



Charoong Thai Wire & Cable Public Company Limited



Annual Report

2013

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Policy and Overall Business Operations

Policy and Business Overview

Charoong Thai Wire & Cable Public Co., Ltd., (“Charoong Thai”) or (“CTW”) was established since 1967 with registered capital of Baht 10 million. The Company received investment supports from the Board of Investment (BOI) by the joint venture between Thai and Taiwanese investors which are Walsin Lihwa Electric Wire & Cable Corp. and Pacific Electric Wire and Cable Company Limited (“PEWC”). The Company became a public company limited after that and registered to enter into Thailand Stock Exchange on September 25th, 1975. It is categorized under electrical and computer section which is now under Industrial Materials & Machinery section.

PEWC is indirectly a parent company while running their business in Taiwan. The main business is manufacturing electric wires and cables, trading and telecommunication business in Asia.

The parent company and the Company are doing the same type of business which are manufacturing and distributing electrical wires and cable wires while both companies have geographically divided the job scope very clearly.

Charoong Thai and its subsidiaries such as Siam Fiber Optics Co., Ltd. (“SFO”), Double D Cable Co., Ltd. (“DDC”), Siam Pacific Electric Wire & Cable Co., Ltd. (“SPEWC”) and Shanghai Yayang Electric Co., Ltd. (“SYE”) have their main business of manufacturing aluminum electrical wire, copper electrical wire, insulated electrical wire of both high-low voltage, telephone wire, cable wire, fiber optic cable, and enameled copper wire in order to sell both domestically and internationally. The business includes OEM, exchange, and transform the mentioned products.

The Company has an investment business company which is CTW-Beta Co., Ltd. (“CTW-Beta”) which has business objective to gain the profit from investments. The Company also has the joint venture regarding communication and telecommunication business, Loxpac (Thailand) Co., Ltd. (“LOXPAC”). At present, the Company does not have any policies to increase its investment unless such investment is able to support the main business of the Company.

From the Financial Statements for the past 3 years, 2011 - 2013, the Company and its subsidiaries have sales revenue of Baht 7,574 million, Baht 7,284 million, and Baht 6,858 million, respectively.

In the year 2013, revenue from sales of the Company and subsidiaries decreased by Baht 425.74 million or 5.85% and their net profit of Baht 295.84 million decreased by Baht 207.99 million or 41.28% compared with that of the previous year since in 2012, the Company group has gain on exchange of Baht 60.36 million and its a subsidiary received compensation for losses from flooding of Baht 149.09 million.

Vision

1. Persistently seeking ways to improve the production efficiency and quality.
2. Persistently developing innovative product and exploring the new market.
3. Persistently maintaining as the first tier cable manufacturer in Thailand.

