

รายงานประจำปี 2557
Annual Report 2014

บริษัท โซลาร์ตรอน จำกัด (มหาชน)
Solartron Public Company Limited



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Message from Chairman of the Board

Dear Shareholders,

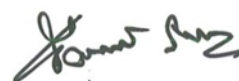
Thailand spent a lot of money for imported oil and gas while the energy is expected to run out. It is understandable that solar energy is affordable, clean and abundant and will reliable continue to decrease costs for the next decades.

For 2014, solar small power producer and very small power producer: (SPP and VSPP) become the dominant players for feeding the electricity into the Grid. Moreover the government grants greater tax privilege not only for solar farm but also solar rooftop to encourage energy awareness. That's why domestic and foreign investors really want to invest in Solar business in Thailand.

Accordingly, 2014 was the golden year for solartron as a good quality solar cell and module producer and renown turnkey solar system integrator. We have laid a firm foundation for future competitive mass and business expansion.

Additionally, our products are acceptable for USA and European market and specially Thai industrial standard for Thai market. It can generate good return on solar business as well as a positive image for solartron.

The company would like to thank our shareholders, financial institutions, business partners and employees for all full supports consistently. We determine to encourage the Government Policy in developing Thai solar industry until reach a sustainable of the country.



Mr. Cherdpong Siriwit
Chairman of the Board of Director
Solartron Public Company Limited

Message from Chief Executive Officer

Dear Shareholders,

Year 2014 is a bullish year of Thai solar business. The government launched many special feed in tariff programs to promote solar energy up to 2,000 megawatt. This encourage investors to participate in solar programs and it will be implemented within 2015.

Accordingly, it is a golden opportunity for Solartron to expand solar cell and module factory up to 200 megawatt. To facilitate Thai hot solar market demand.

Additionally, we are very pleased to announce that we exported solar cell and solar module to Europe. Due to the good quality of Solartron products. It generated a worldwide image and market share for Solartron.

For the fiscal year 2014, the revenue decreased 439 million Baht or 32 % from the year before due to the investment in solar power plant. Although the profit from the system integrated project business has decrease 87.33 million Baht or 72.01 % as a result of using our products for investment. We are confident that the 2015's income from solar power plants for 25 years will be more positive and sustainable to make the company growth strongly.

On behalf of the management, we would like to thank our shareholders, employees, trade partners and customers for their continuous trust and support. As a Company, we will endeavor to improve efficiency and performance in all units of our operations. We promise to always conduct our business responsibly, ethically and transparently to ensure good corporate governance.

We wish you and your family good health and happiness throughout the year of 2015.

Mrs. Patama Wongtoythong

Chief Executive officer

Solartron Public Company Limited

Report of Audit Committee

Dear Shareholders,

The Audit committee consists of independent directors who are qualified by law and knowledgeable as well as experience in accounting, finance, laws and organization management. This year, the committee consists of 3 members: Ms. Rawittha Pongnuchit, as the Chairman of the Audit Committee, General Surapan PoomKaew and Mr. Suchat Trisirivattwat as Audit Committee members.

The Board of Directors set a two year service term for the Audit Committee members and for the Independent Directors to replace them at the end of their terms. The relation of the Audit Committee members ensures the Independent of its work.

In 2014 the Audit Committee had 4 meeting with the Management, the Internal Audit Department and the external auditor. The Audit Committee carried out board-assigned duties under Solartron's regulations on the criteria and guideline for its Audit Committee, in alignment with the regulations of the Stock Exchange of Thailand (SET) and Securities and Exchange Commission (SEC). The Committee's policy focused on conformance to corporate governance and on good internal control as follows;

1. Accuracy and reliability of the Company's financial report

The Audit Committee reviewed the financial report in conjunction with the external auditor before the management presented it to the Board of Directors' meeting for approved. The external auditor did not find any inconsistency within the company's financial report. The Committee extensively reviewed the financial report and the items that inconsistency significant changes and/or items of major importance. The committee also reviewed the appropriate and sufficiency of the company's disclosure of financial information in order to be confident that the information provided is accurate, sufficient and timely. The Committee deemed that the financial report for 2014 were accurate, adequate, reliable and in line with generally accepted accounting standards.

2. Preview of risk management

The Audit Committee reviewed and monitored the company's risk management effort every quarter in order to ensure that the management adequately managed risks to an acceptable level and accurately identified sufficient risk factors that are required information for the Internal Audit Department. The

Committee deems that in 2014, the management had identified sufficient risk factors and was able to mitigate a certain level of risks for the company.

3. Review of internal audit and control effectiveness

Together with the external auditor and Internal auditor, the committee reviewed the internal control system of each quarter with a focus on operation, resource consumption, stewardship of properties and prevention or minimization of errors, losses, waste, and fraud. It also reviewed the credibility of financial reports together with Solartron's compliance with legislation and regulations. The external auditor agreed that the significant issues of shortcomings had been deleted. This year, Solartron also assessed its internal controls against the regulations of the Auditor Commission on internal control standard with responses by executives to assessment questionnaires. The management and the Internal Audit Department agreed that Solartron's internal control system was adequate and effective for its businesses.

4. Review of Corporate Governance

Reviewing Solartron's performance against the business processes, the committee found that Solartron's business had been conducted with virtue, and that in compliance with securities exchange legislation, SET's requirement, and other legislation relevant to its businesses to ensure regular transactions conducted under normal, sensible conditions. The finding indicated good quality system and control.

5. Appointment of the external auditor for 2015

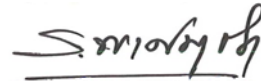
The Audit Committee deemed that the performance of the external auditors from Pitisevi Co., Ltd were independent and appropriate according to the auditing standards. Consequently, the committee has agreed to propose to the Board and the shareholder's meeting to continue appointing Pitisevi Co.,Ltd. as its auditor for 2015

6. Compliance with the law and regulation of the Securities and Exchange Commission, the SET regulations, and the law related to the Company's operation

The Audit Committee verified the Company's compliance with applicable laws cooperatively with the Legal firm, the Regulatory Compliance Unit and Internal Control Department. No Matters of importance indicating that the Company had violated any law, rules and requirements related to the Company's operations were found.

In summary, the Audit Committee performed its duties as specified in the Board-approved charter with caliber, prudence and adequate independent in equitable interests of stakeholders. In its opinion, Solartron's financial reports were accurate and reliable, and agreed with generally accepted accounting

principles. Solartron commanded adequate risk management practices, appropriate internal control of and internal audit systems, compliance with good corporate governance, legislations, requirements and obligations relevant to its businesses.



Mrs.Rawittha Pongnuchit
Chairman of the Audit Committee
Solartron Public Company Limited

1. Financial Highlight of Company

(Unit: Million Baht, except earnings per Share)

Financial Statements	2012	2013	2014
Cash and cash equivalents	44.95	181.75	48.46
Total current assets	1,660.58	856.71	796.71
Total assets	2,407.66	2,183.26	2,209.79
Total current liabilities	1,160.37	656.36	369.48
Total liabilities	1,173.32	675.06	692.39
Total shareholders' equity	1,234.34	1,508.19	1,517.40
Operation Results			
Total incomes	1,181.00	1,386.25	947.42
Revenues from the selling and rendering of services	1,153.93	1,352.19	921.84
Gross profit	243.10	238.12	137.62
Net income	136.68	121.27	33.94
Financial Ratio			
Current ratio (times)	1.43	1.31	2.16
Gross profit (%)	21.07	17.61	14.93
Net profit (%)	11.84	8.97	3.68
Return on equity (%)	12.17	8.84	2.24
Return on assets (%)	6.36	5.28	1.55
Assets turnover (times)	0.54	0.59	0.43
Total debts to equity ratio (times)	0.95	0.45	0.46
Interest Coverage Ratio	-13.16	139.78	9.37
Dividend per share (Baht)	0.05	0.05	0.025
Earnings per share* (Baht)	0.31	0.25	0.07
	Average	Average	Average
	449,659,723	494,624,723	494,624,723
	Shares	Shares	Shares

* Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the company excluding comprehensive income by the weighted average number of ordinary shares in issue during the year. The number of ordinary shares of prior years' used for the calculation, as presented for comparison purpose, has been adjusted in proportion to the change in the number of shares as a result of the distribution of the share dividends, as if the shares comprising such share dividend had been issued at the beginning of the earliest period reported.

Remark * Baht per Share

2. Business Overview and Policy

Vision:

The Leader of Solar Technology in Southeast Asia

Mission:

Solartron runs business with the balance between “**Worth**” and “**Value**” for Shareholders, Employees, Stakeholders, Community and the Environment, resulting in numerous corporate social responsibility awards and social acceptance.

Quality Policy:

“We are committed to create sustainable energy for customer”

Solartron determines to do business with the social corporate responsibility and improve the quality of life of the workforce and their families as well as of the community and society at large.

Labor and Social Accountability Policy

Solartron aims on Labor and Social Accountability improvement and ensures for the better quality of standard of living.

Solartron is committed to its policy of conducting activities without making undue impacts on its own personnel and properties, those of its contractors, the public, and the ecology alike.

To aid continuous improvement, Solartron promotes:

1. Commitment to improve research and development of Solar cell and modules.
2. Commitment to improve the competency of employees.
3. Commitment to improve customer’s satisfaction.

Health, Safety and Environmental Policy

Solartron recognizes Health, Safety and Environmental Policy. We run business with committed to deliver the good quality of products. Our products are environmental friendly.

Product Certifications and Standards:**1. Factory management (UKAS, NAC, The Ministry of Labor of Thailand surveillance audit is required)**

- ISO 9001:2008 – Operation (receiving inspection, QC inspection, process inspection, final inspection) SGS, obtained.
 - ISO 14001:2004 – SGS, obtained.
 - TIS 18001:1999 – SGS, obtained.
 - OHSAS18001:2007 – SGS, obtained.
- TLS 8001:2003 – (Thai Labor Standard) The Department of Labor Protection and Welfare, The Ministry of labor, obtained.

2. Product (TUV: annual surveillance audit is required)

- TUV Rhineland (Germany), IEC 61215 Edition 2, IEC61730, obtained.
- TISI (Thai Standard), TIS 1843:2542, IEC61215 Edition 1, obtained.
- CE Mark (EU): product certification for export to EU,
Obtained Directive 89/336/EEC : Electromagnetic computability.
RoHS (EU): product certification for EU, obtained.
- The Microgeneration Product Certification Scheme Mark

3. Corporate Social Responsibility: Standard for Corporate Social Responsibility (CSR-DIW)

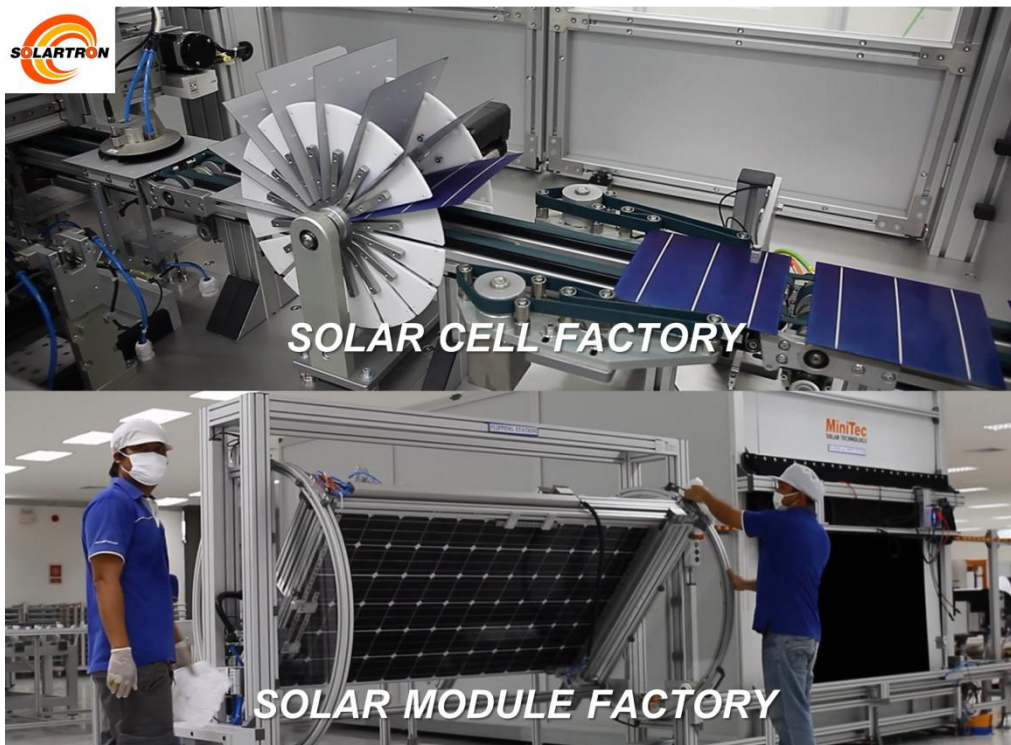
3. Nature of Business

Company Development for 2014

Solartron Public Company Limited (SET Stock code: SOLAR) is one of Solar PV manufacturers that a vertically integrated model, producing high quality crystalline cells and modules. Our full control over the production chain allows us guarantee the highest quality for our products and much more efficient cost structure. With these competitive advantages, Solartron is able to pass benefit on to its customers around the world.

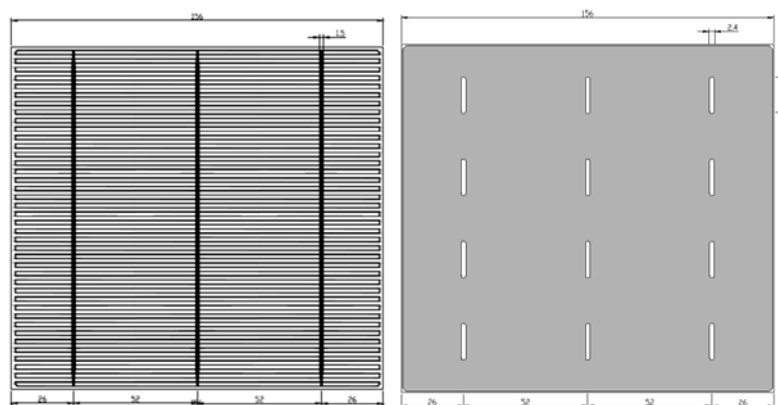
The company employees more than 400 professionals with factories in Pakchong, Nakhon Ratchasima, Thailand. Our global commercial office is located in the business area of Sukhumvit, Bangkok.

The company started in 1986, and gained rapid recognition in upstream by becoming a leader in solar cells and modules technology. The factories are well equipped with the latest technologies, and represent the latest innovative solutions and efficient designs from leading international equipment manufacturer. Solartron products have been awarded with certification from recognized institutes including ICE, UL, TUV, MCS, TIS RoHs, CE, ISO 9001 : 2008 : NAC, ISO 9001 : 2008 UKAS, OHSAS 18001 : 2007, TIS 18001: 1999 , ISO 14001:2004:NAC, ISO 14001:2004:UKAS , CSR-DIW.



Major Development for 2014

January 2014	Awarded 50 MW Solar Power Plant from Bangchak Solar Energy Co., Ltd.
January 2014	Develop Innovative Solar Module with 3 Junction Boxes to Avoid Short Circuit
May 2014	Awarded PV Module Safety Qualification from TUV Rheinland, Germany : IEC 61730-1 : 2004, EN 61730-1 : 2007 : IEC 61730-2 : 2004, EN 61730-2 : 2007
May 2014	Awarded PV Module Design Qualification and type approval from TUV Rheinland, Germany : IEC 61730-1 : 2004, EN 61730-1 : 2007 : IEC 61730-2 : 2004, EN 61730-2 : 2007
May 2014	Awarded Certificate of Origin for Export Product from Department of Foreign Trade, Ministry of Commerce.
June 2014	Designed Solar PV for Military back up program.
July 2014	Awarded the Achievement Certificate of Logistic Cost Reduction from Ministry of Commerce
October 2014	Export Solar Modules produced by Solartron to Europe.
November 2014	Awarded Certificate of Origin for Export Product from The Thai Chamber of Commerce.
November 2014	Awarded UL Certification : UL 1703 : 2002 R5.12
November 2014	Awarded the Achievement Certificate of Logistic Improvement for Solartron Factory Department of International Trade Promotion, Ministry of Commerce
December 2014	Exported solar cells to Europe.
December 2014	Awarded Certificate of Approval for Expand Solar Cell and Solar Module Factory Expansion from Board of Investment (BOI)

2. Solar Cell Business

Solartron is a manufacturer of high quality multi-crystalline silicon solar cell. The technology is the advanced technology from Germany. The Company can produce solar cell 70 MW/year and extend more to

200MW/year in 2015. The Quality and Performance of solar cell that come from Solartron factory are as follows:-

Quality and Performance

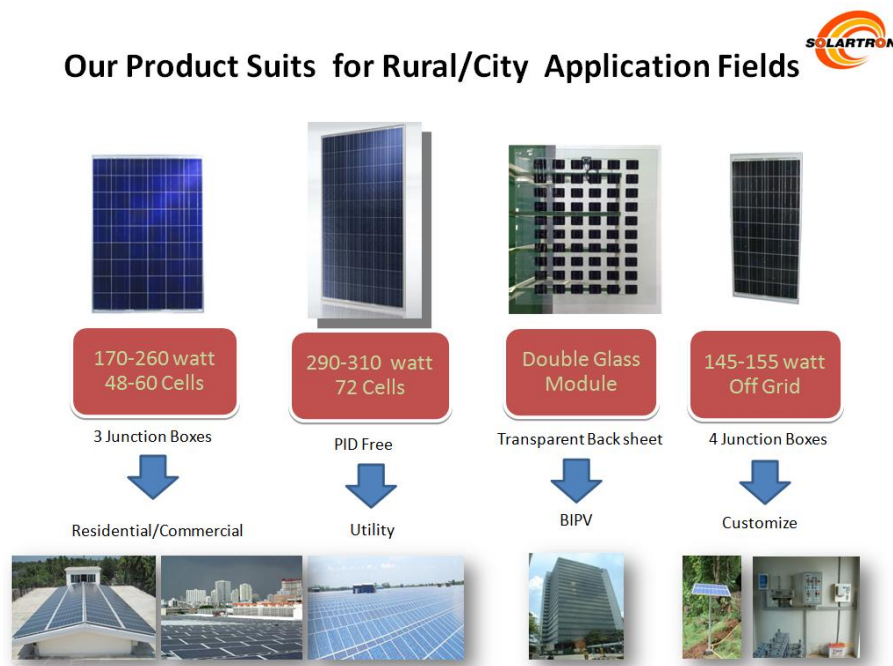
. PID Free

- All products passed in-line optical inspection
- 100% inspected for shunt resistance and reverse current
- Better performance in low light condition for improve energy yield.
- Low light-induced degradation conditions.
- All Solar cell are tightly classified to optimize output module
- Standard cells calibrated by Fraunhofer ISE
- Regularly monitor performance and solderability
- Superior mechanical performance
- All products conform to the regulation of RoHS


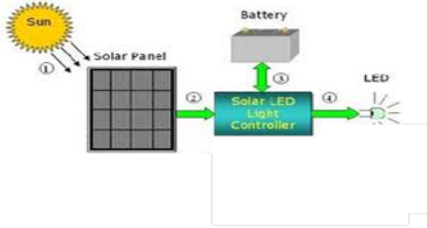





Because of the quality of Solartron Solar cell, there are many international customers want to buy Solartron Solar cell that made in Thailand. In 2014 Solartron exported solar cells to Green Energy Technology Inc. and REC.

3.Solar Module Business

The Company produces varieties of modules that fit for customer needs. Major raw material that make module high efficient is solar cell that comes from State of the art of Solartron cell Factory. The company provided solar modules to more than 250,000 solar applications all over Thailand and neighbouring countries. Due to long term references and high quality of solar modules, Solartron will export the products to Europe/US in 2014 onward.









