payment is scheduled for consideration and approval the Annual General Shareholders' Meeting in 2014. The Company already paid interim dividend at Baht 0.30 per share for 480 million shares, totalling Baht 144 million in September 2013 (see note 25 Dividend). Therefore, the remaining dividend payment was at Baht 0.40 per share for 560 million shares, totalling Baht 224 million.

Form 56-2 Checklist

Annual Report 2013 Toyo-Thai Corporation Plc.

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For more information please visit www.sec.or.th or www.toyo-thai.com



JOY OF ENGINEERING AND ACHIEVEMENT



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Home Page : www.toyo-thai.com

Type of Business : Engineering Service and Construction

Registration No. : 0107551000185

Registered Capital : 560,000,000.00 Baht

Paid-up Capital : 560,000,000.00 Baht

Par Value : 1.00 Baht

Securities Registrar : Thailand Securities Depository Co., Ltd.
62 The Stock Exchange of Thailand Building
Rachadapisek Road, Klongtoey,
Bangkok 10110, Thailand

Tel. : (66 2) 229 2800

Fax. : (66 2) 359 1259

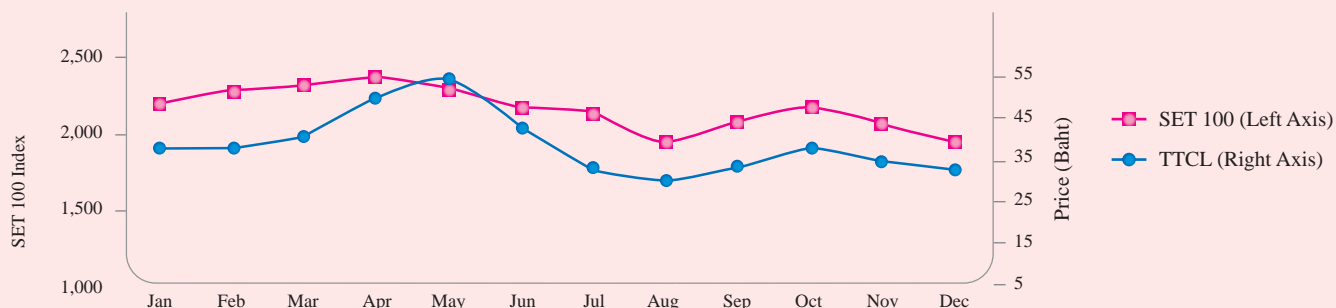
Audit Firm : PricewaterhouseCoopers ABAS Ltd. 15th Floor,
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Independent Auditor : Mr. Prasit Yuengsrikul CPA. No. 4174
Mr. Somchai Jinnovart CPA. No. 3271
Mr. Vichien Khingmontri CPA. No. 3977

TTCL Price and SET 100 Index Movement in 2013





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