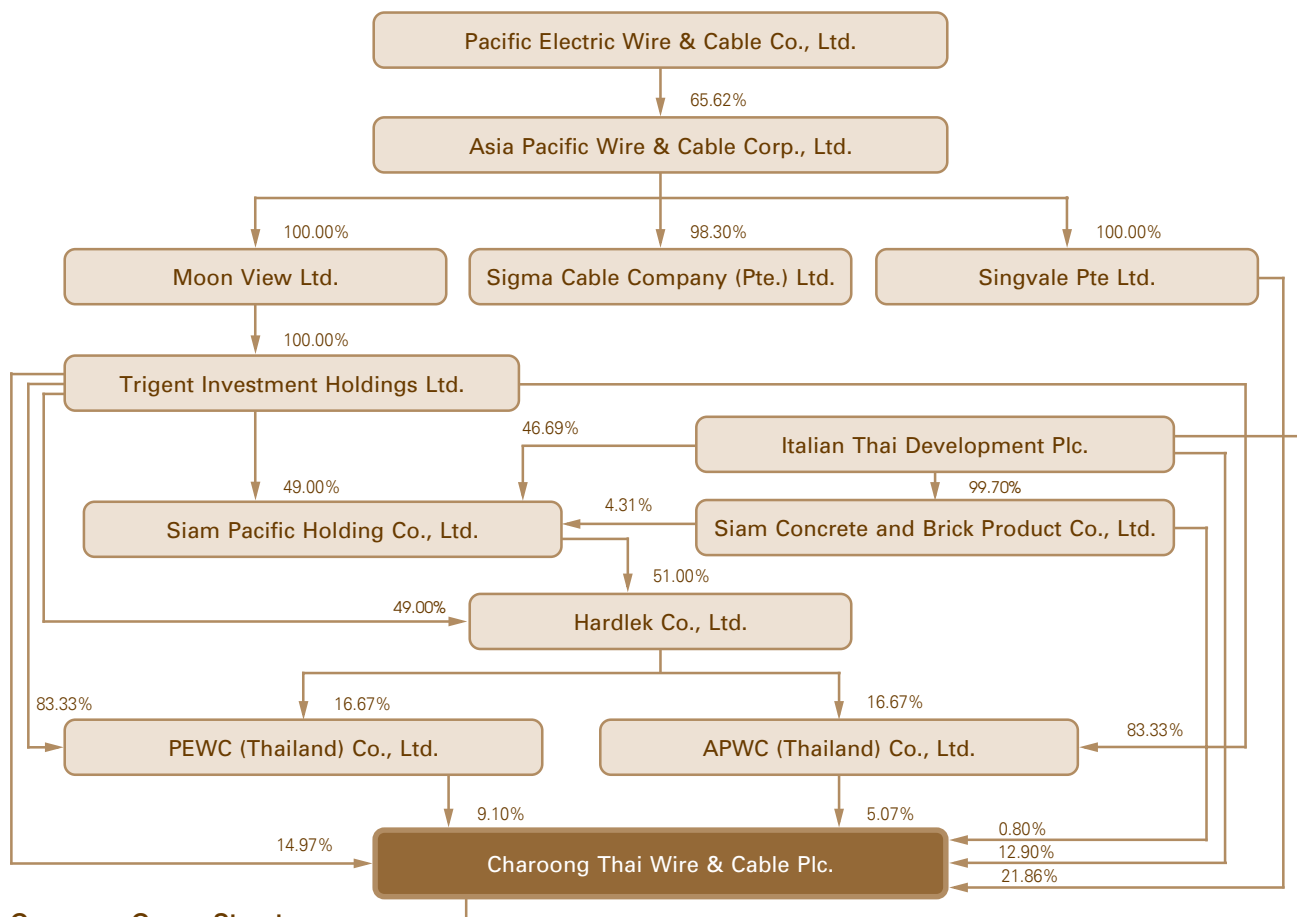
Mission

1. Providing highest quality product and service for customers.
2. Producing decent profit with consistency for shareholders.
3. Providing safe and secure working environment for staffs.