4. Turnkey EPC Business.

Code		Item No	System components	Specification	Components	Functions	System photo
SSL140	1	PV module	Model : SP140 , Multi-Crystalline Silicon Solar Module Watt peak : 140 Watt Nominal voltage : 12VDC Size : 1505 x 677 x 46 mm. Weight : 13 kg. Certificate: TUV: IEC 61215/IEC 61730 ,TIS 1843-2553		<p>Solar street lights do not only provide electricity in remote locations but also eliminate the need for manual maintenance over large distances. These street lights are easy to install and maintenance in addition to being economical and completely environment-friendly. We also offer customized products for our clients.</p>  <p>1. High efficiency solar panels from export quality manufacturing facility using multi-crystalline solar cells 2. Auto light on/off by luminaire controlled. 3. Fool-proof designing for cable joint & plug to avoid short-circuit. 4. All of the component are durable and long life. 5. High daily cycle life and high recharge efficiency at the very low charge current.</p>		
	2	LED lamp	Power consumption : 36 W Working voltage : 12 VDC Initial light flux : 1800 lm LED lifetime : > 50000 h IP Degree : IP65 Color selectable				
	3	Charge controller	Input : 12VDC / 10A PWM Battery Charging Precise lighting control / Provides 10 lighting options Fully automatic operation / Easy to install				
	4	Battery Solar series type 12V 120AH	Model: SLA Battery (Solar series type) , 12V 120AH Seal and maintenance free operation, 12 years float life at 20°C Up to 5 years design life Wide operation temperature range of -15°C to 60°C Low self-discharge rate and long shelf life Excellent deep discharge recovery capability				
	5	Lamp post	Galvanize steel pole Height : 4 - 6 m. Lamp arm : Single & length ≥ 1 m.				
<p>Solartron Public Company Limited 1000/65,66,67 PB Tower 16th Floor, Soi Sukhumvit 71, Sukhumvit Road, North Klongtan, Wattana, Bangkok 10110, Thailand Tel: +662 392-0224 (Auto 10 lines) Fax: +662 381-2971 Email: support@solartron.co.th www.solartron.co.th</p>							



Solar-Powered Mini Grid System

Code	Item No	System components	Specification	Components	Functions
SMG	1	PV module	Model: SP300 Solar cell: 72 cells, 156x156 multicrystalline Working voltage: 37VDC Watt: 300 Watt Size: 1973x993x40 mm. Weight: 25 kg. Certificate: TIS 1843-2553 IEC 61215/IEC 61730		<p>The Solar module produces electricity from sunlight which can be use directly or store in the battery. The Battery Charger will control the charging of electricity into the battery. The Battery provides DC current to the Inverter which in turn converts DC to AC suitable for usage in household appliances. ☑</p> 
	2	Charge controller	Input voltage: 12-48VDC Input current: 10-120A Advanced microprocessor control Automatic ON-OFF 3-stop changing to provide quick and safe changing for battery Over charge and over load alarm protection Comprehensive LED indication and LCD display ISO 9001 certification factory		
	3	Inverter	Input voltage: 12-48VDC Output selectable High efficiency bi-directional inverter with build-in output transformer High speed automatic transfer switch (4 msec) included Stable output voltage and frequency Full protection for overload, short circuit and over temperature Automatic low battery shutdown to protect battery Reverse polarity protection		
	4	Battery	Model: SLA Battery (Solar series type) , 12V 120AH upto 200AH Seal and maintenance free operation , 12 years float life at 20°C Up to 5 years design life Wide operation temperature range of -15 to 60°C Low self-discharge rate and long shelf life (1 year at 25°C) Excellent deep discharge recovery capability		
	5	Support structure	All of the component are durable and long life Galvanized steel structure design by professional structure consultant is utilized for longitivity and robustness.		




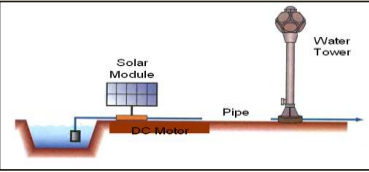



1. 300 - 10,000 Watt solar cell modules
2. Charge controller 1 set
3. Battery 12 - 48 VDC, Capacity up to requirement
4. 4,300 upto 5,000 Watt Inverter per 1 set
5. Provide stable and reliable power increases overall efficiency of electronic components.
6. True MPPT (maximum power point tracking) charge controller to efficiently convert the power generated at module level.
7. Smart electronics to effectively manage usage of solar power based on load requirements. High efficiency inverters capable of supplying load directly (in the day time) without storing in the batteries all the time.
8. DC cables and junction boxes designed to minimize power loss.



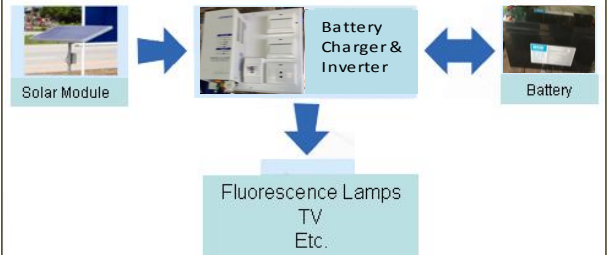


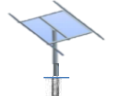
Solartron Public Company Limited

1000/65,66,67 PB Tower 16th Floor, Soi Sukhumvit 71, Sukhumvit Road, North Klongtan, Wattana, Bangkok 10110, Thailand

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Email: support@solartron.co.th www.solartron.co.th

		<h2 style="margin: 0;">Solar-Powered Water Pumping System</h2>			
No	Item No	System components	Specification	Components	Functions
1	1	PV module	Model: SP300 Multi-Crystalline module Solar cell: 72 cells Nominal voltage: 37VDC Watt: 300 Watt Size: 1973x993x40 mm. Weight: 25 kg. Certificate: TIS 1843-2553 compile with IEC 61215/IEC 61730		<p>The Solar Water Pumping System can be used for pumping both from surface and underground water source, from the dusk till dawn. The solar cell modules convert sun light into electrical energy for driving the motor of the water pump in the daytime. The water is then stored in the ground -level or high-level tank (10-20 m). The gravity force from the high -level tank gives enough water pressure to supply to the nearby households</p> <div style="display: flex; justify-content: space-around;">   </div> <ol style="list-style-type: none"> 1. The water pump is designed specially for the solar cell application 2. Usable with DC voltage 30-300 Volt 3. Usable with AC voltage 90-240 Volt, 50/60 Hz 4. Pump protection when run dry 5. Motor protection for the low input power 6. The controller shows operation status of the pump 7. Water-level switch links to the pump on-off 8. Expected life span : PV module ≥ 20 years; <p>High quality GI pipes enables pole to last long for more than 10 years</p>
	2	Pump	Type : Submersible pump MSF 3 is the standard version made of stainless MSF 3 N is made of stainless steel DIN W.-Nr. 1.4401. Supply voltage 30-300VDC, PE, 1x90-240V -10%/+6%, 50/60 ltz, PE maximum current of 8.4A		
	3	Control Unit	The CU 200 is a combined status and control unit for the SQFlex pump system. Moreover, the CU 200 enables connection of a level switch placed in a water reservoir or tank		
	4	Support structure	Galvanized steel structure design by professional structure consultant is utilized for longitivity and robustness. All of the component are durable and long life		
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		<h2 style="margin: 0;">Solar Home System</h2>			
Code	Item No	System components	Specification	Components	Functions
3	1	PV module	Model: SP300 Multi-Crystalline module Solar cell: 72 cells Nominal voltage: 36.05 VDC Watt: 300 Watt Size: 1973x993x40 mm. Weight: 22 kg. Certificate: TIS 1843-2553 IEC 61215/IEC 61730		<p>The Solar module produces electricity from sunlight which can be use directly or store in the battery. The Battery Charger will control the charging of electricity into the Battery. The Battery provides DC current to the Inverter which in turn converts DC to AC suitable for usage in household appliances. Provide a battery charging station for the whole village, schools, and National parks office, etc. in the remote area such as jungle, mountain and island.</p> <div style="text-align: center;">  </div> <ol style="list-style-type: none"> 1. 300 Watt solar cell modules 2. Battery charge controller 1 set 3. Battery 12 VDC, 150AH 4. 150Watt Inverter per 1 set 5. Easy installation & removable with the complete package 6. Low maintenance
	2	Electric cabinet	Electric Cabinet & Accessories 2.1 Inverter 150W/12V 2.2 Charge Controller 12V/20 A LED Lamp Indicator / Compact Fluorescent Lamp Indicator High efficiency bidirectional inverter with build-in output transformer High speed automatic transfer switch (4 msec) included Stable output voltage and frequency Full protection for overload, short circuit and over temperature Automatic low battery shutdown to protect battery Reverse polarity protection ISO 9001 and ISO 14001 certified factory		
	3	Battery	Model: SLA Battery Solar (series type) , 12V 150AH Seal and maintenance free operation , 12 years float life at 20°C Up to 5 years design life at renewable energy applications Wide operation temperature range of -15 to 60°C Low self-discharge rate and long shelf life (1 year at 25°C) Excellent deep discharge recovery capability		
	4	Foundation & Support Structure with Screw pile	All of the component are durable and long life Galvanized steel structure design by professional structure consultant is utilized for longitivity and robustness.		
<p>Solartron Public Company Limited 1000/65,66,67 PB Tower 16th Floor, Soi Sukhumvit 71, Sukhumvit Road, North Klongtan, Wattana, Bangkok 10110, Thailand Tel: +662 392-0224 (Auto 10 lines) Fax: +662 381-2971 Email: support@solartron.co.th www.solartron.co.th</p>					

4. Risk Factor and Risk Management

The Company has realized the significance of risk management and good corporate governance. The significant risk factors are explained as follows:

1) The Volatility of Solar Module Price

We sell and buy solar cells and solar modules in term of US dollar/watt. Even though the price per watt goes down, the efficiency per watt goes up. So Solartron focuses on improving the Cell and Module efficiency in order to get the good quality with lowest cost. The Company cooperates with the leader of solar consultant to improve the manufacturing line and product efficiency to gain more watts (pow price/watt) and mitigate the risk from the volatility of solar module price.

2) Financial Risk

In order to produce the solar cells and solar modules, the company needs both working capital and capital expenditure. At present the company can raise fund on the stock exchange of Thailand by getting approval general Mandate from shareholders and uses project finance to support working capital. In addition, the financial ratio of Debt to Equity is very low , the company is capable to manage the short and long term financing to mitigate the financial risk.

3) The Risk from the Entrance of New Competitors

Nowadays, the government has fully supported the usage of solar energy. The marketing opportunity attracts both local and foreign investors to invest in solar farm business. These newcomers may seize the company's market share and will affect the company growth in the future. However the newcomers have to meet many requirements such as Thai Industrial Standard (TIS), long term reference for solar system, registered installers, register engineers. It takes years to do turn key projects. In addition Solartron will invest its own solar farm and solar rooftop. Cells and Modules that company produced will serve on its own projects.

4) The Risk of the Volatility of the Exchange Rate

The company imports most of its raw materials including wafers, glasses, junction box etc. Its payment is mainly in US dollar and Euro, while most of the products are sold in Thai Baht. If the rate of US dollar or Euro rises comparing to Thai currency, the company cost will increase accordingly.

The company opens letter of credit (L/C) monthly with fully coverage forward contract to protect its exchange rate risk when it expects the vulnerable of the currency.

5) Political Risk

Thai political instability is another important factor that affects overall industry. For the company, our target customers are long term contract customers. They rely on the specific type of products that fit for customer's designs. Our products are approved by the customer and the international trade Center. That's why the overall country's image will not affect company directly

6) Technology Risk

Technology plays an important role for the company in providing high quality of product. If the company does not have necessary technology and professional staffs that are capable of utilization of equipment, it may lose the trust from customers. The company gives high importance in investment for advanced solar technology to reduce the technology risks, the company will only invest in the "must-have" technology and add more valuable for in house research and development to improve the efficiency to complete in international Solar market.

5. General Information

Company Name	Solartron Public Company Limited	Registrar :
Type of Business	Manufacturing Solar cells and Module, Survey, Design and Installation of solar power systems, Turnkey Solar Power Plant, Solar rooftop	Thailand Securities Depository Co., Ltd 62 The Stock Exchange of Thailand Building Rachadapisek Road, Klongtoey, Bangkok 10110 Tel: +66-2-229 2800 Call Center: +66-2-229 2888
Company Code	0107547000877	Auditor:
Head Office	1000/65,66,67 PB.Tower 16 th Floor Sukhumvit 71 Road, North Klongtan, Wattana, Bangkok 10110 Tel. +66-2-392-0224-6 Fax. +66-2-381-2971, +66-2-381-0936	Miss Chawana Wiwatpanachat, The Certified Public Accountants License No..4712 Miss Wanpen Aoonruan The Certified Public Accountants License No. no.7750 Pitisevi Company Limited
Module Factory	88/8 Moo 10, Thanarach Road, Tumbol Nongnumdang, Parkchong District, Nakornratchasima 30130	8/4 SoiVipavadee rangsit 44, Vipavadee rangsit road, Ladyoa. Jatujak, Bangkok Tel. : +66-2-9413584-6 Fax. : +66-2—9413658
Cell Factory	88/9 Moo 10, Thanarach Road, Tumbol Nongnumdang, Parkchong District, Nakornratchasima 30130	
Website	www.solartron.co.th	
E-mail	support@solartron.co.th	
Registered Capital	791.397,723 Baht	Lawyer:
Registered Ordinary Shares	791.397,723 Shares	Mr. Somkiat Ruengsurakiat Bangkok Law Office & Associates Co.,Ltd. 75/20 17 th Fl., Ocean TowerII Bldg., Sukhumvit 21 Road, Klongtoey - Nua, Wattana, Bangkok 10110 Tel. : +66-2-661-6896-9 Fax. : +66-2-661-6895
Par Value	1 Baht	
Registered Ordinary Share with paid	494,624,723 Shares 494,624,723 Baht	
Registered Capital with paid		
Established Date	November 12, 1986	

6. Shareholder Structure

As of December 31, 2014, the company has a registered capital of Baht 791,397,723 consisting of 791,397,723 ordinary shares with par value of 1 Baht. The paid up capital of Baht 494,624,723 consisting of 494,624,723 ordinary shares with par value of 1 Baht.

The list and percentage of the first 10 major shareholders in company's shareholder record are as follows:

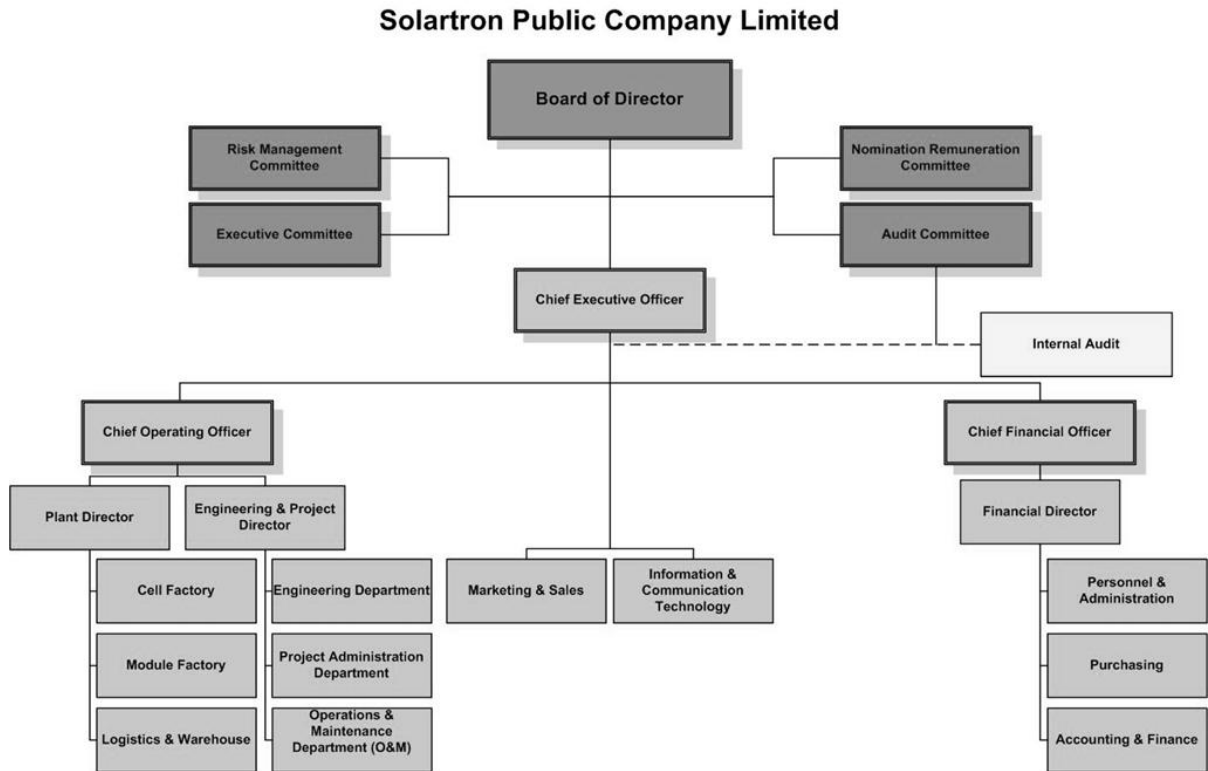
As of December 31, 2014			
Rank	Name	Number of Share	%
1	Mr.Pongsak Thammatucharee	53,181,900	10.75%
2	Taechanarong Group	52,387,200	10.59%
3	Jirawongpapha Group	35,970,900	7.27%
4	Rojmeta Group	20,580,000	4.16%
5	Mr.Jiradech Jongwattanasilgul	12,900,000	2.61%
6	Mr.Nipol Sangwanmanon	10,580,000	2.14%
7	Thai NVDR Ltd	10,312,363	2.08%
8	Mr.Chawalit Poonpermsuwan	10,068,200	2.04%
9	Mr.Jitiporn Jantarach	9,754,300	1.97%
10	Mr.Chairat Gowitjindachai	7,000,000	1.42%
	Total for Top ten Major shareholders	222,734,863	45.03%
	Others	271,889,860	54.97%
	Total paid up capital	494,624,723	100%

7. Dividend Policy

The maximum company dividend policy is approximately 40 % of its Net Profit after deduction of tax and legal reserves. Factors that are considered include corporate operation results, financial position, liquidity, and business expansion plans. The dividend payment requires approval from corporate shareholders and/or the Board of Directors.

8. Company Structure

Organization Chart



The Board of Directors

Mr. Cherdpong Siriwit
Chairman of the Board of Directors

**Academic Background**

Master Degree M.A. Economics, Georgetown University, U.S.A.
 Bachelor Degree B.A. Economics (Honor), Thammasat University

Work Experience

Present >>Chairman of the Board of Directors, Solartron PCL.
 >>Chairman of Audit Committee, Independent Director, IRPC PCL.
 >>Director Advance Finance PCL.
 >>Chairman, Vithai Bio power Co., Ltd.
 >>Chairman, Thai Sugar Mirror Co., Ltd.
 >>Director, Ever Green Plus Co., Ltd.
 >>Independent Director/Audit Committee/Nomination Committee, Thoresen PCL.
 2006 - 2009 >>Audit Committee/Nomination Committee, PTT Chemical PCL.
 2005 - 2008 >>Chairman of the Board of Directors, PTTEP PCL.
 2005 - 2007 >>Chairman of the Board of Directors, Rayong Refinery Co., Ltd.
 2004 - 2008 >>Chairman of the Board of Directors, Thai Oil PCL
 2003 - 2008 >>Chairman of the Board of Directors, PTT PCL
 2003 - 2008 >>Chairman of the Board of Directors, Ratchaburi Electricity Generating Holding PCL
 2003 - 2004 >>Chairman of the Board of Directors, Electricity Generating Authority of Thailand
 2002 - 2006 >>Permanent Secretary, Ministry of Energy

Training Program

>>Diploma, The Joint State-Private Sector Course, National Defense College, Class 40
 >>Politics and Governance in Democratic System for Executives Class, King Prajadhipok's Institute Class 5
 >>The Civil Service Executive Development Program I, The Civil Service Training Institute, Class 13/1993
 >>Capital Market Academy Leadership Program, (CMA) Class 5
 >>Director Accreditation Program (DAP), Class 8/2004
 >>Role of the Chairman Program (RCP), Class 10/2004
 >>Director Certification Program (DCP), Class 104/2008

Number of Shares held

>> -0-

The Board of Directors

Mrs.Patama Wongtoythong

Chief Executive Officer

Deputy Chairman of the Board and the company secretary



Academic Background

Master Degree

Master of Business Administration (Finance, Policy and Planning)
University of Missouri, U.S.A.