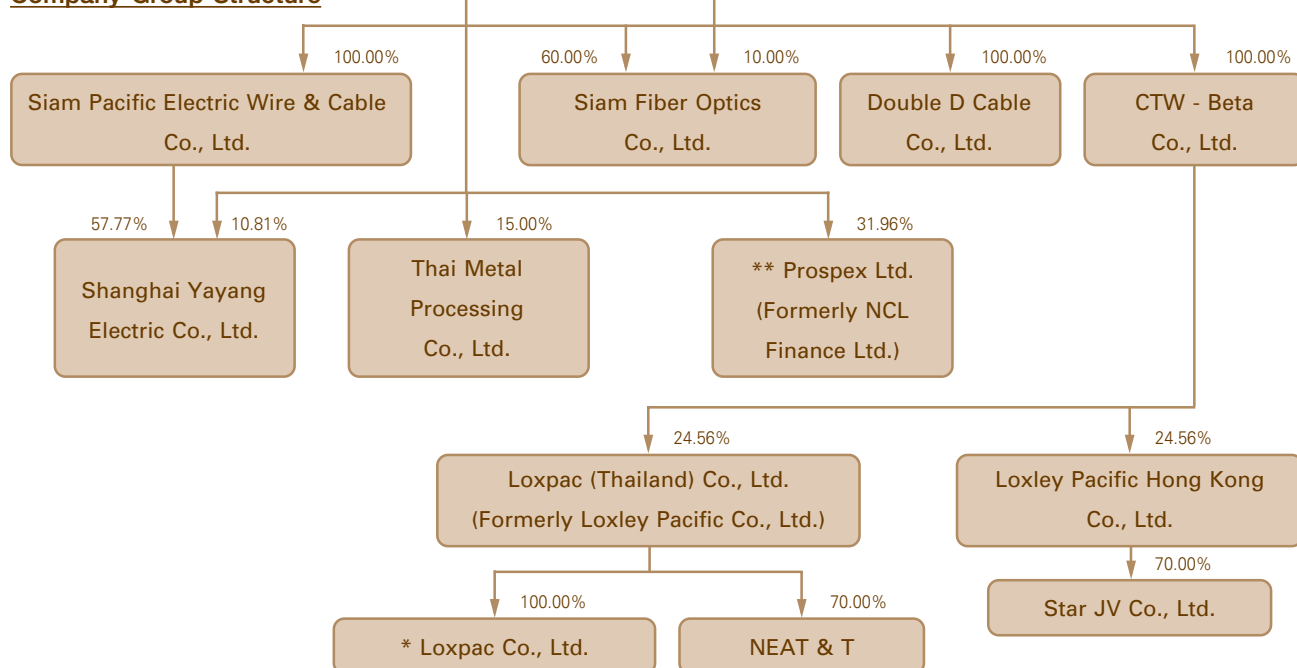
Policy and Overall Business Operations

Shareholding Structure of the Company Group

Parent Group Structure (as at 31 December 2013)



Company Group Structure



Remarks : * It is currently inactive.

** The liquidation is currently in progress.

Policy and Overall Business Operations

Top 10 Shareholders of PEWC, its Parent Company (As at 16th April, 2013)

Shareholders	Number of shares	Holding (%)
1. National Financial Stabilization Fund	23,841,129	3.56
2. Kuo Hua Life Insurance Co., Ltd.	5,400,000	0.81
3. Tai He Investment Co., Ltd.	5,317,960	0.79
4. Ding-Hao ACME Co., Ltd.	5,179,619	0.77
5. PEWC Employee Welfare Committee	4,808,585	0.72
6. Yuan Yuan Corporation	4,566,785	0.68
7. Qiu Xiao Xian	4,389,865	0.66
8. Qiu Xiao Qi	4,018,110	0.60
9. Liao Guang Rong	3,900,000	0.58
10. Century Pacific Corporation	3,659,085	0.55
11. Minority Shareholders	603,918,862	90.28
Total shares issued	669,000,000	100.00

Nature of Business

Features of Business of the Group

Charoong Thai Wire & Cable Plc. (“CTW” or “the Company”) currently has five subsidiary companies and one associated company. The product line or business group of the Company can be divided into three major categories according to the nature of the business, as follows:

Category 1: Manufacturing

CTW, Siam Fiber Optics Co., Ltd. (SFO), Double D Cable Co., Ltd. (DDC), Siam Pacific Electric Wire and Cable Co., Ltd. (SPEWC), and Shanghai Yayang Electric Co., Ltd. (SYE) are significant manufacturers and distributors of Aluminium Cables, Low Voltage Copper Cables, XLPE Insulated High Voltage Cables, Telephone Cables, Fibre Optic Cables and Enameled Wires sold to the domestic and export market. The Company is also an Original Equipment Manufacturer (OEM) which manufactures products for customers.

Category 2: Investment Holding

CTW-Beta Co., Ltd. (CTW-Beta) which is engaged solely in investments for capital gain.

Category 3: Telecommunications

CTW holds associated company that is engaged in the telecommunications business namely, Loxpac (Thailand) Co., Ltd. (Loxpac) (Formerly known as “Loxley Pacific Co., Ltd.”).

Nature of Business

Revenue Structure

Revenue Structure of the Company by business group.

(Expressed in Million Baht)

Product Line / Business Category	By	% of Investment	2013		2012		2011	
			Revenue	%	Revenue	%	Revenue	%
Manufacturing / Revenue	Charoong Thai Wire & Cable Plc.		3,096.30	44.85	3,446.00	45.72	3,231.53	42.40
	Siam Pacific Electric Wire & Cable Co., Ltd.	100.00	2,241.04	32.46	2,521.56	33.46	2,669.37	35.02
	Shanghai Yayang Electric Co., Ltd.	68.58	1,277.73	18.51	1,306.06	17.33	1,419.13	18.62
	Siam Fiber Optics Co., Ltd.	60.00	288.89	4.18	263.41	3.49	301.68	3.96
	Double D Cable Co., Ltd.	100.00	0.03	0.00	-	-	-	-
Investment / Revenue	CTW-Beta Co., Ltd.	100.00	0.00	0.00	-	-	-	-
Total			6,903.99	100.00	7,537.03	100.00	7,621.71	100.00

(Expressed in Million Baht)

Product Line / Business Category	By	% of Investment	2013	2012	2011
Telecommunication* / Revenue	Loxpac (Thailand) Co., Ltd. (Formerly known as "Loxley Pacific Co., Ltd.")	24.56	20.71	75.90	91.60

Remarks : *Figures were represented total revenues of its an associated company, which were not calculated by holding percentage of CTW.

Product Line/Business Group

1. The Manufacturing Group

1.1 Features of Products

A) Products

Products of the group are classified into Six categories as follows:

1. Aluminium Cable
2. Low Voltage Copper Cable
3. XLPE Insulated High Voltage Cable
4. Telephone Cable
5. Fiber Optic Cable
6. Enameled Wire

Nature of Business

B) Sales by product

Product	Sales (%) 2013	Description
Aluminium electrical wire	10.96	- ACSR1272 - AAC - PVC Insulated Aluminium Cable
Copper electrical wire	17.62	- Building Wire (THW, NYY, VSF) - Bare Copper
High voltage power cable	14.57	- Space Aerial - XLPE Copper Cable 12/20 KV, 24 KV, 115 KV
Telephone cable	5.08	- Self-Supporting Drop Wire - Figure 8 Alpeth - PE Alpeth - Foam/Skin Alpeth
Fiber optic cable	4.15	- Single / Multi Fiber optics
Enameled Wire	47.07	- Enameled Copper Wire
Others	0.55	- Scrap
Total	100.00	

Most of the Company's products in the manufacturing group, Enameled Wires are sold to the private sectors and export. In regard to Electrical Wires and Cable, and Fiber Optic Cables are sold to state enterprises such as Electricity Generating Authority of Thailand (EGAT), Provincial Electricity Authority (PEA) and Metropolitan Electricity Authority (MEA) including the transformed state enterprises such as TOT Corporation Plc., and are sold to private sector such as the contractors and general customers etc.

1.2 Marketing and Competition

A) Marketing Strategy

The Company has emphasized the marketing mix (4P) to enhance its target as follows:

1. Product

The Company manufactures quality Aluminum Cables, Low Voltage Copper Cables, XLPE Insulated High Voltage Cables, Telecommunication Cables, Fiber Optic Cables and Enameled Wires which meet certain high standard by reputed institution such as, Thai Industrial Standard (TIS), International Standard (IEC: International Electronic Commission), British Standard (BS), American Standard (ASTM) etc.. Furthermore, its products have also obtained many product certificates from Thai Government and other creditable institution as the followings:

- License of Compulsory Thai Industrial Standard e.g. TIS 11-2531(1988), TIS 293-2541 (1998), TIS 2202-2547 (2004), TIS 85-2548 (2005), TIS 2434-2552 (2009) etc. and License of Thai Industrial Standard e.g. TIS 64-2517 (1974), TIS 838-2531 (1988), TIS 2143-2546 (2003) etc.
- Type Test Approval of High Voltage Power Cable (69 KV. and 115 KV.) from Faculty of Engineering Chulalongkorn University and King Monkut's Institute of Technology Ladkrabang.
- Product License of Fire Resistance Cable from TUV SUD PSB Pte. Ltd. Singapore.

Nature of Business

With the above credentials, it would definitely help to convince the customers to choose and use the Company's products. With regard to its subsidiary, SPEWC which faced with flooding in 2011 and the damaged machines were repaired and replaced with the new ones. As a result, it can produce better quality products.

2. Price

Last year, overall economy of Thailand was more volatile than in the past because of political problems and the crisis of world economy especially in USA and European Union countries that has not been relaxed. The Thai government had to expedite economic activities through the investment projects such as, the expansion of Mass Rapid Transit of Baring - Samutprakarn, Purple line and Blue line, etc. According to these projects that advantage to the Company achieving target by setting the reasonable price concerning to main raw material. The main raw materials for production are copper and petroleum which fluctuate all the time. In addition, the Company implements "Lean" system for production process that can reduce production cost and can control the profit margin. However, the Company has maintained to the standard and product quality by increasing production continuously, focusing to control unnecessary expense to sustain competitive price but some products are required increasing price against market mechanism as well.