Bachelor Degree

Bachelor of Business Administration (Accounting), Thammasat University

Work Experience

2005 - Present

>>Chief Executive Officer, Solartron PCL
>>Deputy Chairman of the Board, Solartron PCL
>>The Board and the company secretary, Solartron PCL

2013 - Present

>>Chairman of Audit Committee, Netbay PCL

2005 - 2008

>>Chief Financial Officer, Solartron PCL

Training Program

>>Director Accreditation Program (DAP) class 54/2005
>>Director Certification Program (DCP) class 54/2005
>>Financial Restructuring & Corporate Recovery, Organized by World Bank and
The Office of Corporate Debt Restructuring Advisory Committee
>>Full Scale Internal Auditing and Control Program
>>Future and Derivatives for Investor Program
>>The Governance Role of the Board in the Preparation and Response to
Unforeseen Crisis and the Oversight of (Foreign) Subsidiaries
>>GRC: Tool for Board Governance
>>Thailand Competitiveness: Making Corporate Governance Productive

Number of Shares held

>> 0.05 %

The Board of Directors

Mr.Akaradej Rojmeta
Director



Academic Background

Master Degree	Master of Business Administration, Tarleton University, Texas, U.S.A.
Bachelor Degree	Bachelor of Business Administration, Thammasat University

Work Experience

2004–Present	>> Director, Solartron PCL
2006–Present	>> Director, Netbay PCL
2007 - 2008	>> Chief Executive Officer, Solartron PCL

Training Program

2004	>>Director Accreditation Program (DAP) class 27/2004
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Number of Shares held	>>3.92 %
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The Board of Directors

Mrs.Rawittha Pongnuchit
Chairman of Audit Committee
Independent Director



Academic Background

Master Degree	Master of Political Science, Thammasat University
Bachelor Degree	Bachelor of Law, Ramkhamhaeng University

Work Experience

Present

- >>Chairman of Audit Committee, Independent Director, Solartron PCL.
- >>Audit Committee, Independent Director, Panda Jewery PCL.
- >>Audit Committee, Independent Director, Synnex (Thailand) PCL.
- >>Director, KTBLAW Co., Ltd.

2010 - 2011

>>Inspector General, Ministry of Finance

2005 - 2010

>>Legal officer 9, Specialized in Combating the Erosion of Tax Systems, Bureau of Central Audit Operations, Revenue Department

Training Program

- >>Training Course on Administrative Law for Executive, Class 3
- >>The Joint State-private Sector Regular Course, National Defense College, Class 15
- >>Director Certification Program (DCP)
- >>Public Law and Management Course, Institute of King Prajadhipok, Class 3
- >>Capital Market Academy, Class 3

Number of Shares held

>> -0-

The Board of Directors

Mr. Suchat Trisirivattwat
Audit Committee
Independent Director



Academic Background

Master Degree	Master of Science (Accounting), Thammasat University
Bachelor Degree	Bachelor of Business Administration (Accounting), Thammasat University

Work Experience

2004 - Present	>> Audit Committee, Independent Director, Solartron PCL.
2006 - Present	>> Director, Klangdong Lime and Expert Environment Co., Ltd.
2006 - Present	>> Managing Director, Indara Insurance PCL
2001 - 2009	>> Managing Director, Environmental Conservative Service Co., Ltd.

Training Program

- >> Advance Audit Committee Programs class 1/2009
- >> Role of the Compensation Committee Program class 5/2008
- >> Chartered Director Class 3/2008
- >> The Role of the Chairman Program
- >> Improving the Quality of Financial Reporting
- >> Director Accreditation Program (DAP) class 21/2004
- >> Audit Committee Program (ACP) class 21/2004
- >> Director Certification Program (DCP) class 27/2004

Number of Shares held >> -0-

The Board of Directors

Dr.Pavan Siamchai
Director
Chief Operating Officer



Academic Background

Doctor of Philosophy	Ph. D in Electrical and Electronics Engineering, Tokyo Institute of Technology, Japan
Master Degree	Master of Engineering (Electrical), Chulalongkorn University
Bachelor Degree	Bachelor of Engineering (Electrical) 2 nd Honor, Chulalongkorn University

Work Experience

2009–Present	>>Director, Chief Operating Officer, Solartron PCL.
2007 - 2009	>>Project Coordinator, Centrotherm photovoltaics AG
2005 – 2007	>>Senior Auditor, Solartron PCL.
1996 - 2005	>>Researcher / Project Manager NECTECH >>Researcher / Project Manager NASDA

Academic Experience

>> Guest Lecturer Mahanakorn University of Technology
 >> Guest Lecturer Asian Institute of Technology

Number of Shares held

>> -0-

The Board of Directors

Gen.Suraphan Poomkaew
Independent Director
Audit Committee



Academic Background

Doctoral Degree	Doctoral of Public Administration, Ramkhamhaeng University
Master Degree	Master of Arts (Social Development) National Institute of Development Administration
Bachelor Degree	Bachelor of Sciences, Chulachomklao Royal Military Academy

Work Experience

2013 - Present	>>Audit Committee, Independent Director, Solartron PCL.
2014 - Present	>>Independent Director, Sino-Thai Engineering & Construction PCL.
2013 – Present	>>Director , National Power Supply PCL.
2011–Present	>>Chairman of Audit Committee, TWZ Corporation PCL.
2006-2007	>>Inspector General
2004-2006	>>Commander of Armed Forces Development Command

Training Program

>>Certificate, Capital Market Academy Leadership Program, Class 9
 >>Director Accreditation Program (DAP) class 84/2010

Number of Shares held >> 0.30%

The Board of Directors

Mr. Akekachat Leelapanyalert
Directors



Academic Background

Bachelor Degree >> Bachelor of Business Administration (First Class Honors)
Chulalongkorn University

Work Experience

present >> Managing Director, Corporate Strategy Division, Apple Wealth Securities PCL.

2013 - 2014 >> Managing Director, Business Development and Corporate Strategy Division, Apple Wealth Securities PCL.

2012 - 2013 >> Director in Investment Banking Department, Country Group Securities PCL.

2007 - 2009 >> Analyst in Investment Banking Department, Phatra Securities PCL.

Number of Shares held -0-

Management Structure

Management structure of company consists of 2 Committees, The Board of Directors and Audit Committee. Each Committee has duties and responsibilities as follows:

Board of Directors

As of December 31, 2014, the Company's Board of Directors comprises of:

1. Mr. Cherdpong Siriwit	Chairman / Director
2. Ms. Patama Wongtoythong	Deputy Chairman / Director / Company Secretary
3. Mr. Akaradej Rojmeta	Director
4. Dr. Pavan Siamchai	Director
5. Mr. Akekachat Leelapanyalert	Director
6. Ms. Rawittha Pongnuchit	Independent Director / Audit Committee
7. Gen. Surapan Poomkaew	Independent Director / Audit Committee
8. Mr. Suchat Trisirivattwat	Independent Director / Audit Committee

Scope of duties and responsibilities of the Board of Directors

1. To undertake the duties in accordance with laws, objectives and requirements of the company and resolutions of the shareholders with due care and integrity for interest of the company.
2. To set the business policies and direct the operations of the company and supervise the management to ensure effectiveness and compliance with the prescribed policies and to maximize the economic value of the business and business stability to shareholders.
3. To arrange a reliable accounting system, financial reports internal control procedures and suitable internal audit system with consistent follow-up.
4. To approve the quarterly and financial reports and the annual investment budget
5. To monitor the operating results of the company, and provide advice/suggestions / decisions with due care on the agenda proposed in the meeting of the board of directors.
6. To appoint/remove the subcommittee on specific matters as deemed suitable.
7. To arrange a policy on business supervision, ethics and employee ethics as a guideline on business conducts and to arrange and supervise the administrative work in accordance with the good governance principles consistently.
8. To approve the key transactions of the company such as acquisition or disposal of assets, expansion of the investment projects, determination of the authority to be assigned and any action required by laws and to look after the conflict of interest among stakeholders of the company.
9. To approve and/or grant consent on the inter-company transactions between the company and its subsidiaries in accordance with related notifications, requirements and guidelines of the Stock Exchange of Thailand.

10. To report any shareholding by himself/herself and his/her spouse and children in the meeting of the board of directors every quarter and to immediately inform the company if there is any purchase or sale of sharer (securities) of the company.

The Executive Committees

As of December 31, 2014, the Company's Executive Committee comprises of:

- | | |
|----------------------------|-------------------------------------|
| 1. Ms. Patama Wongtoythong | Chairman of the Executive Committee |
| 2. Mr. Akaradej Rojmeta | Executive Director |
| 3. Dr. Pavan Siamchai | Executive Director |

Scope of duties and responsibilities of the Board of Executive Directors

1. Decide on important matters related to the Company. Determine the corporate missions, objectives, guidelines, and policies and supervise the overall work
2. Have the power to employ, appoint, and transfer personnel as necessary and appropriate to be the management or staff members for corporate operations. Define appropriate functions, responsibilities, and remunerations of employees.
3. Have the power to dismiss, lie off, and discharge employees as appropriate.
4. Have the power to determine business terms and conditions, such as credit limits, payment terms, trade agreements, and trade term changes.
5. Have the power to act and appear as a corporate representative to outsiders regarding affairs related and advantages to the Company.
6. Approve the appointment of advisors needed in the corporate operations.
7. Deal with affairs concerning the Company's general operations.

Table 1: A summary of approved financial amounts of transactions according to the Company's authorization manual

Approved Financial Amounts for Important Transactions	BOD	EXCOM	CEO
1. Approval of Annual Budget	More than THB 200 Million	Less than THB 100 Million	Less than THB 50 Million
2. Approval of Changing/Increasing of Annual Budget or Investment Budget	Change more than 25 %	Change between 15 to 25 %	Change not over 15 %
3. Approval of purchasing and procurement	More than THB 200 Million	More than THB 100 Million	More than THB 50 Million

Note : (1) The power to approve the financial amounts mentioned is governed by legislation and regulations of the company, the Stock Exchange of Thailand and Securities, and Exchange Commission.

(2) BOD: Board of Directors, EXCOM: Executive Committee , and CEO: Chief Executive Officer

Audit Committee

As of December 31, 2014, the Audit Committee comprises of:

- | | | |
|----|---------------------------|-----------------------------|
| 1. | Mrs. Rawittha Pongnuchit | Chairman of Audit Committee |
| 2. | Gen. Surapan Poomkaew | Audit Committee |
| 3. | Mr. Suchat Trisirivattwat | Audit Committee |

Scope of duties and responsibilities of the audit committee

The scope of duties of the Audit Committee has been made in accordance with the notifications issued by the Stock Exchange of Thailand:

1. To verify in assuring that the Company's financial report is correct and accurate and sufficiently disclosed.
2. To verify in assuring that the Company shall have the appropriated effective internal control and internal audit systems on cooperation with the internal auditor.
3. To consider the independence of the internal audit unit as well as to provide the approval for the appointment, transfer, termination of the chief of the internal audit unit or any other agencies responsible for the internal audit.
4. To verify in assuring that the Company has acted in compliance with the law on Securities and Exchange Commission, the Stock Exchange of Thailand, provisions of Stock Exchange or the laws relating to the Company's business.
5. To consider, select, propose to appoint the independent person or persons to perform the duty as the Company's auditor and to propose the remuneration for such person/persons, considering the reliability, resources adequacy, workloads and personnel's experiences as well as participating in the meeting with the auditor without the involvement of the Management for at least once a year.
6. To consider the related items or the items that would have the conflict of interest to meet the requirement of law or the provision of the Stock exchange to assure that such items are reasonable and resulted in the maximum benefit to the Company.
7. To prepare the report of the Audit Committee's activities, consisting of the opinions about the preparation process and the disclosure of the Company's accurate, complete and reliable financial report, including the options relating to the adequacy of the Company's internal control system by disclosing it in Company's annual report. Such report must be signed by the Chairman of the Audit Committee and must consist of at least the following information:

- 7.1 The opinions about the accuracy, completion and reliability of the Company's financial report.
- 7.2 The opinions about the adequacy of the Company's internal control system.
- 7.3 The opinions about the act in compliance with law on Securities and Exchange Commission and Stock Exchange of Thailand, provisions of Stock Exchange or the laws relating to the Company's business.
- 7.4 The opinions about the appropriateness of the auditor.
- 7.5 The opinions about the items that may post the conflict of interest.
- 7.6 The number or the meeting of the Audit Committee and each member's meeting participation.
- 7.7 The overall opinions or the observations obtained by the Audit Committee from the operation as required in the charter.
- 7.8 Other items as deemed to be known by shareholders and general investors under the scope and responsibility assigned to them by the Company's Board of Directors.
8. Any other operations as assigned by the Company's Board of Directors with the approval of the Audit Committee who directly responsible for the Company's Board of Directors who shall remain to be responsible for the Company's operation against the third party.
9. To verify and amend the Audit Committee charter to be up to date and to suit with the Company's conditions and circumstances.

Independent Director Selection Criteria

1. Not holding shares exceeding 1% of the total shares with voting rights of the Company, its parent Company, its associated company, or any potential conflicting person, which shall be inclusive of the shares held by those related persons;
2. Not being nor having been a director participating in the management, employee, officer, consultant who receiving regular salary, or controlling person over the Company, or potential conflicting person, excepting that he/she has no such characteristic for at least two years before the date of filling of the application with the Officer;
3. No being a person related by blood or by registration under laws as father, mother, spouse, sibling and child, including spouse of child of executive, ,major shareholder, controlling person of the Company or its subsidiary company;
4. Not having nor having had any business relationship with the Company, its parent company, its associated company, or potential conflicting person as might interfere with his/her use of independent discretion, including not being nor having been a major shareholder, a

dependent director, including not being nor having been a major shareholder, a dependent director, or an executive of a person who has a business relationship with the Company, its parent company, its subsidiary company, its associated company or potential conflicting person except that he/she has no such characteristic for at least two years before the date of filling of the application with the office.

5. Not being nor having been an auditor of the Company, its parent company, its subsidiary company, its associated company, or potential conflicting person, and not being a major shareholder, a dependent director, an executive, or partner of the auditing firm employing an auditor of the Company, its parent company, its subsidiary company, its associated company, or potential conflicting person except that he/she has no characteristic for at least two years before the date of filling of the application with the Office;
6. Not being nor having been any professional services provides including a legal advisor and a financial advisor, obtaining service fees of more than Baht 2 million per annum from the Company, its parent company, its subsidiary company, its associated company, or potential conflicting person. If a professional adviser is a legal entity, this will include a major shareholder, a dependent director, an executive, or a partner of such professional services provider except he/she has no such characteristic for at least two years before the date of filling of the application with the Office;
7. Not being a director appointed to represent any director of the Company, a major shareholder, or a shareholder who is a related person of the Company's major shareholder;
8. Not having any other characteristics which make it incapable of expressing an independent opinion with regard to the Company's operation.

Directors' and Executives' remuneration

1. Directors' Remuneration

The board of directors determines clear policies and guidelines for payment of directors' remunerations. For transparency, the remunerations are proposed to shareholders annually. They are adequate and motivational so that the company is able to keep highly qualified directors. Directors serving in committees receive appropriate remunerations corresponding to more duties and responsibilities. Remunerations are divided into 2 categories:

- 1) Regular remunerations are paid for non-executive directors monthly with/without board meetings.
- 2) Meeting remunerations are paid for directors who attend a board meeting.

2. Remunerations for the Management

Remunerations for the Management are in line with the Company's procedures and policies, and in relation to corporate operation results and each individual's performance. Amounts of the remunerations are motivational and enable the company to achieve loyalty among the competent Management.

3. Remuneration for the Board of Directors

In the company annual general shareholder meeting of April 28, 2014, the compensation for the committee members was set as follows:

Remuneration	Monthly payment / person	Meeting allowance / Time/person
The Board of Directors	12,000 THB	25,000THB
Audit Committee	4,000 THB	20,000THB
Nomination and Remuneration Committee	-	20,000THB
Risk Management Committee	-	20,000THB

Remark: The Chairman of every committee will get the compensation 20% more than the committee members.

Monetary Remuneration

The total remuneration was paid as follows:

Monetary Remuneration	2012	2013	2014
Total remuneration (Baht)	1,862,000THB	2,199,200.00 THB	2,626,400.00 THB
Number of Committee Member (Persons)	7	7	8
Type of remuneration	Meeting allowance and monthly payment	Meeting allowance and monthly payment	Meeting allowance and monthly payment

Others Remuneration

The Company has the provident fund for the employees that began August 20, 2004 where in employees pay 5% of their salary and the company will match an additional 5% each month into the provident fund.

The number of Board of Directors Meeting and Audit Committee Meeting and the Attendance by Individual Member of Fiscal Year 2014 and 2013

Name	Board of Directors Meeting		Audit Committee Meeting		Annual General Meeting	
	2014	2013	2014	2013	2014	2013
Mr.Cherdpong Siriwit	4/6	6/6	-	-	1/1	1/1
Ms.Patama Wongtoythong	6/6	6/6	-	-	1/1	1/1
Mr.Akaradej Rojmeta	6/6	6/6	-	-	1/1	1/1
Dr. Pavan Siamchai	5/6	6/6	-	-	1/1	1/1
Mrs.Rawittha Pongnuchit	5/6	6/6	3/4	4/4	1/1	1/1
Mr.Suchat Trisirivattwat	5/6	6/6	3/4	4/4	1/1	1/1
Gen.Suraphan Poomkaew	6/6	3/6	4/4	3/4	1/1	1/1
Mr.Akekachat Leelapanyalert	4/6	-	-	-	-	-

Directorships and Executive Development

The company has provided training and human resources development programs for all of its personal through internal and external training. It allows the board to participate in its operations and ventures. Corporate directors and executives have participated in training courses organized by accredited institutions, such as Chairman Program, Director Accreditation Program (DAP), and Director Certification Program (DCP) provided by Thai Institute of Directors (IOD), also basic courses for the Audit Committee, courses offered by the Stock Exchange of Thailand, and cutting-edge management courses offered by other professional institutions.

New directors are required to complete training and orientation providing important knowledge and skills that are crucial for their directorships. Once there are business expansions or new ventures, the company invites corporate directors to visit the sites and monitor the progress regularly. This is to enhance confidence among shareholders.

Personnel Development Policy

The company has always valued its human resources. Policies on continuous training and human resource management have been established. The aims are to help employees reach their potential, ensure effectiveness at work, and allow them to grow in their fields. All employees are required to receive training that is in line with the company's direction and strategies. Training is well planned and always financially supported by the company which are held in the company and outside by other institutions. Also, the

Company encourages the communication to transfer and share knowledge between employees in the organization (Knowledge Management).

In addition, the company has focused on developing better quality of life of employees. Also, the company has focused more on developing employees' knowledge and understanding about health and environmental safety in the workplace.

Succession Plans

The corporate board of director realizes that succession plans become necessary in case the Chief Executive Officer or top executives are not able to work. To ensure readiness for the circumstance, the Company has prepared its human resources to be able to take on different responsibilities assigned in order to appropriately cover for their colleagues or fulfill their new positions. Executives are given opportunities to learn about the work outside their fields. This is to enable them to fill in assignments for their colleagues who are unable to take on the responsibilities. The board of directors has assigned the nomination and remuneration committee to research and coordinate with accredited consulting firms and professional institutions during development and revision of succession plans.

Supervision of Use of Inside Information

The company prohibits its directors and the Management from using inside information concerning important matters including trading of securities before publication for personal gains. Preventive measures against the use of inside information by the directors and the management are as follows:

1. The company informs executives about their obligation to disclose security holdings and changes of the holdings of themselves, their spouses, and their children who have not yet attained the majority according to the Securities and Exchange Act B.E. 2535, article 59 and statutory penalty, article 275.
2. Circular notices are sent to executives advising those who receive important inside information that affects prices of securities not to trade corporate securities within that one month and not to disclose the important inside information before the corporate financial statements or the particular information is publicized.
3. Should there be any changes in security holdings of the company's directors and executives, the changes must be reported to the board of directors in security holdings matter on the agenda.
4. Important inside information and confidential documents saved as hard copies or soft files are protected and access is limited to top executives only when necessary. If any inside information needs to be disclosed to corporate employees, the employees will be informed properly about the limitation of the use of that information. An employee who discloses corporate confidential information will be penalized.

9. Corporate Governance

The Structure and Responsibility of Solartron Board of Directors

1) Board of Directors

As of December 31, 2014, the Company's Board of Directors comprises of:

1.	Mr. Cherdpong	Sirivit	Chairman
2.	Ms. Patama	Wongtoythong	Deputy Chairman/Director/Company Secretary
3.	Mr. Akaradej	Rojmeta	Director
4.	Ms. Rawittha	Pongnuchit	Independent Director / Audit Committee
5.	Gen. Surapan	Poomkaew	Independent Director / Audit Committee
6.	Mr. Suchat	Trisirivattwat	Independent Director / Audit Committee
7.	Dr. Pavan	Siamchai	Director
8.	Mr.Akekachat	Leelapanyalert	Director

The company has 8 directors, of which 5 are non-executive directors and 3 are independent directors. The Board of Directors is in charge of managing and governing the company's operations according to law, rules and regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission, Capital Market Supervisory Board, and the company's objectives and requirements. The Board performs their duties with integrity and diligence. The Board of Directors is appointed by the company's shareholders. The Board has established the Corporate Secretary Office to recommend and assist the Board to conduct their duties in compliance with relevant rules, regulations and corporate governance. The office also coordinates and ensures that corporate shareholders receive appropriate treatment.

Scope of Duties and Responsibilities

1. Manage corporate operations for shareholders' optimum benefits. Fulfill duties with due diligence and integrity. Comply with the law, objectives, requirements and resolutions of the shareholders' meeting.
2. Appoint or replace executive directors.
3. Determine policies, strategies, and directions of the Company. Ensure the Management's compliance with the policies, strategies, and directions determined with effectiveness and efficiency in order to maximize shareholders' wealth and sustainable growth.
4. Consider and make decisions concerning significant matters, for instance, business plans, budgets, major investment projects, administrative power, and any other articles required by related laws.
5. Evaluate the Management's performance and determine the Management's remunerations.
6. Be responsible for operation results and the work of the Management.

7. Establish an accounting system, financial reports, and reliable audits. Ensure that there are procedures for internal control evaluation, effective and efficient internal audits, risk management, financial reports, and follow-ups.
8. Prevent any conflicts of interest between interested Parties and the Company.
9. Ensure that the business is operated with integrity.
10. Present a full statement on responsibilities of the Company's Board of Directors in preparing the annual report together with the audited financial statements and other significant matters in line with the SET Code of Best Practice for Directors of Listed Companies.
11. May appoint any other individual or other committees to function in the Company's operation under the Board's supervision or a power of attorney within a period approved by the Board. The authorization can be terminated, canceled, changed, or amended.

2) **Executive Committee**

As of December 31, 2014, the Company's Executive Committee

- | | | | |
|----|--------------|--------------|---------------------------------|
| 1. | Ms. Patama | Wongtoythong | Chairman of Executive Committee |
| 2. | Mr. Akaradej | Rojmeta | Executive Director |
| 3. | Dr. Pavan | Siamchai | Executive Director |

Scope of Executive Committee's Duties and Responsibilities

1. Determine policies, directions, strategies, and main management structures for the Company's operations that suit and support the economy and competition, as defined and announced to corporate shareholders. Submit the proposed policies, directions, strategies, and structures to the Board of Directors for approval.
2. Determine business plans, budgets and administrative power of the Company to be submitted to the Board of Directors for approval.
3. Establish organizational structures and manpower policy including overviews of recruitment, training, employment, succession planning, performance evaluation, and remuneration criteria for all corporate employees.
4. Examine and monitor policies and management plans to ensure their effectiveness and suitability for the Company's operations.
5. Monitor the Company's performance to ensure compliance with the approved business plans.
6. Consider large investment projects of the Company in accordance with the provided guidelines for project approval.
7. Conduct financial transactions with financial institutions involving account opening, borrowing, pawning, mortgages, guarantees, and other activities including property trading

and land ownership registration according to specified objectives and amounts of money in order to facilitate the Company's operations.

8. Monitor the development of managing systems and risk management of each division.
9. Carry out tasks assigned by the Board of Directors.

Any power mentioned above given to the Board of Directors shall be under the law and the Company's regulations. Any activities that benefit/may benefit or affect interests of any executive director or individual, or that may lead to conflicts of interest (according to the SEC Notification), are required to be presented by the Board of Executive Directors to the Board of Directors for consideration. The particular executive director and the interested individual shall not be allowed to vote in the meeting concerning the matter.

3) **Audit Committee**

As of December 31, 2014, the Audit Committee comprises of:

- | | | | |
|----|--------------|----------------|-----------------------------|
| 1. | Ms. Rawittha | Pongnuchit | Chairman of Audit Committee |
| 2. | Gen. Surapan | Poomkaew | Audit Committee |
| 3. | Mr. Suchat | Trisirivattwat | Audit Committee |

The Chairman of the Audit Committee shall appoint the secretary of the audit committee.

Scope of Duties and Responsibilities:

1. To review and ensure that the disclosure of information in financial statements are accurate and adequate.
2. To review the Company's internal control system and internal audit system ensuring their appropriateness and effectiveness
3. To review and ensure that the Company's operations are in compliance with securities and stock exchange laws, the SET regulations, or other laws applicable to corporate businesses.
4. To consider, select and nominate the external auditor; and propose the external auditor's remuneration.
5. To review the Company's disclosure in case of related party transactions or transactions that may lead to any conflict of interest and ensure that the disclosed information is correct and complete
6. To perform any duties as assigned by the Board of Directors and agreed upon by the Audit Committee, such as reviewing financial management and risk management policies, reviewing Management's compliance with business ethics, and reviewing with Management important reports to be presented to the public as prescribed by the law, i.e. Management's reports and analyses, etc.

7. To prepare reports of the Audit Committee for disclosing in the Company's annual report in which shall be signed by the Chairman of the Audit Committee and consist of at least the following information :
 - 7.1 Opinions on accuracy, completeness and reliability of the Company's Financial Statements
 - 7.2 Opinions on adequacy of the Company's internal control system.
 - 7.3 Comments the Company's on compliance with laws on securities and the Stock Exchange of Thailand, the Set requirements, or laws applicable to the Company's businesses.
 - 7.4 Comments on suitability of the auditor.
 - 7.5 Comments on transactions that may lead to conflicts of interest.
 - 7.6 Numbers of the Audit Committee meetings and attendances of each of the Audit Committee members.
 - 7.7 Comments or overview observation which the Audit Committee has obtained from performing in compliance with the Charter.
 - 7.8 Any reports considered appropriate for notifying corporate shareholders and general investors under the scope, duties and responsibilities as assigned by the Board of Directors.
8. To report routine activities in order that the Board of Directors shall acknowledge the Audit Committee's activities as follows:
 - 8.1 The Audit Committee's minutes of meetings clearly specifying the Committee's comments on different matters.
 - 8.2 The report on the Committee's opinions on corporate financial statements, internal audit and internal audit procedure.
 - 8.3 Any report considered appropriate for acknowledgement of the Board of Directors.
9. In performing its duties, should the Audit Committee find any doubtful transactions or conducts as shown below which may cause a significant impact to the Company's financial status and operating results, it should report to the Board of Directors for improvement and correction within time frames it deems appropriate:
 - 9.1 Conflict of interest transactions.
 - 9.2 Any suspicion or presumption of corruption, abnormality, or fault which are significant in the internal audit system.
 - 9.3 Any suspicion that there might be noncompliance with securities and stock exchange laws, the SET regulations, or laws applicable to the Company's businesses. Should the Audit Committee report to the Board of Directors matters that significantly affect the Company's financial status and operating results, and discussion between the Committee and the Board of Directors on improvement and correction occurs, after the agreed due date, the Audit Committee finds that the matters have not been acted upon without any good reasons, one of the Committee's members may further report

the finding to the Securities and Exchange Commission and the Stock Exchange of Thailand.

10. In case that the auditor finds any doubtful acts committed by a director, manager or any person responsible for the Company's operations that might be noncompliant with the law and reports to the Audit Committee the fact about such conducts for acknowledgement and prompt inspection, the Audit Committee shall then notify the outcome of preliminary inspection to the SEC, SET and the auditor within 30 days after being notified by the auditor report. Reporting of doubtful acts and the procedure to gain the facts on such acts shall be in line with the Capital Market Commission's regulations.
11. To have authority to invite directors, Management, department heads or employees to discuss or answer the Audit Committee's inquiries.
12. To review the scope of authority and responsibilities, and appraise the Audit Committee's performance on a yearly basis The Audit Committee is required to hold at least four meetings a year and serve a two-year term.

The Audit Committee: Qualifications of the Audit Committee are in line with relevant SET requirements. All Audit Committee members are independent directors. Mr. Suchat Trisirivattwat, the Audit Committee, possesses sound knowledge, understanding, professional experience in accounting and finance. In 2014, the committee had 4 meetings, and reports on their work were regularly completed.

4) **Nomination and Remuneration Committee**

As of December 31, 2014, the Nomination and Remuneration Committee comprises of:

- | | | | |
|----|--------------|----------------|---|
| 1. | Ms. Rawittha | Pongnuchit | Chairman of Nomination and Remuneration Committee |
| 2. | Mr. Suchat | Trisirivattwat | Nomination and Remuneration Committee |
| 3. | Ms. Patama | Wongtoythong | Nomination and Remuneration/Secretary |

The Chairman of the Nomination and Remuneration committee shall appoint the secretary of the Nomination and Remuneration committee.

Scope of Duties and Responsibilities:

1. Determine policies, regulations, and procedures for nomination of directors and executives including remunerations and other benefits in accordance with their responsibility, the operating results of the Company, the normal practices in the same industries and as indicated in the Board of Executive director's policy.
2. Select and nominate qualified personnel to the Board of Director for consideration and appointment of directors, directors in committees, executives including other committees.

3. Review and give recommendations to the Board of Director corresponding to the organization structure, size and members of the Board of Director.
4. Develop guidelines for evaluating performance of directors and executives in order to determine appropriate annual remunerations corresponding to their duties, responsibilities, and risks.
5. Supervise to disclose reports of the work of the Nomination and Remuneration Committee in the corporate annual report, commencing in 2008.

The Nomination and Remuneration Committee: The Company required that the Remuneration Committee and Nomination Committee be combined. The Chairperson and the majority of the committee members shall be independent directors. Directors serve in this committee have expertise in several fields, such as governance, law, account and human resource management.

5) Risk Management Committee

As of December 31, 2014, the Risk Management Committee comprises of:

- | | | | |
|----|--------------|----------------|---------------------------------------|
| 1. | Ms. Rawittha | Pongnuchit | Chairman of Risk Management Committee |
| 2. | Mr. Suchat | Trisirivattwat | Risk Management Committee |
| 3. | Ms. Patama | Wongtoythong | Risk Management Committee /Secretary |

Scope of Duties and Responsibilities:

1. Develop policies to be considered by the Board of Directors regarding the overall corporate risk management that covers the Company's major risks, such as market risk, liquidity risk, management risk, investment risk, and reputation risk.
2. Design strategies in line with risk management policies to monitor and evaluate the corporate risk amount, as well as maintain the appropriate risk level.
3. Review the adequacy of risk management policies and system, as well as effectiveness of the system and policies practiced.
4. Provide recommendations in line with policies and strategies determined by the Board of Directors and present those recommendations to the Board.

The Risk Management Committee: The Board requires the Chairman of Risk Management Committee to be independent directors. Directors serve in this committee have expertise in several fields, such as accounting and finance, management, investment, and corporate businesses.

2. Policy of Corporate Governance

The Board of Directors has always realized the importance of conducting business in compliance with good corporate governance principles. The Board resolved corporate governance policy in written to comply with the principles of corporate governance stated by the Stock Exchange of Thailand (SET) as well as rules and regulations of the Securities Commission (SEC) which cover the following categories:

- Rights of shareholders and equitable treatment of shareholders
- Role of stakeholders,
- Disclosure and transparency
- Role and Responsibilities of the Board of Directors

1. Rights of shareholders and equitable treatment of shareholders

1. The Company always respects rights of its shareholders: basic shareholder rights as prescribed the law, ownership right through appointment of the Board of Directors, and other rights as appropriate. The Company takes care of its shareholders more than legal requirements, such as provision of information, news, updates through the corporate website. Important news for shareholders is notified by letters. Shareholders are welcome to visit the Company by request.
2. The Company provides shareholders, prior to a meeting, with information on the date, time, venue, and all agenda items concerning issues to be decided. A notice of a meeting and support documents are sent to corporate shareholders at least 7 days in advance. The notice for the 2011 shareholders meeting was posted on the Company's website so that shareholders could study all the information prior to receiving the notice in documentation.
3. The Company's website where corporate shareholders and those interested may download corporate financial information, corporate profiles, and meeting information is www.solartron.co.th. Inquiries and requests for further information may be e-mailed to support@solartron.co.th
4. The Company facilitates and encourages its shareholders to exercise their rights and votes. There are two closing times of the transfer book. The transfer book is closed for shareholders' right to attend a shareholders meeting, allowing the shareholders to consider and approve the annual dividend payment. The book is closed again for shareholders' right to receive dividends, allowing the shareholders to choose whether they will hold the stocks for the dividends or not. Shareholders meetings are organized at convenient venues. The Company has chosen to hold annual general meetings at hotel in the middle of Bangkok, near the Company's head office. The meetings are notified in newspapers. Shareholders can register about one hour prior to each meeting. Should a shareholder not be able to physically present at a meeting, they may appoint their proxy or an independent director as their proxy to attend and vote in the meeting.

5. The Company held the Annual General Meeting¹/2014 on April 28, 2014, where all directors were present. Corporate shareholders were given opportunities to directly inquire the corporate directors and committees. The Company does not deprive its shareholders of access to corporate information. All important information, for instance, is included in distributed notices without any last-minute addition of agendas or changes in important matters. Shareholders who arrive late are always allowed to attend meetings.
6. The Company allows its shareholders to propose matters to be included in a meeting's agenda, prior to the meeting, with requirements and procedures. For instance, there shall be at least 5% of total shares. A meeting agenda is presented in detail. Criteria for approving or rejecting proposed matters as part of meetings' agendas are stated clearly. There are channels and periods of time for accepting shareholders' proposals. After proposals are accepted, the Board of Directors' meeting will consider and select the proposals. Shareholders will be informed about the Board's meeting resolutions and reasons in detail regarding the proposals through the Company's website and corporate shareholders did not propose any additional matters to be included in the shareholders' meeting agendas. Moreover, the Company encourages its shareholders to electronically submit the Board their inquiries related to shareholders' meeting agendas via its website prior to shareholders' meeting dates.
7. The Company has facilitated nomination of candidates for corporate directors by shareholders. Guidelines for the procedure and criteria have been provided. For instance, registered mail can be used for shareholders' submission of their nominations to the Company's Secretarial Division. Periods of time for accepting shareholders' director nominations are defined. Forms for nominees' profiles are provided. The procedure for nominees' declaration of their consent is explained. Detailed information regarding the nomination is posted on the Company's website. After nominations are accepted, the board of directors' meeting will consider the nominations. However, up to the present there has been no nomination from corporate shareholders.
8. The Company provides information on a shareholders' meeting for its shareholders on the corporate website. Hard copies of the same information are also sent to corporate shareholders. Shareholders' meeting notices and support documents are sent to shareholders at least 14 days in advance.
9. In the annual shareholders meeting notice, the Company informed its shareholders about rules and procedure of attending the shareholders' meeting. It nominated corporate independent directors. Shareholders were provided with standard proxy forms for indicating their opinions in voting.

10. Agenda of the 2014 annual shareholders' meeting notice covered appointments of directors, consideration of directors' remuneration, appointment of an independent auditor and determination of their remuneration, dividend payment, and other important matters, such as the issuance and offering of the Company's warrants, and allocation of new ordinary shares. Necessary information for shareholders' decision was presented.
11. In the 2014 AGM, the Chair informed corporate shareholders about procedures relevant to the meeting including voting procedure. The shareholders were given opportunities to express their opinions and ask questions. There were inquiries about the Company's financial statements and operating results. In director appointment, the shareholders voted on each nominated director. Voting cards were used in case of disagreement over the meeting agenda. The meeting was recorded on video.
12. In minutes of the 2014 Annual General Shareholders' Meeting, names of all the directors physically present/absent were shown. All corporate directors were present. Summaries of clarifications, questions, answers, opinions, the voting procedure, and the vote count procedure were provided. Regarding disagreement, the meeting resolution was presented along with the total of votes in favor/ against and no vote. The minutes were posted on the corporate website within 14 days after the AGM.
13. Regarding the use and protection of inside information, the Company has established measures to prevent the use of inside information by directors, management, and employees for abusive self-dealing.
14. The Company requires that a director shall not operate or have any position in any ordinary partnership, or be a general partner in limited partnership, or be a director in any other limited company or public company limited that operates businesses of the same nature and that is the Company's direct and indirect competition, unless the information about their position(s) is disclosed to the shareholders' meeting before the appointment. Directors shall inform the Company immediately about their direct and indirect conflicts of interest arising in any corporate contracts done between fiscal years, or due to change in their acquisition of shares or debentures of the Company or its subsidiaries between fiscal years. The Company encourages its directors, Management and those related to the Board to disclose information about their interests as part of the Board's meeting agendas. Directors who have interests in any issues being considered are not allowed to vote on those particular issues.

2. Role of Stakeholders

Besides protecting the benefits and rights of its shareholders, the Company realizes the significance of other stakeholders contributing to its financial stability and sustainability. These stakeholders include, for instance, customers, employees, trading partners, creditors, and the surrounding community. The

Company has always ensured integrity and fair treatment for each stakeholder through its established business ethics, such as:

Rights of shareholders: They are defined in “Rights of Shareholders and Equitable Treatments of Shareholders” section.

Rights of employees: The Company respects its employees’ legal rights according to the Labor Protection Act and related laws. It ensures fair and equal treatment for all employees regardless of their ranks, nationalities, religious beliefs, and gender. Employees are entitled to benefits according to their positions without discrimination. For transparency and fairness in employees’ promotions and pay raises, the Company has established a committee comprising of Management of different departments. To support its growth, the Company encourages its employees’ knowledge and skill development through in-house and outside training. Provident fund has been set for corporate employees’ security. The Company upholds Thai Labor Standard 8001 on human rights and social responsibility. It was given full and highest accreditation by the Department of Labor Protection and Welfare, Ministry of Labor, with the Thai Labor Standard (TLS: 8001).

Rights of customers: Apart from customers’ rights specified in contracts, the Company cares about their satisfaction. Follow-up and customer satisfaction evaluating systems have been established. Follow-ups and satisfaction evaluations are done periodically in line with ISO 9001:2008, ISO 14001: 2004, OHSAS 18001:2007 and TLS8001: 2003. The aim is to promote long-term relationships between the Company and customers.

Rights of trading partners: Most of the Company’s relationships with its trading partners are in the form of joint ventures. The Company always respects its trading partners’ legal rights and rights as specified in joint venture agreements. It adheres to integrity, equality, and rights of benefits corresponding to their investments.

Rights of creditors: The creditors’ rights specified in trade agreements are respected. The Company has earned trust among its creditors from ethical operations. Information and updates concerning the Company and its financial status are provided for the Company’s creditors.

Rights of the community and environment: The Company has always been responsible to the society and environment. It strictly complies with applicable laws, such as environmental and factory laws. The Company collaborates with the government sector and agencies, helps developing public infrastructure, provides financial supports, and promotes social activities that bring understanding and sustainable development to the community.

For projects that may have a potential impact on the community and environment, the company conducts public hearings and tries to minimize those effects. Specific procedures have been set for environmental and social factor studies, minimizing environmental and social impact, along with feasibility studies. The company had conducted public hearings and analyses of impacts on the community and environment.

The company always realizes the importance of all groups of stakeholders as mentioned. It also values all suggestions, opinions, and comments that enable development, improvement and correction of the corporate operations. All stakeholders can contact the company to report improper incident, complain, request for clarifications or correction, or make any suggestions via email: support@solartron.co.th or faxing the internal audit office at 02-381-2971. In the previous year, there was no wrongdoing reported to the company.