3. Place

The Company goal is always to increase its wire and cable products market share to expand throughout the country. Its sales mainly focus on electrical contractors and existing distributors as well as new distributors with high potential.

In addition, the Company has created more sales opportunities. It has aggressively expanded on bidding more projects such as Rapid Transit Projects (Purple Line, Blue Line and Red Line), Small Power Producer (SPP) and Independence Power Producer (IPP) which these Projects must use the Company's products as well as continue to increase distribution channels through the mall retailer slarge (Modern Trade), such as Tai Watsadu, Home works, Home Pro and Global House etc. for more well-known the Company's products.

4. Promotion

The Company made advertising and public relations through media that relate to electrical industry such as Thai Electrical & Mechanical Contractors which aim directly to target potential customers. The Company also invited agencies, contractors on electricity group, engineer supervisor group or electricity system designers to visit its factory as witness on manufacturing and calibrating process. In addition, the Company has provided product knowledge training and seminars to the target customer, for expanding the customer group base and for brand perception and familiarity. With regard to export to Vietnam, Singapore, Myanmar and Laos market, the Company has still faced the competition from other foreign manufacturers who have lower labor cost. Therefore, its export has been decreased.

In late of year 2013, SFO visited customers in Asia by providing the in-house training to customers which is after sale service and sales promotion. In addition, SFO also signed the memorandum of Understanding (MOU) with leading manufacture of CCTV (Closed-circuit Television) in Japan to be the provider of security system, resulting in more opportunities for distribution channel of fiber optic cable.

SFO has been certified environmental management system ISO 14001: 2004. It continuously considers environmental protection and Corporate Social Responsibility. It also regularly provides the customers Guide Material Safety Data Sheets (Guide MSDS) concerning the proper use or handling of optic fiber cable correctly.

Nature of Business

B). Market Share and Competition

Aluminum electrical wire

The economic condition in Thailand in the previous year, in the first half year is likely to increase, anyway in the second half year, it started to have political problems. The government has urged investing budget into existing infrastructure projects and future projects such as; Blue line rapid Mass Rapid Transit, Purple Line, etc. Also still have the Power Line projects from State Enterprise and the other Contractors. These factors affect to market demanding more aluminum conductor cables.

Copper electrical wire

Market situation of copper electrical wire, the price competition is still severe continuously. The Company has constantly improved the production efficiency in labor and technology to be consistent with the market needs and improve the capability to be competitive. As a result, the Company has obtained the orders from government and private sector such as Bangkok-Chiang Mai Hospital, International Dormitory, Lumpini Condominium Project, Big C Supercenter and Tesco Lotus etc.,. During the third quarter of the year 2013, dealer, contractor and owner of projects have delayed orders since Thai Industrial Standards Institute (TISI) has improved the new standard of power cable (TIS) then they have delayed their stock to wait for the change of TIS.

High voltage power cable

Although, High voltage power cable market was similar to Aluminum electrical wire market, but for most of the High voltage power cable market, the Company will be OEM for state enterprises, including selling to the private companies who are the sub-contractor of government's projects.

Telephone cable

Presently, the demand for copper telephone cable has decreasingly grown as there are alternate products resulting from technology changes, that is, fiber optic cable and wireless communication e.g. various mobile phone systems in which many service providers have entered into the market with continually numerous and extensive service types. It can be said that the Company continues to be able to sell telephone cable via 3 channels as follows:

1. The buyer buys it to replace the old one needed to be changed due to expiry schedule.
2. The buyer uses it for extending its VOICE networks the volume of which has decreased consistently.
3. The buyer uses it for new service settings e.g. ADSL hi-speed internet.

From the decreasing demand while number of competitors is still the same, the Company has implemented certain strategies to maintain its sales volume by contacting existing customers via the existing sale channel and trying to reach new customer groups who are service providers of hi-speed internet. During the year 2013, the Company secured certain number of purchase orders from this latter customer group.

Fiber optic cable

Presently, the government has expanded the Communication network in order to enhance the speed of data transmission, adoption, upload and download data from mobile phone and Pocket PC etc. which TOT corporation Plc. need touse the fiber optic cable (OFC) for communication network expansion including the cable installation for Fiber to the Home (FTTH) project.