3. Disclosure of Information and Transparency

The company ensures that corporate information is provided correctly, accurately, on time, and transparently through channels that are trustworthy and equally easy to access for the public. The followings are corporate practices:

1. Annual statements (Form 56-1) and annual reports are disclosed through the SET channels and corporate website, www.solartron.co.th. There are also updates related to the company and the industry posted on the website to facilitate decision-making of those involved.
2. The company disclosed additional information including duties of the Board of Directors and committees, the director and executive remuneration policy, summarized corporate governance policy, environmental and social policies, the company's compliance with established policies, summarized business ethics, and directors' training background were disclosed.
3. A statement of the Board of Directors' responsibilities for the company's financial statements is provided along with the auditor's report in the corporate annual report. The contents include the certification that the company's financial statements are fairly presented in accordance with generally accepted accounting principles and regulations, and that the financial statements are accurate, complete, and true according to accounting standards. The statement is signed by the Board Chairman and Managing Director.
4. Contents of the Company's website consist of organizational information, shareholding structure, the Board structure, vision/missions, businesses and products, corporate governance policies and compliance results, business ethics, information for investors, environmental and social policies, annual reports, financial statements, news and updates in both Thai and English.
5. The company is well aware of the importance of disclosing information to investors with accuracy, transparency, and accessibility. A team set up to coordinate communications between the company, investors, and shareholders can be reached by email at support@solartron.co.th.

4. Responsibilities of the Board of Directors

- The structure of the Board consisted of 8 directors. 3 out of 8 are independent directors and. The company's Board of Directors possesses skills and expertise in various fields, such as accounting, finance, law, governance, production technology, personnel, purchasing, marketing, real estate, internal audit, and information technology. Detailed profiles, qualifications, experiences, and ownership of directors are included in Form 56-1.

Category of Directors

Name	The Board of Director	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee
Mr. Cherdpong Sirivit	/	-	-	-
Ms. Patama Wongtoythong	/	-	/	/
Mr. Akaradej Rojmeta	/	-	-	-
Ms. Rawittha Pongnuchit	/	/	/	/
Mr. Suchat Trisirivattwat	/	/	/	/
Gen. Surapan Poomkaew	/	/	-	-
Dr. Pavan Siamchai	/	-	-	-
Mr.Akekachat Leelapanyalert	/	-	-	-

- It is required that during the annual general meeting, one third (1/3) or close to one third of corporate directors resign. Each director's term is three years. In case that the Board serves until the end of its term and the new Board has not yet been appointed, the former Board still continues to work until the new Board has been appointed. The company has not determined how many terms the Board can consecutively serve. The Nomination and Remuneration Committee is considering this matter in relation to feasibility of selecting personnel with experience specific to the company's business to serve in the Board.
- The Board of Directors has established the following committees: the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, and the Corporate Governance Committee, as well as defined their functions and responsibilities. For transparency and independence in the work, the majority of the committee members are independent directors, and chairs of the committees are independent directors. To maintain true independence of the corporate committees, the Chair of the Board is not the chair or a member of those committees. The committees serve 2 years. In case that a committee serves until the end of its term and a new committee has not yet been appointed, the former committee still continues to work until a new committee has been appointed. At the end of their term, if a director is not re-elected, their position in their current committee shall

end automatically. If there is a new director in a committee, that director shall remain in the position as long as the committee's term.

4. The board requires that a director must not operate or have any position in any ordinary partnership, or be a general partner in limited partnership, or be a director in any other limited company or public company limited that operates businesses of the same nature and that is the company's direct and indirect competition, unless the information about their positions is disclosed in the annual general meeting before the appointment. The requirement is applied to corporate executives as well.
5. The company's vision, missions, strategies, goals, business plans, budgets, internal control, internal audit, and risk management have been governed with effectiveness and efficiency. The current corporate vision has been reshaped from being a sugar manufacturer to a producer of alternative energy which is environmentally friendly. The new vision is based on the idea that sugar is an energy source for human beings. Ethanol fuels automobiles. Fertilizer nourishes plants. Electricity energizes appliances. Corporate investments are in line with such vision.
6. The board has established corporate governance policy as follows: "The Company is committed to corporate governance to build trust among shareholders, employees, and customers, as well as to create sustainable competitive advantage. It emphasizes internal control, internal audit, and risk management, as well as ensures that managements implement policies effectively in compliance with legislation and business ethics." The policy has been communicated throughout the Company. The company ensures that its personal understands and complies with the corporate governance. The work and corporate policies are always evaluated and reviewed annually.
7. The board has set a written ethics and codes of business conduct for the company's directors and employees, which cover key matters, such as honesty, integrity, conflicts of interest, and compliance with laws. Compliance to the codes is monitored, and penalties are defined. Each year the Company's human resources department evaluates, reviews, and revises the codes of conduct.
8. Conflicts of Interest Prevention, The board of directors thoroughly considers and deals with transactions with (potential) conflicts of interest. The Audit Committee considers related-party transactions according to the SET legislation and procedure. Stakeholders in transactions are not allowed to decide on those particular transactions, which are fully and accurately disclosed in annual reports and from 56-1.
9. Efficient Administrations and Internal Control, the company's internal control unit has been formed to ensure effective operations, accurate and reliable information, compliance with legislation, efficient and effective use of corporate resources, and protection and corporate assets. The corporate internal audit provides analyses, audits, evaluations, advice, and recommendations to support corporate activities. The Audit Committee independently reviews and audits adequacy and efficiency of the company's internal control and internal

- audit once a year. The opinions on the corporate internal control system are included in the annual report.
10. Risk Management, the risk management committee engages in establishing the total risk management. Adequacy and efficiency of the company's risk management system will be reviewed at least once a year. The early warning system will be in place for irregularity scanning.
 11. The board of director sets at least 4 board meeting every 3 months, and 1 additional meeting: one is a meeting before one month of annual shareholders' meeting and the other one is a meeting for annual budget, each director of the board is notified in advance. For the flow of the company's operations, there are monthly executive meetings where the board entitles the meeting to make decisions. In every board meetings, the board of directors is informed about matters that have been approved by the Company's executive meeting to ensure that the board is able to supervise, control, and monitor the work of managements on a regular basis.
 12. In board meetings, the chairman, managing director, and secretary consider agendas. This is to ensure that the agendas cover important matters. Each director may propose agendas independently.
 13. The board's secretary sends meeting documents to each director in advance of the meeting date. The documents are concise. Confidential issues that cannot be disclosed in writing or prior to the meetings are brought to be discussed during the meeting.
 14. In a board of directors meeting, the chairman of the board allocates adequate meeting time for managements' presentations and comprehensive directors' discussions. The chairman encourages careful consideration in the meeting. Directors pay attention to each issue presented in the meeting, including issues concerning governance of the company. Top executives from different departments attend the board meeting to present details on the issues that they are responsible for in order to facilitate the Board's decision-making. The Board also has a chance to know more about the top executives, as well as has access to important additional information through the top executives. Directors may request more information about issues in the meeting from the company's secretary.
 15. Minutes of the board of directors' meetings include such important matters as dates, times, names of directors who are present and absent, summaries of proposals, summaries of discussions and remarks, resolutions, opinions from directors who disagree, names of people preparing minutes, and names of those approving minutes. The minutes are bound and easy to retrieve. They cannot be changed. Numbers of the board meetings and attendance are disclosed. The board sets a meeting every 3 months in a year, and the executive committee has monthly meetings concerning the company's operating results. Information from the executive committee meetings is presented to the corporate board of directors.

In 2014, the board evaluated its works according to the applicable SET evaluation criteria. Also, there were evaluations of directors in groups and individually. The board considered the evaluation results and put forward recommendations for improvement.

5. Selection of Directors and Management

1. The nomination and remuneration committee has determined that an independent director: (1) must possess an amount of shares that does not exceed 0.5% of the total of voting shares; (2) must not involve in corporate management and must not be an employee or advisor including an audit advisor, a legal advisor, or any other type of advisor receiving salary, or a person with controlling power over the company, its subsidiaries and associates, or a person who may have conflicts of interest or may hold a stake in that manner not less than 2 years; (3) must not have any business relationship, interest or stake both direct and indirectly; (4) must not be a close relative or have other type of relationship with management and major shareholders that might result in lack of independence. Such requirements, which are stricter than other general requirements, have been approved by the company's board.
2. In the past 2014, the independent directors have no any business relationship or any providing the professional service to the Company.
3. Board of director appointed 3 directors as a member of the Nominating and Remuneration Committee. 2 out of 3 members are company's independent directors. This committee has planned to determine policies, regulations, and procedures for nomination of directors in order to select and nominate qualified personnel to the Board of Director and shareholder for consideration in annual general shareholders' meeting. However, the criteria for consideration must be not less than the qualifications specified in Section 68 of the SEC ACT B.E. 2535 (including the revised version) and related announcements of the SEC. The election of directors is organized in line with the following Company's regulations:
 1. The corporate Board of Directors consists of a lease four directors, which not less than half of the number of directors must reside in the Kingdom. The directors must be qualified individuals who do not possess characteristics as prohibited by the laws.
 2. The election of directors by the shareholder meeting is in line with the majority of votes, and the following regulations and procedure:
 - a) One vote per share is allowed for a shareholder.
 - b) Shareholders vote for each individual nominated as a director. The number of vote(s) received by each nominee does not exceed the number of share(s) held by the particular voter, as specified in (a). The shareholder cannot allot any of their share(s) to any other individual. Directors are those individuals receiving the highest votes. Should the individuals receive the same number of votes where only one place for a direct remaining, the chairperson shall be granted the final vote.

3. In an annual general meeting, one third of the directors are required to resign. If the total number of directors does not allow such division, the number of directors to resign should be at the closest to one third of the total.

6. Use of inside information

According to Corporate Governance policy, the Company prohibits its directors, the executives, and employees from using inside information concerning important matters including trading of securities before publication for others or personal gains. Directors, executives, and employees have the right to trade corporate a security within one month before the corporate financial statements is publicized.

7. Auditor fee

In 2014, the Auditor fee of the Company and subsidiaries shall be the amount of THB 990,000 and other fees shall be the amount of 40,000 baht

10. Corporate Social Responsibilities

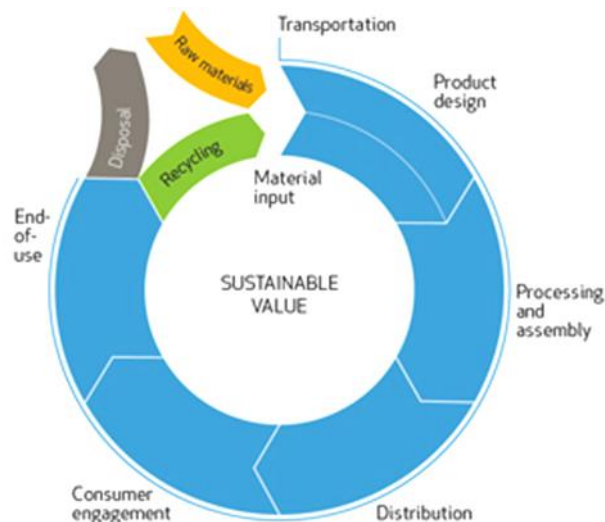
As government policy in Alternative Energy Development Plan(AEDP) which focuses on developing in main nation energy, cutting down dependency on fuel importing and enforcing nation energy stability with acceptable price and environmental friendly.

Solartron as solar cells and Solar modules producer is proud to produce clean energy especially during the peak time that every sector consumes a lot of electricity. Reducing energy consumption and increasing energy efficiency with solar energy sources are now more important than ever.





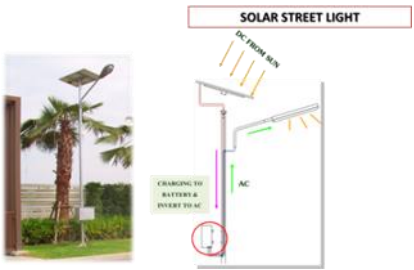



Through continuous innovation , Solartron can produce solar cells and solar module with higher conversion efficiency. Increased efficiency means more energy is created from the same surface rea, helping to higher module energy yield that make high return of investment for Solartron customer.


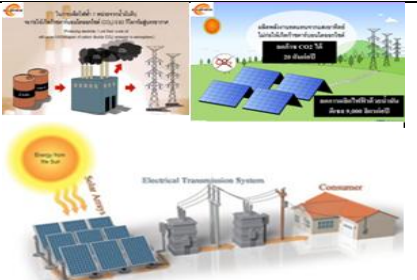
Reducing waste and time in product design

Throughout the product design procees , Solartron works to reduce material without compromising on Quality. The major raw material comes from sand which is an abundant and readily available resoures. Being environmentally friendly means ensuring that module can be recycled and reused at the end of their lives



For 2014, Solartron Solar Solutions led to cut down dependency on energy from fossil and turn to solar power that friendly to environment as follows:

Solartron products	objectives
<p>1. Solar water pumping system</p> 	<p>This system has the potential to provide water to millions of unserved people. The abundant Solar energy resource and surface water or groundwater availability can be combined to make much needed water available to remote communities. Agricultural technology is changing rapidly. Farm machinery, farm building and production facilities are constantly being improved. Agricultural applications suitable for solar solutions are numerous.</p> 
<p>2. Solar Telecommunication System</p> 	<ol style="list-style-type: none"> 1. Improve communication system for remote area by reducing papers, oil and gas. 2. Create new market by using e-commerce 3. Standard of living for remote area is being improved rapidly. 
<p>3. Solar street lighting system</p> 	<p>In recent years, the cost of generating clean energy from solar power has decreased sharply. The drive to increase clean energy and reduce CO2 emissions has led to using LED with solar street lighting system. This is trend that is set to continue.</p> <p>For rural non electrified villages, Solar street lighting system can improve standard of living and it is also a security solution during the night time.</p> 
<p>4. Solar Roof Top</p> 	<ol style="list-style-type: none"> 1. Energy Saving and energy awareness 2. Decreasing the electricity bill 3. Cutting down dependency on fuel importing 4. Cut peak during the day time 

Solartron products	objectives
<p>5. Solar Power Plant</p>  <p>Prachinburi 25 MW</p>	<ol style="list-style-type: none"> 1. Energy Security 2. Reduce greenhouse gases , which create global warming 3. Enforcing nation energy stability with acceptable price 4. Smart Energy for cleaner future 

More over Solartron focuses on corporate social responsibilities both internal and external organization along with communities Stakeholders and environment.

Human Resources ..the Heart of Company's Success

Solartron believes in the power of staff members that they are the Key forces in jointly pushing the company forward to achieve its vision and mission efficiently, appropriately and in line with the business operation strategy. Above all, the most important achievement focused by the company through time is to enable its employees to work happily with love and pride of being a part of Solartron.

Human Rights and Fair Treatment to Labor

The Company gives the importance to protection of human dignity, rights and liberty of individuals through its oversight of operation so that it would not be involved in human rights violation including equitable treatment to its staff. Opportunities have been given to employees to lodge their complaints in writing for submission to supervisor and also to have freedom in joining any club to enable them to have collective bargaining with the company.

The Company adheres to the principle of salary management with fairness that is appropriate with living happily and not less than wages in the labor markets.

Communities and Socials

The company also is responsible and ready to be adjacent to communities and socials. We have implemented the projects by hearing communities opinion and gave them explicit information and opportunities to join our clean energy park and Solartron technology center at Nakonratchasima.

We also have emphasized on following any and all standards in safety, sanitary, and environment, as well as regard to affection on natural resources and environments. We have encouraged to make

conscious mind in safety, occupational health, and environment, to gather with contributed education to youth, public activities.

Anti-corruption

The company settled anti-corruption measurement into our code of conduct that all staffs, board of directors have to follow. Our internal auditor will investigate performance of all staff and evaluate risk of corruption and damage that might be occurred by their performing

We emphasized on disclosure in information related to company whether financial on non-financial correctly, completely. We have no any legal dispute on accusations in any acting that affected to legal controversy.

The Company strictly complies with any and all laws, rules, and regulations stipulated by the Securities and Exchange Commission, the Stock exchange of Thailand, and others authorities.

Customers

We are aware of customers' satisfaction as well as operational and international ISO 9001 : 2008 : NAC, ISO 9001 : 2008 UKAS, OHSAS 18001 : 2007, TIS 18001: 1999 , ISO 14001:2004:NAC, ISO 14001:2004:UKAS , CSR-DIW, TLS 8001-2003, IEC 61215 Certified by TUV, Germany , IEC 61730 Certified by TUV, Germany , CE Mark ,RoHS Compliant ,and TIS 1843-2553 have been applied with policy as "We produce quality products with continuous standard and development for highest satisfaction of customer . By fairness of business, customers always get good quality of products and services.

Innovative Product and process

The company always realize that research and development for innovative technology will increase the efficiency and yield of our product and process. It helps the customer benefit from a high rate of return of investment. The more efficient yield, the more greenhouse gases reduction.

11. Internal Control and Risk Management

The Board is responsible for the Company's system of internal control. The audit committee, a sub-committee of the Board, is chartered to oversee the internal control system within the company that operates to safeguard the company's assets and shareholders' investments. Internal control facilitates the effectiveness and efficiency of operations, helps ensure the reliability of internal and external reporting, assist compliance with laws and regulations, and strengthens overall risk management of the environment within which the business operates. The audit committee, supported by both the internal and external auditors, evaluates working of internal control within the company on an on-going basis, reporting the results to the Board regularly. The AC is assisted by external auditor and the internal auditors in its review and supervision of internal control operations within the Company. Both the external auditors and internal auditors are independent of Management. The Internal Audit Department reports functionally and directly to the AC and coordinates with the external auditors in providing information and opinions on internal control. The mission and annual work plan of the Internal Audit Department form the basis upon which the systems within the Company relating to internal control, risk management and corporate governance are reviewed and reported to the AC and Board of Directors.

On an annual basis, the AC also evaluates the sufficiency and effectiveness of the internal control system of the Company by reference to the following eight factors;

1) Internal Environment

The Company establishes a control strong working environment with an appropriate organization structure reinforced with policy and planning, error free execution and continual monitoring and feedback mechanism. Business transactions are subject to Code of Business Ethics, and employees are held accountable to stated Code of Conduct, Misconduct, fraudulent act, are investigated on a timely basis and reported upward to Senior Management, Internal Audit and Audit Committee.

2) Objectives Setting

The Company provides each department with clearly stated objectives and goals, including strategies and operating procedures. These objectives and goals align Company's mission with business plan and risk factors.

3) Event Identification

The Company leverages on its Risk Management Committee (RMC) and the experience and networking depth of its Senior Management to identify adverse and risky events on a timely basis so that the appropriate response measure can be developed and deployed.

4) Risk Assessment

The Company has a risk management policy which governs the operation of the Risk Management Committee (RMC) to review and update the risk factors underlying the businesses. The assessment and resulting response are documented in the RMC report which is shared with both the Audit Committee and the Board.

5) Risk Response

Risks arising in the normal course of business within the operating departments (operational risks) are addressed and resolved by the operating staff concerned. Risk factors identified by the Risk Management Committee as having a high likelihood of eventuating with significant adverse impact on the Company will have appropriate cost effective measures, developed to either avoid or mitigate their impact.

6) Control Activities

The Company has clear policies, and guidelines that define key control activities in each operation. These policies and guidelines are reviewed on a regular basis to ensure they are consistent with and the relevant to current operating environment.

7) Information and Communication

The Company has management information systems and communication channels through which key information relating to corporate governance, policies and regulations, procedures and practice can be communicated to employees to guide them in their personal conduct, business activities and as feedback for improving their performance in the future.

8) Monitoring and Assessment

The Company commands a performance tracking system by having a sub-committee regularly compare performance results against goals, so that factors potentially impacting performance can lead to strategic plan adjustment and goal achievement. An internal audit Department, reporting to the Audit Committee, reviews compliance with the company's formulated internal control system.

12. Transactions with Related Parties

Connected Transaction with Parties with Possible Conflict of Interest

During the year 2014, the Company entered into the connected transactions with the parties or persons who might have conflict of interest to the Company. Most of the transactions were related to sales and purchased of spare parts and services. The said transactions were engaged in accordance with the conditions mutually agreed between the Company and the related parties, which relied on the normal business conditions. The Company already disclosed information on such connected transactions, such as description of transactions, transactions value, and pricing policy in note 5 in the financial statements.

Necessity and Reasonableness

Most of the connected transactions are the transactions undertaken to support previous project of business of the Company. To enter into each previous, the Company always makes a decision based on the utmost good faith for the Company's benefits without any conflict of interests.

Procedures for Connected Transaction

The Company has clearly stated the procedures for connected transaction in an authorized manual of the Company which aligns with the regulations of the Stock Exchange of Thailand.

Policy and Possibility in conducting the Connected Transaction in Future

The Company has to enter into the connected transactions, but such transactions shall be conducted based on the normal business conditions by not transferring any benefits to the parties who might have the conflict of interest with the Company. The Company shall assign The Audit Committee or the external auditor or independent specialists to consider an appropriate value, and disclose type of transaction, value, and rational in conducting the transactions to the shareholders as required by the notifications of the Securities and Exchange Commission and the Stock Exchange of Thailand.

Transactions with Related Parties

Connected transactions between Solartron PCL. and Fac Rent Co., Ltd.

Relationship	Description	Size of activities (Baht)		The necessary and reasonable of activities and policy to set the price
		2013	2014	
Spouse of Mrs.Patama Wongtoythong	Warehouse rental	556,920	556,920	The location of warehouse is near the Bangkok office and the rental rate is lower than market rate.

The above connected transactions are reasonable, equitable and in line with an ordinary and usual course of the Company's business and / or supporting an ordinary and usual course of the Company's business and / or supporting an ordinary and usual course of the Company's business.

13. Management Discussion and Analysis

Solartron Public Company Limited (The Company) would like to report on Management's Discussion and Analysis of Financial Positions and Operating results for the year ended December 31, 2014 as follows:

1) The operating results and profitability

The Company operation results for the year ended on December 31, 2014 recorded the comprehensive net income of 33.94 million Baht decreasing in amount of 87.33 million baht or representing 72.01% from the same period last year in the comprehensive net income of 121.27 million Baht and the year End of 2013 Earnings per Share of 0.07 Baht due to the main reasons as follows:

1.1 Total Revenues

The Company had total revenues in year 2014 and 2013 amounting to 947.42 million Baht and Baht 1,386.25 million Baht respectively which an decreased of 438.83 million Baht, or decreased by 31.66% The total revenues are divided to sales and other income as follows:

Total Revenues	Year 2014		Year 2013		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Revenues	921.84	97.30	1,352.19	97.54	(430.35)	(31.83)
-Revenue from sales of goods which installation service and construction of solar power plant	889.58	93.89	1,347.18	97.18	(457.61)	(33.97)
-Revenue from sales of goods	32.26	3.41	5.01	0.36	27.26	554.78
Other incomes	25.58	2.70	34.06	2.46	(8.48)	(24.91)
Total Revenues	947.42	100.00	1,386.25	100.00	(438.83)	(31.66)

Sales Revenues

In 2014, The Company had sales amounting to 921.84 million Baht; an decrease amounted to 430.35 million Baht from year 2013, representing an decrease of 31.83%

Other Incomes

In 2014, The Company had the other income of 25.58 million Baht decrease equivalent 8.48 million Baht or 24.91% because in year 2013, reversal of provision for flood damages amount 10.47 million Baht.

1.2 Cost of sales and Selling and Administrative Expenses

Financial Statement	Year 2014		Year 2013		Increase(Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Revenues	921.84	100.00	1,352.19	100.00	(430.35)	(31.83)
Cost of sales	784.22	85.07	1,114.07	82.39	(329.85)	(29.61)
Total Selling& Admin Expenses	109.54	11.88	117.60	8.70	(8.06)	(6.85)
- Selling Expenses	10.00	1.08	8.62	0.64	1.38	16.01
-Administrative Expenses	99.54	10.80	108.98	8.06	(9.44)	(8.66)

Cost of Sales

In 2014, the Company had the cost of sales of 784.22 million Baht, a decreases amount 329.85 million Baht or 29.61% from significantly decrease of sales volume.

Selling and Administrative Expenses

In 2014, the Company had selling and admin expenses of 109.54 million Baht which decreased equivalent to 8.06 million Baht or 6.85%

Profit

Financial Statement	Year 2014		Year 2013		Increase(Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Revenues	921.84	100.00	1,352.19	100.00	(430.35)	(31.83)
Cost of Sales	784.22	85.07	1,114.07	82.39	(329.85)	(29.61)
Gross Profit	137.62	14.93	238.12	17.61	(100.50)	(42.21)
Selling and Admin expenses	109.54	11.88	117.60	8.70	(8.06)	(6.85)
Operating Profit	53.65	5.82	154.58	11.65	(100.93)	(65.29)
Finance costs	10.19	1.10	3.03	0.22	7.16	236.31
Income Tax (expenses)	9.52	1.03	30.28	2.24	(20.76)	(68.56)
Net Profit for the year	33.94	3.68	121.27	8.97	(87.33)	(72.01)

Gross Profit

In 2014, The Company had Gross Profit amounted to 137.62 million Baht, a decrease of amount 100.50 million Baht or 42.21% and the year 2014 profit margin 14.93% comparing to the year 2013 profit margin 17.61%. Cost of the project increased from higher wages.

Operating Profit

In 2014, The Company had operating profit amounted of 53.65 million Baht, a decrease from year 2013 amount 100.93 million or 65.29% because of an decrease of gross profit effect operating profit margin decrease from 11.65% to 5.82%

Net Profit

Company's net profit for the year 2014 amount 33.94 million Baht, a decrease from the year 2013 of Baht 87.33 million or a decrease of 72.01%

2) Ability to manage assets.

Asset Component

Table compares the statement of financial position for the year 2014 and 2013.

Financial Statement	Year 2014		Year 2013 (Restated)	
	Million Baht	%	Million Baht	%
Cash and Cash equivalents	48.46	2%	181.75	8%
Temporary Investment	-	-	17.17	0%
Trade accounts and other receivable-net	63.96	3%	232.93	11%
Unbilled receivables	24.08	1%	252.72	12%
Retention receivable	2.01	0%	2.95	0%
Claim receivables from insurance company	503.63	23%	-	0%
Inventories-net	136.14	6%	118.90	5%
Advance payment for machinery and equipment	136.14	1%	5.59	0%
Other current assets	18.43	1%	44.70	2%
Total current assets	796.71	36%	856.71	39%
Deposits at banks held on collateral	131.63	6%	111.12	5%
Property, plant and equipment - net	1,257.16	57%	1,203.14	55%
Intangible assets - net	8.94	0%	9.83	0%
Deferred tax assets - net	2.67	0%	1.74	0%
Other non – current assets	12.72	1%	0.71	0%
Total non – current assets	1,413.08	64%	1,326.54	61%
Total Assets	2,209.79	100%	2,183.26	100%

Asset Quality

Year 2014, The Company has total assets of 2,209.79 million Baht, an increase from year 2013 of 26.53 million Baht, or 1.22% from the increase in Inventories.

3) Adequacy of liquidity and capitalization**3.1 Liquidity****Components of cash flows**

Table compares cash flows for the year 2014 and 2013

Unit: Million Baht

Statement of Cash Flows	December 31, 2014	December 31, 2013
Net cash provided by(used in) operating activities	(176.68)	371.95
Net cash provided by(used in) investing activities	(267.79)	(374.54)
Net cash provided by(used in) financing activities	311.18	139.39
Net increase(decrease) in cash and cash equivalents	(133.29)	136.80
Cash and cash equivalents at beginning of the period	181.75	44.95
Cash and cash equivalents at end of the period	48.46	181.75

Year 2014, The Company's net cash flow provided by(used in) operating activities decreased as (176.68) million Baht, year 2013 increased as 371.95 million Baht due to increase in operating assets, Inventories.

Net Cash flow provided by (used in) investing activities decreased as (267.79) million Baht, year 2013 decreased as 374.54 million Baht, as the company has invested in new machinery and equipment for Cell Factory and Module Factory from 70 MW to 200 MW

Net Cash flow provided by (used in) financing activities increased as 311.18 million Baht, year 2013 increased as 139.39 million Baht due to cash receipt of increased Long-term loans from financial institutions.

The company's operating, investing and financing cash flows for the year 2014 effect net decrease in cash and cash equivalents of (133.29) million Baht to 181.75 million Baht in cash at beginning of period. Cash at end of period were 48.46 million Baht.

Liquidity Ratio

Year 2014, The Company's current ratio increased from 1.31 to 2.16 times due to increasing in inventories.

Ability to repay short-term debt.

Year 2014, The Company's current liabilities amounted to 369.48 million Baht, while current asset of 796.71 million Baht. The Company was able to repay all short-term debts.

4) Source of funds.

4.1 Capital Structure

Year 2014, Liabilities increased as 692.39 million Baht and year 2013 as 675.06 million Baht, representing an increase rate of 17.33 million Baht or 2.57%, resulting in a debt to equity (D/E) is 0.46 times while the previous year's level of 0.45 times for the period. The company still has a strong financial structure.

4.2 Shareholders

Year 2014, The Company's shareholders, of 1,517.40 million Baht and year 2013 as 1,508.19 million Baht, increase 9.21 million Baht or 0.61% due to the net profit increase.

4.3 Liabilities

Year 2014, The Company has total liabilities of 692.39 million Baht, the year 2013 total liabilities of 675.06 million Baht increased as 17.33 million Baht or 2.57% from increased Long-term loans from financial institutions.

14. Report of The Independent Certificated Public Accountants and Financial Statements

Solartron Public Company Limited

Auditor's and Financial Statement

For the year ended December 31, 2014

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF SOLARTRON PUBLIC COMPANY LIMITED

I have audited the accompanying financial statements of SOLARTRON PUBLIC COMPANY LIMITED, which comprise the statements of financial position as at December 31, 2014, statement of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

INDEPENDENT AUDITOR'S REPORT (Con't) -2-

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SOLARTRON PUBLIC COMPANY LIMITED as at December 31, 2014, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



(Chaovana Viwatpanachati)

Certified Public Accountant (Thailand) No. 4712

OFFICE OF PITISEVI CO., LTD.

8/4 Floor 1st, 3rd Soi Viphavadee Rangsit 44

Chatuchak, Bangkok

February 27, 2015

SOLARTRON PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

ASSETS	Note	Unit : Baht	
		2014	2013
CURRENT ASSETS			
Cash and cash equivalents	6	48,458,129	181,750,955
Temporary investments		-	17,173,493
Trade accounts and other receivables - net	7	63,959,144	232,931,836
Unbilled receivables	8	24,084,702	252,720,943
Retention receivables		2,010,951	2,953,164
Inventories - net	9	503,626,828	118,898,229
Advance payment for machinery and equipment		136,140,717	5,586,240
Other current assets		18,426,775	44,699,384
Total current assets		796,707,246	856,714,244
NON - CURRENT ASSETS			
Deposits at banks held on collateral	10	131,632,087	111,120,328
Property, plant and equipment - net	11	1,257,115,764	1,203,142,124
Intangible assets - net	12	8,937,767	9,830,921
Deferred tax assets - net	13	2,673,049	1,737,270
Other non - current assets			
Withholding tax		11,769,535	-
Deposits		954,828	710,573
Total other non-current assets		12,724,363	710,573
Total non - current assets		1,413,083,030	1,326,541,216
TOTAL ASSETS		2,209,790,276	2,183,255,460

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

SOLARTRON PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (Con't)
AS AT DECEMBER 31, 2014

		Unit : Baht	
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	Note	2014	2013
CURRENT LIABILITIES			
Bank overdraft and short - term loans			
from financial institutions	14	160,478,675	170,237,803
Trade accounts and other payables	15	151,768,706	451,397,219
Current portion of liabilities under			
Long - term loan from financial institution	16	43,752,000	-
Hire - purchase contracts	17	4,687,698	4,235,673
Construction revenue received in advance	8	1,484,150	2,812,202
Current portion of employee benefit obligation	18	1,843,330	132,800
Accrued income tax		-	8,179,061
Other current liabilities		5,463,444	19,361,629
Total current liabilities		369,478,003	656,356,387
NON - CURRENT LIABILITIES			
Long - term loan from financial institution - net	16	306,248,000	-
Liabilities under hire - purchase contracts - net	17	5,319,284	8,346,770
Employee benefit obligation - net	18	11,346,234	10,361,562
Total non current liabilities		322,913,518	18,708,332
Total liabilities		692,391,521	675,064,719

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

SOLARTRON PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (Con't)
AS AT DECEMBER 31, 2014

LIABILITIES AND SHAREHOLDERS' EQUITY (Con't)	Note	Unit : Baht	
		2014	2013
SHAREHOLDERS' EQUITY			
Share capital			
Authorized share capital			
791,397,723 common shares of Baht 1.- each		791,397,723	791,397,723
Issued and paid - up share capital			
494,624,723 common shares of Baht 1.- each		494,624,723	494,624,723
Premium on share capital		676,168,704	676,168,704
Retained earnings			
Appropriated			
Legal reserve	19	54,268,054	48,243,054
Unappropriated		271,340,902	265,988,061
Other components of shareholders' equity		20,996,372	23,166,199
Total shareholders' equity		1,517,398,755	1,508,190,741
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,209,790,276	2,183,255,460

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014

	Note	Unit : Baht	
		2014	2013
REVENUES			
Revenue from sales of goods which installation services and construction of solar power plants		889,575,425	1,347,184,929
Revenue from sales of goods		32,260,981	5,003,409
Other incomes		25,578,854	34,064,167
Total revenues		947,415,260	1,386,252,505
EXPENSES			
Cost of sales - sales of goods which installation services and construction of solar power plants		757,437,966	1,111,302,020
Cost of sales - goods	5	26,781,809	2,768,001
Selling expenses		9,999,818	8,618,276
Administrative expenses		99,542,248	108,981,320
Total expenses		893,761,841	1,231,669,617
PROFIT BEFORE FINANCE COSTS AND INCOME TAX		53,653,419	154,582,888
Finance costs		(10,192,269)	(3,030,581)
PROFIT BEFORE INCOME TAX		43,461,150	151,552,307
Income tax expenses	13.2	(9,521,900)	(30,282,299)
NET PROFIT FOR THE YEAR		33,939,250	121,270,008
OTHER COMPREHENSIVE INCOME			
Actuarial loss	18	-	(1,874,232)
COMPREHENSIVE INCOME FOR THE YEAR		33,939,250	119,395,776
BASIC EARNINGS PER SHARE (BAHT : SHARE)	21	<u>0.07</u>	<u>0.25</u>

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

SOLARTRON PUBLIC COMPANY LIMITED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2014

		Unit : Baht					
		Issued and paid - up share capital	Premium on share capital	Retained earnings		Other components of equity	Total
				Appropriated Legal reserve	Unappropriated	Surplus on revaluation of fixed assets	
	Note						
Balance as at January 1, 2013		449,659,723	540,927,097	39,677,192	178,741,781	25,336,026	1,234,341,819
Cumulative effect of change in accounting policy							
for valuation of inventory		-	-	-	(1,032,010)	-	(1,032,010)
Capital increase during the year		44,965,000	135,241,607	-	-	-	180,206,607
Legal reserve		-	-	8,565,862	(8,565,862)	-	-
Dividend paid		-	-	-	(24,721,451)	-	(24,721,451)
Transfer of surplus on revaluation of assets		-	-	-	2,169,827	(2,169,827)	-
Comprehensive income for the year		-	-	-	119,395,776	-	119,395,776
Balance as at December 31, 2013		494,624,723	676,168,704	48,243,054	265,988,061	23,166,199	1,508,190,741
Legal reserve	19	-	-	6,025,000	(6,025,000)	-	-
Dividend paid	20	-	-	-	(24,731,236)	-	(24,731,236)
Transfer of surplus on revaluation of assets		-	-	-	2,169,827	(2,169,827)	-
Comprehensive income for the year		-	-	-	33,939,250	-	33,939,250
Balance as at December 31, 2014		494,624,723	676,168,704	54,268,054	271,340,902	20,996,372	1,517,398,755

SOLARTRON PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

	Note	Unit : Baht	
		2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before income tax		43,461,150	151,552,307
Reconciliations of net profit to net cash provided by (used in) operating activities:			
Depreciation and amortization expenses	11, 12	88,031,504	21,656,123
Doubtful accounts	7	299,631	315,682
Reversal of allowances for doubtful accounts	7	(967,840)	(1,314,266)
Reversal of provision for flood damages		-	(15,191,561)
Reversal of Allowances for diminution in value of inventories		-	(1,050,477)
Adjustment beginning inventories of retained earnings		-	(1,032,010)
Employee retirement benefit	18	2,695,202	1,972,193
Loss (gain) from disposal of machinery and equipment		(498,846)	(598,128)
Written - off of fixed asset		473	126,587
Unrealized loss (gain) on foreign exchange rate		2,140,211	10,368,941
Interest expenses		10,192,269	3,030,581
Gain from operating activities before changes in operating assets and liabilities		145,353,754	169,835,972
Decrease (Increase) in operating assets:-			
Trade accounts and other receivables		169,610,850	231,181,872
Unbilled receivables		228,636,241	(82,775,861)
Retentions receivables		942,214	5,436,635
Claim receivables from insurance company		-	690,513,748
Inventories		(384,728,599)	(14,455,208)
Other current assets		26,467,707	14,106,056
Other non - current assets		(244,255)	(15,138)

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

SOLARTRON PUBLIC COMPANY LIMITED
 STATEMENT OF CASH FLOWS (Con't)
 FOR THE YEAR ENDED DECEMBER 31, 2014

		Unit : Baht	
	Note	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES (Con't)			
Increase (Decrease) in operating liabilities:-			
Trade accounts and other payables		(306,897,628)	(40,435,828)
Construction revenue received in advance		(1,328,052)	(14,834,918)
Provision for flood damages		-	(551,964,885)
Other current liabilities		(13,898,184)	(8,814,240)
Cash provided by (used in) operating activities		(136,085,952)	397,778,205
Interest paid		(10,192,269)	(3,030,581)
Income tax paid		(30,406,276)	(22,798,075)
Net cash provided by (used in) operating activities		176,684,497	371,949,549
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (Increase) in temporary investments		17,173,493	(17,173,493)
Decrease (Increase) in deposits at banks held on collateral		(20,511,759)	23,542,232
Acquisition of property, plant and equipment	11	(134,398,630)	(374,561,986)
Proceeds from disposal of machinery and equipment		499,589	598,131
Acquisition of intangible assets		-	(1,363,561)
Increase in advance payments for machinery and equipment		(130,554,477)	(5,586,240)
Net cash provided by (used in) investing activities		(267,791,784)	(374,544,917)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in bank overdraft and			
short - term loans from financial institutions		(9,759,128)	(13,431,623)
Receipt of long - term loan from financial institution	16	350,000,000	-
Repayments of hire - purchase contracts		(4,326,181)	(2,658,991)
Cash receipt of increased capital		-	180,206,607
Dividend paid	20	(24,731,236)	(24,721,451)
Net cash provided by (used in) financing activities		311,183,455	139,394,542
Net increase (decrease) in cash and cash equivalents		(133,292,826)	136,799,174
Cash and cash equivalents at beginning of the year		181,750,955	44,951,781
Cash and cash equivalents at end of the year		48,458,129	181,750,955

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

SOLARTRON PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (Con't)
FOR THE YEAR ENDED DECEMBER 31, 2014

		Unit : Baht	
		2014	2013
		Note	
SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION			
1.	Cash paid during the year for capitalized borrowing cost		
	to its fixed assets	11	4,157,723
2.	Non - cash items		
	2.1 Purchase of asset on credit	11	4,963,856
	2.2 Purchase of assets on hire - purchase contracts	11	5,814,519
	2.3 Transferring of equipment to inventory		125,280
	2.4 Transferring of advance payment to property, plant and equipment		124,726,523
3.	Unutilized credit facilities for future working capital		446,220,825

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

SOLARTRON PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****AS AT DECEMBER 31, 2014****1. GENERAL INFORMATION**

The Company was incorporated as a limited company in Thailand on November 12, 1986 and the Company registered to be a public company limited under the Limited Public Company Act B.E.2535 with the Department of Business Development on September 24, 2004. The Company's head office is located at 1000/65, 66, 67, P.B. Tower 16th Floor, Soi Sukhumvit Road, North Klongton, Wattana, Bangkok and its branch office is located at 88/8 Moo 10, Nong Nam Daeng Sub - District, Pak Chong District, Nakornratchasima Province. The Company is engaging in manufacturing and distribution, selling and installation of solar-cell systems and related equipment and construction of solar power plant.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act B.E. 2543 (2000) being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (2004) including related interpretations and guidelines promulgated by the Federation of Accounting Professions under The Royal Patronage of His Majesty the King ("FAP") and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535 (1992).

The financial statements has been presented in accordance with Thai Accounting standard No. 1 (Revised 2012) subject : "Presentation of Financial Statements" and the requirements of The Department of Business Development announcement subject : "The mandatory items, have to be presented in the financial statements, B.E. 2554" dated September 28, 2011.

The financial statements are presented in Thai Baht, which is the Company's functional currency unless otherwise stated.