Presently, there are still only five major domestic manufacturers of fiber optic cable, however, there are lots of foreign manufacturers to compete in Thailand's market since there are free duty tax as well as lower production cost. The domestic manufacturers do fight hard in prices although the Company's production cost usually higher than foreign manufacturers due to the raw materials are mainly imported from offshore. Currently, the Company mainly supplies to the contractors or sub-contractors of the State Enterprise projects.

Nature of Business

Enameled Copper Wire

SPEWC is one of the top-three enameled copper wires manufacturers of the highest quality standard in Thailand. It also obtains standard of Underwriters Laboratories Inc. (UL) which is accepted by domestic and overseas electrical manufacturers in the world. SPEWC has always emphasized its competitiveness of quality, quick delivery and service, and full responsibilities for solving the products problem. With regard to, the intensified competition environment, SPEWC, as per its Policy, has focused more on selling products to targeted customers with real demand for the Company's products (Niche Market). In addition, SPEWC has attempted to attract the existing customers in existing markets and discover new customers in existing markets. It has also tried to discover the new markets both export and domestic markets for better selling price. Presently, SPEWC has developed a cost accounting system for more updated, accurate and timely (Real Time). This will result helping SPEWC to filter customers that can provide more profit to it.

1.3 Procurement of Products

A). Manufacturing of products

Plants of CTW and SFO are located at 35/1 and 35/2 Moo 22, Suwintawong Road, Saladaeng Subdistrict, Bang Nam Prieo District, Chachoengsao Province, consists of four plants as follows :

1. Aluminium Cable Production Plant
2. Power Cable Production Plant
3. Telephone Cable Production Plant
4. Fiber Optic Cable Production Plant

Plants of Subsidiary Companies, SPEWC is located at 8 Moo 5, Tiwanon Road, Banmai Sub-district, Muang District, Pratumtanee Province.

Plant of Shanghai Yayang Electric Co., Ltd. is located at 2525 Daye R(d), Wuqiao Town, Feng Xian District, Shanghai, China.

Production Capacity and Utilisation Rate :

	Full Capacity (metric tones/year)	Annualised Utilisation Rate (%)		
		2013	2012	2011
<u>CTW</u>				
Aluminium electrical wires	14,400	74	50	52
Copper electrical wires	12,000	41	63	52
Telephone cables (pairs-km)	1,440,000	4	6	6
High voltage power cables	4,800	68	61	41
<u>SPEWC</u>				
Enameled copper wires	9,600	73	66	
	21,600			29
Communication cables (pairs-km)	1,152,000	10	20	
	2,304,000			10
<u>SFO</u>				
Fiber optic cables (km-fiber)	500,000	36	21	35
<u>Shanghai Yayang</u>				
Enameled copper wires	8,400	57	56	54

Nature of Business

B). Sources and Acquisition of Raw Materials

The technology used in the production process is obtained from its Taiwanese shareholders and the Company has continually developed. It has also received technology support from Fujikura Ltd. of Japan for more than 20 years.

Effects on the Environment

The Company has never experienced any detrimental environmental effects which exceeds government standard from the production process due to the advanced nature of the technology in use.

Raw materials

In 2013, around eighty percent (80%) of the raw material used in the production process is imported from various countries through various agencies in Thailand and twenty percent (20%) from domestic market. There were total 48 suppliers of raw materials, 23 suppliers from domestic and 25 suppliers from overseas.

Raw materials of CTW and its subsidiaries can be divided into three principal categories :

Conductors:

The important conductors are aluminium and copper with a purification rate of 99.70 per cent and 99.90 per cent, respectively. Aluminium and copper are imported from Indonesia, Australia, Philippines and Laos.

Insulator (Semi-Insulator):

There are three types of insulators used in the production process as follows:

- Thermoplastic insulators :
 - Polyvinyl chloride is supplied by domestic suppliers.
 - Polyethylene is supplied by domestic 2 suppliers and imported from overseas 4 suppliers in USA, Japan, Sweden, Belgium, China, UAE, Korea and Vietnam etc.
- Thermosetting Plastic insulators are imported from international suppliers in Belgium, USA, Japan, Sweden and United Arab Emirates.
- Semi-conductive insulators are imported from international suppliers in Belgium, USA, Japan, Sweden and United Arab Emirates.

Fiber Optics: Fujikura Co., Ltd. is the Company's only supplier of fiber optics to SFO.

2. The Holding Group

CTW-Beta Co., Ltd. is solely engaged in investing in entities with a view to realize a capital gain.