3. ADOPTION OF NEW ACCOUNTING STANDARDS**3.1 Adoption of new accounting standards effective in the current year**

In current year, the Company has applied the revised and newly issued Conceptual Framework, Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS), Interpretations (TSIC and TFRIC) and Accounting Treatment Guidance as announced by the Federation of Accounting Professions as follows:-

Conceptual Framework for Financial Reporting (revised 2014)

Thai Accounting Standards

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 Rate
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Venture
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible assets

Thai Financial Reporting Standard

TFRS 2 (revised 2012)	Share - Based Payments
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

Interpretations

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

Accounting Treatment Guidance for Stock Dividend

The above-mentioned the revised and newly Conceptual Framework, Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS), Interpretations (TSIC and TFRIC) and Accounting Treatment Guidance do not have any significant impact on the Company's financial statements in this year of initial application.

3.2 New Thai Accounting Standards announce during the year not yet adopted

The Federation of Accounting Professions has issued Notification regarding the revised and newly Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS) and Interpretations (TSIC and TFRIC) which was announced and these have been published in the Royal Gazette and which will become effective for the financial statements for the fiscal years beginning on or after January 1, 2015. The Company has not applied such standards before the effective period as follows:

3.2.1 Effective for the financial statements for fiscal years beginning on or after January 1, 2015

Thai Accounting Standards

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

Thai Financial Reporting Standard

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

Interpretations

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

3.2.2 Effective for the financial statements for fiscal years beginning on or after January 1, 2016

Thai Financial Reporting Standard

TFRS 4 (revised 2014) Insurance Contracts

3.2.3 The above-mentioned the revised and newly Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS) and Interpretations (TSIC and TFRIC) were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

TAS 1 (Revised 2014)

This revised accounting standard, the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). This revised accounting standard will only impact the Company and presentation of other comprehensive income items in the statement of other comprehensive income.

TAS 16 (Revised 2014)

The revised accounting standard, the key change is in relation to spare parts, stand-by equipment and servicing equipment which shall be recognized in accordance with this standard when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. This revised accounting standard does not have any impact on the financial statements as the Company already recognized inventory.

TAS 19 (Revised 2014)

This revised accounting standard, the key changes are (a) actuarial gains and losses are renamed "remeasurements" and will be recognized immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognized in profit or loss; and (b) past-service costs will be recognized in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period. This revised accounting standard will impact the Company unrecognized past-service costs.

At present, the Company immediately recognize actuarial gains and losses in profit or loss in the period in which they occur. The assessment of the management of the Company is that when the revised accounting standard is applied in 2015 and the method of recognizing those gains and losses is changed to immediately recognize them in other comprehensive income, there will be no impact to provision for long-term employee benefit liabilities and brought forward retained earnings in the financial statements and earning per share.

TAS 34 (Revised 2014)

This revised accounting standard, the key change is the disclosure requirements for the operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment. This revised accounting standard will impact the operating segment disclosure of the Company's interim financial information. The management is currently assessing the impact of applying this revised accounting standard.

IFRS 13

This newly financial reporting standard provides a single source of fair value measurement for use across IFRSs and sets out the fair value disclosure requirement. This newly financial reporting standard will only impact the Company disclosure in relation to fair value.

IFRIC 14

This newly interpretation applies to all post-employment defined benefits and other long-term employee benefits. For the purpose of this interpretation, minimum funding requirements are any requirements to fund a post-employment or other long-term benefit plan. This interpretation explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. The management is currently assessing the impact of applying this newly interpretation.

4. SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared on the historical cost basis in measuring the value of the component of financial statements except as described in the each following accounting policies.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Recognition of revenues

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow the enterprise and the amount of the revenue can be measured reliably.

4.1.1 Revenue from construction of solar power plant and long - term sales of goods with installation service

Revenue from long - term construction of solar power plant and installation service is recognized by the percentage of completion method which is based on comparison of actual construction costs incurred up to the end of the year and total anticipated total construction costs to be incurred to complete the project, The revenue recognized but not yet due per contract is presented as "Unbilled receivable" under current assets and the revenue not yet recognized but due per contract is presented as "Construction revenue received in advance" under current liabilities.

4.1.2 Revenue from short - term sales of goods with installation service

Revenue from short - term sales of goods with installation service is recognized when the installation is completed, the customer has accepted the installation service and sale invoices has been issued to the customer.

4.1.3 Sales of goods are recognized when goods are delivered and significant risks and rewards of ownership are transferred to customers.

4.1.4 Proceeds from services are recognized when services are rendered.

4.1.5 Others income is recognized on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalent consist of cash on hand, bank deposits, and all highly liquid investments with financial institution with an original maturities of 3 months or less, which are not restricted to any use and including call notes receivable and term notes receivable maturing within 3 months of less and not subject to withdrawal restrictions.

Time deposits with maturity exceed 3 months period but less than 12 months period are recorded as temporary investment.

Cash at bank that have restricted in use are presented separately as "Deposits at bank held as collateral" under non-current assets in the statement of financial position.

4.3 Trade and other receivables and allowance of doubtful account

Trade and other receivable are stated at the net realizable value.

Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences, the analysis of debtor aging and its current financial position.

4.4 Inventories

The Company value its inventories at the lower of cost or net realizable value with the net of allowance for loss on obsolete inventories, cost are using weighted average method.

Comprises all costs of purchase, costs of conversion and other cost incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work - in - progress, cost includes an appropriate share of labor and overhead based on normal operating capacity.

An allowance is made for all slow-moving or deteriorated.

4.5 Property, plant and equipment and depreciation

Property is initially recorded at cost amount, plant and equipment are presented at cost less from accumulated depreciation and net allowance for impairment loss. However, the Company choose to presented the value of land and improvement, building and improvement, machinery and equipment plant at revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing used at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Any increase in value, on revaluation, is recognized in other comprehensive income and presented in the revaluation reserve in equity unless it offsets a previous decrease in value recognized in profit or loss in respect of the same asset. A decrease in value is recognize in profit or loss to the extent it exceeds an increases previously recognized in other comprehensive income in respect of the same asset. The revaluation surplus is utilized by reference to the difference between depreciation bases on the revalued carrying amount of the asset and depreciation based on the asset's original cost and transferred directly to retained earnings. Upon disposal of a revalued asset, any remaining related revaluation surplus is transferred directly to retained earning and is not taken into account in calculating the gain of loss on disposal.

When parts of an item of land, premises and equipment have different useful lives, they are accounted for as separate items (major components) of lands, premises and equipment.

Expenditure for additions, renewals and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incurred.

An item of property, plant and equipment is derecognized upon disposal or when not future economic benefits are expected from its use or disposal. Any gain or loss arising of disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or losses when the asset is derecognized.

The Company depreciate their cost, after deducting residual value by the straight - line method over the assets useful live at the following rates:-

Land improvement	5, 10, 20	years
Buildings and improvement	5 - 25	years
Machinery and equipment plant	5 - 20	years
Furniture, fixture, office equipment	5	years
Vehicles.	5	years

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

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

4.6 Borrowing cost

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are treated as expenses in the period these are incurred. Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of the Company.

4.7 Intangible asset and amortization

Intangible assets that are acquired by the Company and have finite useful lives are present at historical cost net of accumulated amortization and net allowance for impairment (if any).

Intangible assets with finite lives are amortized on a systematic basis by the straight-line method, over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization of intangible assets are based on their economic useful lives as follows:

Software Computer	5 years
Certificates	25 years

4.8 Employee benefits

4.8.1 Short - term employee benefits

Short - term employee benefit obligations, which include salary, wages, bonuses, contributions to the social security fund and provident fund, are measured on an undiscounted basis and are recognized as expenses when incurred.

4.8.2 Defined contribution plan

The retirement benefit is a defined benefit plan that an employee will receive on retirement according to Thai Labor Law depending on age and years of service.

The liability of retirement benefit is recognized in the statement of financial position using the present value of the obligation at the reporting date and past service costs. The retirement benefit is calculated annually by an independent actuary using the projected unit credit method. The present value of the benefit obligations is determined by discounting the estimated future cash outflows using interest rates of referred government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related retirement liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in comprehensive income or loss.

4.9 Provision

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

4.10 Foreign currencies transaction

Transactions in foreign currencies are converted into Baht at the rates of exchange on the transactions date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted into Baht at the exchange rate on the date. Gain or loss on exchange rates are recognized as income or expenses for the reporting period.

4.11 Income tax

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

Current income tax

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

Deferred tax

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

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

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

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

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

4.12 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of common shares issued and paid-up during the year.

4.13 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company.

They also include individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

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

4.14 Impairment of assets

The Company assess at each reporting date whether there is and indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an assets is required, the Company estimates the asset's recoverable amount.

The recoverable amount of assets is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre - tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash - generating unit to which the asset belongs.

An impairment loss is recognized in profit or loss.

For assets other than goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exist, the Company estimate the asset's recoverable amount in which case an impairment loss recognized in prior periods for an asset other than goodwill shall be reversed.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.15 Lease

Financial lease - Lessor

Lease which the Company transfer substantially all the risks and rewards of ownership are classified as finance leases. Amount due from leasees under hire purchases and financial leases are recorded as receivables at the amount of the Company net investment in leases. Financial lease income is allocate to accounting periods to reflect a constant periodic rate of return on the Company net investment outstanding in respect of the leases.

Operating lease - Lessee

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as an expense over the lease term.

4.16 Segment reporting

Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

Segment results that are reported to the Managing Director (the Chief Operating Decision Maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise of mainly investments assets, land, premises and equipment and deferred tax assets.

4.17 Financial instruments

Financial assets carried on the statement of financial position include cash and cash equivalents, trade and other receivables and financial liabilities carried on the statement of financial position include bank overdraft, short - term loans and long - term loan from financial institutions, trade and other payable and liabilities under hire - purchase contracts. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

4.18 Significant accounting judgments and estimates

The preparation of financial statements in conformity with TAS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

Significant accounting judgments and estimates are as follows:-

4.18.1 Recognition and derecognition of assets and liabilities

In considering whether to recognize or derecognized assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

4.18.2 Allowance for doubtful accounts

Allowance for doubtful accounts are intended to adjust the value of receivables for probable credit losses. The management uses judgment to establish reserves for estimated losses for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of specific reviews, collection experience, and analysis of debtor aging, taking into account changes in the current economic conditions. However, the use of different estimates and assumption could affect the amounts of allowances for receivable losses and adjustments to the allowances may therefore be required in the future.

4.18.3 Allowance for obsolescence and diminution

Allowance for obsolescence and diminution in value of inventories are intended to adjust the value of inventories for probable losses. The management uses judgment to establish allowances for estimated losses for each outstanding inventories. The allowances for obsolescence and diminution in value of inventories are determined through a combination of analysis of inventories aging.

4.18.4 Property plant and equipment and depreciation

In calculating depreciation on building and equipment, the management estimates useful lives and salvage values of the Company's building and equipment and reviews estimated useful lives and salvage values if there are any changes.

Fair value from revaluation is determined by independent valuation specialists using market approach. Management determined the assumptions and estimates for independent valuation specialists to use in determining fair value.

4.18.5 Estimation construction project costs

The Company estimates costs of construction project by the Company's engineer to estimate the construction materials, labour cost and other miscellaneous cost to be incurred to complete to project, taking into account the tendency of fluctuation in construction material. Estimates are reviewed consistently or whenever actual costs differ significantly from the figures used in the original estimate.

4.18.6 Impairment of assets

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

4.18.7 Deferred tax assets

Deferred tax assets are recognized in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be recognized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

4.18.8 Provision for employee benefit

In providing retirement employee benefit, the management is required to use judgment to determine the probability that its employee will work until retired by considering the past information which will be revised annually. The assumptions applied in the annual calculation are based on cost of service in the past and terms of employment benefit.

4.18.9 Lease

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

5. TRANSACTIONS WITH RELATED PERSONS AND COMPANY

The Company has certain transactions with its related company. Part of assets, liabilities, income and expenses are incurred from such related transactions. This company is related through directorships as follows.-

	Relationship	Operation		Percentage of Holding (%)
		Type of Business	Location	
Related company				
Fac Rent Co., Ltd	Co-director' spouse	Warehouse rental	Thailand	-

The significant transactions with related company are as follows.-

	Unit : Baht	
	2014	2013
Related company		
Warehouse rental fee	556,920	556,920
Management's benefit expenses		

The Company had salaries, bonus, meeting allowances, contributions to the social security fund and provident funds, other welfare and post-employment benefits to their directors and management as follows:

	Unit : Baht	
	2014	2013
Short - term benefits	34,373,420	34,646,949
Postemployment benefits	1,372,604	813,496
Total	35,746,024	35,460,445

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents, consist of.-

	Unit : Baht	
	2014	2013
Cash in hand	110,125	362,185
Deposits at banks - current account	3,305,986	4,051,239
- savings account	19,881,474	1,181,429
- 2 - 3 months fixed deposits	25,160,544	176,156,102
Total	48,458,129	181,750,955

The above-mentioned fixed accounts received interest at the rates of 1.125% - 2.10% per annum.

7. TRADE ACCOUNTS AND OTHER RECEIVABLE - NET

Trade accounts and other receivable, consist of.-

	Unit : Baht	
	2014	2013
<u>Trade accounts receivable</u>		
Trade accounts receivable - Domestic	65,593,627	237,635,125
Trade accounts receivable - Foreign	5,841,212	6,268,156
Notes receivable	-	499,619
Total	71,434,839	244,402,900
<u>Less</u> allowances for doubtful accounts	<u>(20,690,644)</u>	<u>(21,358,853)</u>
Trade accounts receivable - net	50,744,195	223,044,047
<u>Other receivables</u>		
Advance	1,961,259	1,362,981
Accrued interest receipt	144,219	1,561,098
Accrued receivable	368,067	368,067
Advance payments	7,536,726	5,749,115
Prepaid expenses	3,204,678	846,528
Total other receivable	13,214,949	9,887,789
Total trade accounts and other receivable - net	63,959,144	232,931,836

Trade account receivables aged by number of days are as follows:

	Unit : Baht	
	2014	2013
Accounts receivable not yet due	13,361,683	215,389,384
Accounts receivable over due		
Under or equal to 3 months	3,934,893	2,340,364
Over 3 months to 6 months	26,978,493	4,950,590
Over 6 months to 12 months	6,712,950	197,079
Over 12 months	20,446,820	21,525,483
Total	71,434,839	244,402,900
<u>Less</u> Allowances for doubtful accounts	(20,690,644)	(21,358,853)
Net	50,744,195	223,044,047

Movements of allowance for doubtful accounts are as follows:

	Unit : Baht	
	2014	2013
Beginning balance for the year	21,358,853	22,357,437
<u>Add</u> Increase during year	299,631	315,682
<u>Less</u> Reversal	(967,840)	(1,314,266)
Ending balance for the year	20,690,644	21,358,853

8. UNBILLED RECEIVABLES AND CONSTRUCTION REVENUE RECEIVED IN ADVANCE

Unbilled receivable and construction revenue received in advance, consist of.-

	Unit : Baht	
	2014	2013
Total long-term construction contract value which the Company is entitled to received	135,185,650	1,278,569,998
Retentions as per contract	710,951	1,653,164
Unbilled Receivables		
Revenue recognize on percentage of completion basis	60,902,459	534,635,765
<u>Less</u> Value of contract billed	(36,817,757)	(281,914,822)
Receivables not yet billed	24,084,702	252,720,943
Construction revenue received in advance		
Value of contract billed	6,998,475	18,885,222
<u>Less</u> Revenue recognized on percentage of completion basis	(5,514,325)	(16,073,020)
Construction revenue received in advance	1,484,150	2,812,202

9. INVENTORIES - NET

Inventories - net, consist of.-

	Unit : Baht	
	2014	2013
Finished goods	317,355,440	45,832,700
Raw materials	150,623,307	46,157,424
Spare part and supplies	25,739,958	4,109,888
Goods in transit	9,913,982	22,804,076
Total	503,632,687	118,904,088
<u>Less</u> Allowance for diminution in value and obsolete of inventories	(5,859)	(5,859)
Net	503,626,828	118,898,229

10. DEPOSITS AT BANKS HELD ON COLLATERAL

Deposits at banks held on collateral, consist of.-

Type of deposits	Collateral for	Interest rate (per annum)		Unit : Baht	
		2014	2013	2014	2013
3 - 36 months fixed deposits	credit facilities	1.05% - 2.75%	1.45% - 2.75%	131,409,900	110,896,696
Saving account	the utilization to electricity	0.75%	0.75%	222,187	223,632
Total				131,632,087	111,120,328

11. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment – net, consist of:-

	Unit : Baht						
	Land and Land improvement	Buildings and Buildings improvement	Machinery and equipment	Furniture, fixture and office equipment	Vehicles	Assets under construction and instillation	Total
Cost							
As at January 1, 2013	48,741,254	45,700,104	53,235,057	25,557,680	31,431,043	495,122,244	699,787,382
Purchase during the year	-	426,000	7,827,524	4,088,988	8,644,136	476,659,328	497,645,976
Disposal during the year	-	-	-	-	(2,885,542)	-	(2,885,542)
Transfer in (out) during the year	-	136,535,462	957,932,053	223,384	-	(970,216,244)	124,474,655
As at December 31, 2013	48,741,254	182,661,566	1,018,994,634	29,870,052	37,189,637	1,565,328	1,319,022,471
Accumulated depreciation							
As at January 1, 2013	14,244,730	18,245,526	50,431,304	16,213,453	18,934,991	-	118,070,004
Depreciation for the year	1,921,241	2,903,654	4,756,623	4,849,727	3,637,642	-	18,068,887
Disposal during the year	-	-	-	-	(2,885,539)	-	(2,885,539)
As at December 31, 2013	16,165,971	21,149,180	55,187,927	21,063,180	19,687,094	-	133,253,352
Surplus on revaluation							
As at January 1, 2013	-	8,005,440	31,801,442	-	-	-	39,806,882
As at December 31, 2013	-	8,005,440	31,801,442	-	-	-	39,806,882
Accumulated depreciation - Surplus on revaluation							
As at January 1, 2013	-	1,446,492	6,690,357	-	-	-	8,136,849
Increase during the year	-	482,164	2,230,119	-	-	-	2,712,283
As at December 31, 2013	-	1,928,656	8,920,476	-	-	-	10,849,132
Allowance for impairments loss							
As at January 1, 2013	10,524,186	1,060,559	-	-	-	-	11,584,745
As at December 31, 2013	10,524,186	1,060,559	-	-	-	-	11,584,745
Net book value							
As at January 1, 2013	23,972,338	32,952,967	27,914,838	9,344,227	12,496,052	495,122,244	601,802,666
As at December 31, 2013	22,051,097	166,528,611	986,687,673	8,806,872	17,502,543	1,565,328	1,203,142,124

Unit : Baht

	Land and Land improvement	Buildings and Buildings improvement	Machinery and equipment	Furniture, fixture and office equipment	Vehicles	Assets under construction and instllation	Total
Cost							
As at January 1, 2014	48,741,254	182,661,566	1,018,994,634	29,870,052	37,189,637	1,565,328	1,319,022,471
Purchase during the year	-	8,402,050	31,703,465	1,583,519	860,000	98,564,173	141,113,207
Disposal during the year	-	-	(2,493,500)	(18,602,329)	(2,760,304)	-	(23,856,133)
Transfer in (out) during the year	-	276,880	21,062,149	-	-	(21,339,029)	-
As at December 31, 2014	48,741,254	191,340,496	1,069,266,748	12,851,242	35,289,333	78,790,472	1,436,279,545
Accumulated depreciation							
As at January 1, 2014	16,165,971	21,149,180	55,187,927	21,063,180	19,687,094	-	133,253,352
Depreciation for the year	1,921,243	8,169,249	66,153,512	3,384,130	4,797,933	-	84,426,067
Disposal during the year	-	-	(2,493,417)	(18,601,930)	(2,759,570)	-	(23,854,917)
As at December 31, 2014	18,087,214	29,318,429	118,848,022	5,845,380	21,725,457	-	193,824,502
Surplus on revaluation							
As at January 1, 2014	-	8,005,440	31,801,442	-	-	-	39,806,882
As at December 31, 2014	-	8,005,440	31,801,442	-	-	-	39,806,882
Accumulated depreciation - Surplus on revaluation							
As at January 1, 2014	-	1,928,656	8,920,476	-	-	-	10,849,132
Increase during the year	-	482,164	2,230,120	-	-	-	2,712,284
As at December 31, 2014	-	2,410,820	11,150,596	-	-	-	13,561,416
Allowance for impairments loss							
As at January 1, 2014	10,524,186	1,060,559	-	-	-	-	11,584,745
As at December 31, 2014	15,524,186	1,060,559	-	-	-	-	11,584,745
Net book value							
As at January 1, 2014	22,051,097	166,528,611	986,687,673	8,806,872	17,502,543	1,565,328	1,203,142,124
As at December 31, 2014	20,129,854	166,556,128	971,069,572	7,005,862	13,563,876	78,790,472	1,257,115,764
Depreciation for the year ended December 31, consist of:-						2014	2013
Production cost and cost of goods sold						80,111,495	1,263,713
Administrative expense						7,026,856	19,517,457
Total						87,138,351	20,781,170

As at December 31, 2014 the Company had additional information of property, plant and equipment as follows:-

- 1) Lands and land improvement, factory and machinery had net book value amounting to Baht 723.66 million (2013 : Baht 17.24 million), have been mortgaged as collateral under a credit facility agreement with two local bank (See Note 16 to the financial statement).
- 2) The Company had fully depreciated fixed assets but still in active use at the cost value totaling Baht 64.50 million (2013 : Baht 74.34 million). During the year 2014, the Company written off that damaged assets at the cost totaling Baht 20.84 million.
- 3) In 2014, the borrowing costs of Baht 4.16 million, incurred from borrowings for the investment in solar cell factory are recorded as cost of construction in progress. The rate of the capitalization of assets equal to 5%.

12. INTANGIBLE ASSET - NET

Intangible asset, consist of:-

	Unit : Baht		
	Software Computer	Industrial Standard Certificates	Total
As at January 1, 2013	4,116,418	5,225,895	9,342,313
Purchase / Transferred - in	237,553	1,126,008	1,363,561
Amortization for the year	(600,091)	(274,862)	(874,953)
As at December 31, 2013	3,753,880	6,077,041	9,830,921
Amortization for the year	(617,135)	(276,019)	(893,154)
As at December 31, 2014	3,136,745	5,801,022	8,937,767

13. DEFERRED TAX ASSETS - NET

Deferred tax assets and liability are as follows:

	Unit : Baht	
	2014	2013
Deferred tax assets	7,922,142	7,528,821
Deferred tax liability	(5,249,093)	(5,791,551)
Net	2,673,049	1,737,270

13.1 Movements in deferred tax assets and liability during the year were as follows:

	Unit : Baht			As at Dec 31, 2014
	As at Jan 1, 2014	(Charged) Profit or loss	Credited to Other comprehensive income	
<u>Deferred tax assets</u>				
Trade account receivable	3,111,827	(145,720)	-	2,966,107
Inventory	1,173	-	-	1,173
Property, plant and equipment	2,316,949	-	-	2,316,949
Employee benefit obligation	2,098,872	539,041	-	2,637,913
Total	7,528,821	393,321	-	7,922,142
<u>Deferred tax liability</u>				
Surplus from revaluation of assets	(5,791,551)	542,458	-	(5,249,093)
Net	1,737,270	935,779	-	2,673,049
	Unit : Baht			
	As at Jan 1, 2013 (Restated)	(Charged) Profit or loss	Credited to Other comprehensive income	As at Dec 31, 2013
<u>Deferred tax assets</u>				
Trade account receivable	3,143,789	(31,962)	-	3,111,827
Inventory	211,267	(210,094)	-	1,173
Property, plant and equipment	2,316,949	-	-	2,316,949
Employee benefit obligation	1,235,876	394,438	468,558	2,098,872
Total	6,907,881	152,382	468,558	7,528,821
<u>Deferred tax liability</u>				
Surplus from revaluation of assets	(6,334,007)	542,456	-	(5,791,551)
Net	573,874	694,838	468,558	1,737,270
	Unit : Baht			
	For the year end December 31, 2013			
	Before Tax	Tax (expense)	Net tax	
			income	
Deferred tax for :				
Actuarial loss	(2,342,790)	468,558	(1,874,232)	
Income tax recognized in other comprehensive income	(2,342,790)	468,558	(1,874,232)	

13.2 Income tax expenses for the period are as follows:

Income tax recognized in

	Unit : Baht	
	2014	2013
<u>Current income tax</u>		
Corporate income tax charge	10,457,679	30,977,136
<u>Current income tax</u>		
Corporate income tax charge and reversal of temporary differences	(935,779)	(694,837)
Income tax expenses	<u>9,521,900</u>	<u>30,282,299</u>

13.3 Reconciliation for effective tax rate

	Unit : Baht			
	2014		2013	
	Tax rate	Tax amount	Tax rate	Tax amount
	%	(Baht)	%	(Baht)
Profit before income tax		43,461,150		151,552,308
Tax expense	20%	8,692,230	20%	30,310,462
Tax effect of expenses that are not deductible for tax purposes		829,670		(28,163)
Tax expense (effective rate)	22%	<u>9,521,900</u>	20%	<u>30,282,299</u>

13.4 Tax rate

Current tax

The Company calculated income tax from net profit for the period after adjust non taxable expenses and revenue in accordance with the Revenue Code.

By the royal Decree No. 530 B.E. 2554 dated December 21, 2011 it was granted a reduction in the corporate income tax rate for three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after January 1, 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after January 1, 2013 and 2014, respectively.

Deferred tax

Deferred tax has been measured using the effective rate at 20% announced by the government at reporting date.

14. BANK OVERDRAFT AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdraft and short-term loans from financial institutions, consist of.-

	Interest rate (per annum)		Unit : Baht	
	2014	2013	2014	2013
Bank overdraft	3.05% - 6.775%	7.375% - 7.775%	4,809,802	27,662,203
Trust receipts and promissory notes	3.00% - 5.75%	5.50% - 6.00%	155,668,873	142,575,600
Total			160,478,675	170,237,803

As at December 31, 2014, the Company has overdrafts and other credit facilities with several banks totaling Baht 606.70 million which are collateralized for the mortgage of its land, building, certain of machinery and equipment and pledge its withdrawal right of deposit in bank.

15. TRADE ACCOUNTS AND OTHER PAYABLES

Trade accounts and other payables, consist of.-

	Unit : Baht	
	2014	2013
<u>Trade accounts payables</u>		
Trade accounts payables	131,811,084	314,889,896
<u>Other payable</u>		
Asset payable	4,963,855	117,269,470
Accrued expenses	12,662,329	6,514,807
Advanced received from customers	121,522	28,064
Retention	2,205,716	12,690,782
Others	4,200	4,200
Total other payable	19,957,622	136,507,323
Total trade accounts and other payable	151,768,706	451,397,219

16. LONG - TERM LOAN FROM FINANCIAL INSTITUTION - NET

Long - term loan from financial institution, consist of

	Unit : Baht	
	2014	2013
Long - term loan	-	-
<u>Add</u> Increase during the year	350,000,000	-
Long - term loan balance	350,000,000	-
<u>Less</u> Current portion due within one year - net	(43,752,000)	-
Net	306,248,000	-

In 2014, the Company has entered into a loan agreement with a commercial bank for investment in solar plant factory. The details are as follows:-

Loan facility (Baht)	Interest rate (per annum)	Terms of payment of principal and interest	Unit : Baht	
			2014	2013
350,000,000	BIBOR + 2.91	Grace period from July 2014 to June 2015. Subsequently, repay loan principal on monthly installment at Baht 7.29 million with interest and the performance shall be completed within five years from the contract date.	350,000,000	-
Total			350,000,000	-

The abovementioned loan was secured by mortgage its land, building, machinery and equipment and pledge its withdrawal right of deposit in bank of Baht 1 million.

Under the abovementioned loan agreement, the Company shall comply with covenance including maintaining Debt to Equity Ratio not over 2 : 1 and maintaining Debt Service Coverage Ration (DSCR) not less than 1.20 times.

17. LIABILITIES UNDER HIRE - PURCHASE CONTRACTS - NET

Liabilities under hire-purchase contracts - net, consist of:-

	Unit : Baht	
	2014	2013
Liabilities under hire-purchase contracts	10,638,966	13,570,160
<u>Less</u> Deferred interest	(631,984)	(987,717)
Present value of minimum lease payments	10,006,982	12,582,443
<u>Less</u> Current portion due within one year - net	(4,687,698)	(4,235,673)
Net	5,319,284	8,346,770

18. EMPLOYEE BENEFIT OBLIGATIONS - NET

The Company adopted TAS 19 Employee Benefits which effect from January 1, 2011. The Company choose to recognized pas service cost with retained earnings balance as at January 1, 2011.

The Company operates post - employment benefit and pension based on the requirement of the Thai Labor Protection Act B.E. 2541 to provide retirement benefits and other long term benefits to employees based on pensionable remuneration and length of service.

Post employment benefit obligation recognized as liability consist of:

	Unit : Baht	
	2014	2013
Employee benefit as at January 1	10,494,362	6,179,379
Current service cost	2,465,639	1,694,121
Employment benefit paid during the year	(36,000)	278,072
Acturial loss	265,563	2,342,790
Employee benefit as at December 31	13,189,564	10,494,362
<u>Less</u> Current portion of employee benefit obligation	(1,843,330)	(132,800)
Employee benefit obligations - net	11,346,234	10,361,562

The expense is recognized in the following line items in the profit or loss:

	Unit : Baht	
	2014	2013
<u>Profit or loss</u>		
Cost of sales and services	519,801	-
Sales expense	125,092	-
Administrative expenses	677,705	1,158,697
Management's benefit expenses	1,372,604	813,496
Total	2,695,202	1,972,193
<u>Other comprehensive income</u>		
Acturial loss (Net tax)	-	1,874,232

Principal actuarial assumptions at the reporting date.-

	2014	2013
* Discounted rate	4.00%	4.71%
Salary increase rate	7.89%	7.38%
Employee turnover rate	5.00%	4.59%
** Mortality rate	TMO2008	TMO2008
* Reference from long-term government bonds		
** Reference from TMO2008: Thai Mortality Ordinary Table of 2008		

Amounts of defined benefit obligation for the current and previous three-periods are as follows.

	Unit : Baht
Year 2014	13,189,564
Year 2013	10,494,362
Year 2012	6,179,379
Year 2011	4,458,800

19. LEGEL RESERVE

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

At the Annual General Shareholders' Meeting of 2014 held on April 28, 2014, its was approved to appropriate the statutory reserve of Baht 6.03 million.

20. DIVIDEND PAYMENT

At the Annual General Shareholders' Meeting of 2014 held on April 28, 2014, its was approved to pay the dividend at Baht 0.05 per share amounting to Baht 24.73 million which was paid in May 2014.

21. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year (excluded other comprehensive income) by the weighted average number of common shares issued during the year.

	2014	2013
Profit attributable to ordinary share holder of the Company (Baht)	33,939,250	121,270,008
Number of outstanding at the beginning of the year (share)	494,624,723	449,659,723
Weight average number of ordinary share during the year (share)	-	35,972,000
Weight average number of ordinary share outstanding	494,624,723	485,631,723
Basic earnings per share (Baht : Share)	0.07	0.25

22. OPERATING SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

Management considers that the Company operates in a single industry segment in manufacture and distribution of solar-cell and equipment which are used with solar-cells and construction of solar power plants and are carried on in the mostly geographic area in Thailand and the geographical segment of export sales constituted 0.86% of total sales, therefore only one geographic segment. Accordingly, revenue, income and assets as reflected in these financial statements pertain to the industry segment and geographic area as mentioned above.

23. EXPENSES BY NATURE

Significant expenses classified by nature consist of:-

	Unit : Baht	
	2014	2013
Changes in inventories of finished goods and work in process	271,522,740	15,470,186
Raw material and supplies used	126,095,953	18,048,665
Management's benefit expenses	35,746,024	35,460,445
Employee expenses	82,625,641	58,384,518
Depreciation expenses	88,031,504	21,656,123
Finance cost	7,451,060	3,030,581

24. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION

By virtue of the provision of Investment Promotion Acts B.E. 2520, the Company has granted certain rights and privileges for the production of stainless steel pipes as follows:

Descriptions	Rights and privileges	
	2181(9)/2548(B.E)	2523(1)/2557(B.E)
1. Certificates's number	2181(9)/2548(B.E)	2523(1)/2557(B.E)
2. Promoted business	Manufacture of construction material in stainless steel	Manufacture of construction material in stainless steel
3. Date of promoted	December 23, 2005	December 11, 2014
4. Date of first sales generated	January 29, 2014	No operations
5. The rights and privileges of the promotion include:-		
5.1 Exemption of import duty for machinery and equipment that are approved by the Board of Investment.	Granted	Granted
5.2 Exemption of corporate income tax derived from the profit of the promoted activities effective from the first sale generated.	8 years	8 years
5.3 Exemption of import duty for raw materials and necessary supplies used in production process of exported goods for the period stated in the certificate.	5 years from first imported	5 years from first imported
5.4 Exemption from income tax on dividend of promotional investments through out the promoted period.	Granted	Granted
5.5 Permission of deduction of investment in installation or construction of facilities excess of its usual depreciation.	25%	25%

Results of the Company operations under promoted business are classified under promoted and non-promoted business as follows:

	Unit : Baht					
	December 31, 2014			December 31, 2013		
	Promoted business	Non-promoted business	Total	Promoted business	Non-promoted business	Total
Revenues	63,324,231	884,091,029	947,415,260	-	-	-
Cost and expenses	(81,349,690)	(832,126,320)	(913,476,010)	-	-	-
Net profit(loss) for the year	(18,025,459)	51,964,709	33,939,250	-	-	-

The classification of results of the Company's operations was applied with 2 basis as following:-

1. Costs and expenses identifiable to each category were directly charged to each of them.
2. Costs and expenses unidentifiable to each category were allocated to each of them based on the proportion of their revenues.

25. PROVIDENT FUND

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund in accordance with the Provident Fund Act B.E. 2530. The Company and its employees contributed to the fund monthly at the rate of 2% of employee basic salary. The fund manager will be paid to employees upon termination in accordance with the fun rules. For the year 2014 and 2013 the Company contributed to the fund amounting to Baht 2.57 million and 1.98 million respectively.

26. FINANCIAL INSTRUMENT

The Company complied with the Thai Accounting Standard No. 107 "Presentations and Disclosure of Financial Instruments" as a guidance to disclose about the financial instruments as follows:-

26.1 Accounting policies

The related accounting policies are disclosed in Note 4.17 to the financial statements.

26.2 Financial risk management

The Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Company did not speculate or engage in the trading of any derivative financial instrument.

26.3 Credit risk

The Company is exposed to credit risk from non performance of contractual obligations by counter parties resulting in a financial loss to the Company. To prevent the risk, the Company has credits control and regularly, review debtors' financial status. The Company do not expect significant losses from non performance contractual obligation as their customers are diverse.

For the financial assets, the carrying amount of assets recorded in the statements of financial position, net of an allowance for doubtful accounts, represents the Company's maximum exposure to credit risk.

26.4 Interest rate risk

The Company' exposure to interest rate risk relates primarily to its deposits with financial institutions, bank overdrafts and short - terms and long - term loan changed with interest and liability under lease agreement. However, since interest rates of the majority of these financial assets and liabilities very according to market rates or are fixed and closed to market rates, the Company' management deemed their interest risk at low level. The Company thus do not use derivative financial instruments to hedge such risk.

	Unit : Thousand Baht						Interest Rate (% p.a.)
	Fixed interest rates			Floating Interest rate	Non-Interest bearing	Total	
	Within 1 year	1 - 5 years	Over 5 years				
As at December 31, 2014							
Financial assets							
Cash and cash equivalents	-	-	-	45,042	3,416	48,458	1.125-2.10
Trade accounts and other receivable	-	-	-	-	63,959	63,959	-
Cash at bank held on collateral	-	-	-	131,632	-	131,632	0.75-2.75
Financial liabilities							
Bank overdraft and short - term loans							
from financial institutions	-	-	-	160,479	-	160,479	2.75-7.375
Trade accounts and other payable	-	-	-	-	151,768	151,768	-
Long-term loan from financial institution	43,752	306,248	-	-	-	350,000	5.00
Liabilities under hire-purchase contracts	4,688	5,319	-	-	-	10,007	4.55-7.125
As at December 31, 2013							
Financial assets							
Cash and cash equivalents	-	-	-	177,338	4,413	181,751	0.75-2.40
Temporary investment	-	-	-	17,173	-	17,173	1.625
Trade accounts and other receivable	-	-	-	-	232,932	232,932	-
Cash at banks held on collateral	-	-	-	111,120	-	111,120	0.75-2.75
Financial liabilities							
Bank overdraft and short - term loans							
from financial institutions	-	-	-	170,238	-	170,238	5.50-7.775
Trade accounts and other payable	-	-	-	-	451,397	451,397	-
Liabilities under hire-purchase contracts	4,236	8,347	-	-	-	12,583	4.55-7.125

26.5 Currency risk

The Company had significant foreign assets and liabilities which were not hedge foreign exchange risk . However, the Company's management believe that they with not against have any significant impact on the Company' financial statements.

The Company had financial assets and liabilities which were not hedged foreign exchange

	2014	2013
Assets		
Trade account receivable		
US dollar	21,274	20,933
Euro	80,072	80,072
Liabilities		
Trust receipts and promissory notes		
US dollar	4,590,842	-
Euro	62,308	-
Yen	4,111,700	-
Trade account payable		
US dollar	716,996	1,133,996
Euro	1,241,235	1,621,424
Yen	6,576,800	29,970,000

27. CREDIT FACILITIES

The Company had credit facilities with commercial banks as follows.-

	Unit : Baht	
	2014	2013
Bank overdraft	60,000,000	50,000,000
Letter of credit and trust receipt	546,699,500	342,095,456
Promissory note	-	240,000,000
Long - term loan	350,000,000	-
Issuance of letter of guarantee	694,095,000	494,115,000
Total	<u>1,650,794,500</u>	<u>1,126,210,456</u>
Forward contracts		
<u>Currency</u>	2014	2013
US dollar	2,500,000	-
Euro	800,000	-

The abovementioned credit facilities were secured by the collateral as described in Note 14 to the financial statements.

28. COMMITMENTS AND CONTINGENT LIABILITIES

28.1 As at December 31, 2014 and 2013, the Company has letter of guarantee issued by several banks to government and private organizations of amounting to Baht 252.96 million and Baht 320.57 million respectively.

28.2 As at December 31, 2014 and 2013, the Company was in possession of unutilized letter of credit issued by several banks, consist of.-

	Unit : Million	
	2014	2013
<u>Currency</u>		
US Dollar	6.88	0.52
Euro	1.35	2.85
Yen	9.26	39.97

28.3 As at December 31, 2014, the Company had commitment to pay for the information system development fee and consulting fees for the improvement of production system in the future as follows:

	Unit : Million	
	2014	2013
<u>Currency</u>		
Baht	53.66	-
Us Dollar	0.32	-
Euro	7.96	-
Franc	0.15	-

28.4 The Company has entered into long-term lease agreements for their office sites and stores for the period of 3 years commencing from the agreement date. The Company in the possession of future rental and service contract as follow.-

	Unit : Baht	
	2014	2013
Minimum amount payment by rental agreement		
Less than 1 year	1,056,977	1,487,537
More than 1 year but less than 5 years	858,585	10,469
Total	<u>1,915,562</u>	<u>1,498,006</u>

29. CAPITAL MANAGEMENT

The primary objectives of the Company' capital management are to maintain their ability to continue as a going concern and to maintain an appropriate capital structure.

As at December 31, 2014 and 2013, debt-to-equity ratio in the financial statements was 0.46 : 1 and 0.45 : 1 respectively,

30. EVENTS AFTER REPORTING PERIOD

30.1 In January 2015, the Company has newly registered 5 subsidiaries which main objectives are to operate business in solar farm and solar rooftop in accordance with the resolution of the Board of Directors meeting No. 6/2014 on November 13, 2014.

30.2 At the Board of Director's Meeting No.1/2015 held on February 27, 2015, it was approved to pay dividend from net profit from its operation for the year 2014 at Baht 0.025 per share amounting to Baht 12.37 million and to appropriate legal reserve from net profit at 5% of net profit amounting to Baht 1.697 million.

31. APPROVAL OF FINANCIAL STATEMENT

These financial statements have been approved by the Company's Board of Directors on February 27, 2015.



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