3. The Telecommunications Group

Loxpac (Thailand) Co., Ltd. is a telecommunications operator for domestic and international telephone and facsimile, pay phone, paging, mobile phone, earth station, Internet and cable TV service provider for FETZ (Free Economic and Trade Zone) in DPRK (Democratic People's of Korea). During 1996, the Company set up a local operator NEAT&T (North East Asia Telephone & Telecommunications Co., Ltd.) since 1996 in FETZ which is a Joint Venture with KPTC (Korea Postal & Telecommunications Co., Ltd.). NEAT&T has a consistent operating profit ever since it established. In 2013, NEAT &T has paid Baht 10.52 million dividends to Loxpac.

During 2010, Loxpac using a newly 100% owned subsidiary company "Loxley Pacific Hong Kong Co., Ltd." (Loxpac HK) to start a new Joint Venture name "Star JV." with KPTC to be the ISP (Internet Service Provider) monopoly in DPRK. The Loxpac HK was spun off from Loxpac in late 2012 by same shareholders percentage of the Loxpac. Star JV. launched its internet service on 10 October 2010. Star JV. paid Baht 19.83 million dividends to Loxpac HK in 2013.

Risk Factors

1 Exposure to the cost of key raw materials

The Company's key raw materials used in manufacture about 80 percent is imported from abroad i.e. copper, aluminium, polyvinyl chloride, polyethylene and optic fibers etc.. All of those are commodities and traded on the global market which are subject to price fluctuations in accordance with supply and demand. These international commodities almost all priced in US dollars but the Company sales revenue being largely quoted in Baht which does involved raw material price fluctuation and currency risk, and its significance would pending on the size of the contract. Moreover, oil is an important part of polyethylene and polyvinyl chloride production which are mainly used in cable products. Therefore, the fluctuation of copper and oil price in the year 2013 had effected the cost of production and profitability.

Steps taken to mitigate the risk:

In an effort to mitigate any fluctuation of raw material price and FX related risk on procuring of raw materials, the Company would first try to pass such exposure to the customer if possible, in other words to have the customer pay for raw material. It is now a common method for the customer to provide raw material to the Company directly and it has been a successful strategy with most State Agencies. In some cases, in order to manage the currency exchange risk, then, the Company will purchase the same amount of foreign exchange forward contracts at the time to issue its L/C (Letter of Credit) in order to cover the exposure so to minimize any FX risk. In addition, the Company monitors price trend regularly and compares the key raw material price from several suppliers for getting the best condition. The Company sometimes also raise its raw materials reserve by conforming to the Company's order projections. Moreover, the Company tries to search for new sources of key raw materials in order to obtain appropriate price and quality raw materials.

2 Risk derived from change in manufacturing technology

Since the products of the Company is related to the energy technology and telecommunication which research and development shall be consistently done in order to generate new innovations continuously, improve quality and the efficiency of the products to keep pace with the changes, and reduce the loss during production process. The change of technologies regarding energy have been carried out such as using compacted stranding technology with copper and aluminum which still able to maintain conductivity and standard size to reduce the cost of other manufacturing processes or using double insulation techniques in order to increase electrical resistance and reduce cost of capital by reducing amount of raw materials. Regarding to aspect of telecommunication products which the information such as video and audio signal is sent at high speed level, high speed media cable with low signal loss has been implemented. Currently, the fiber optic has been implemented more than the past.

Steps taken to mitigate the risk:

The Company has prepared itself for risk reduction resulted from change in manufacturing technology by setting up an expert team consisting of engineers, manufacturing staffs and testing staffs to monitor such change in all aspects of technology that involved with the Company's products such as production techniques, key raw material, machinery and testing tools in order to develop and improve the production that can meet the customer's and current market's needs. In addition, to support fiber optic telecommunication cable which has lower signal loss than electrical signal, able to send the signal with further distance, able to send large information, and worth of value, the Company has set up a subsidiary, Siam Fiber Optic Co., Ltd. to manufacture such products. For traditional copper conductor cable, the Company has changed its structure to support hi-speed broadband.

Risk Factors

3 Risk derived from currency exchange rate fluctuation

The Company and its subsidiaries import raw materials used in the production from foreign countries which the Company may be affected on the aspect of cost derived from currency exchange rate fluctuation. In addition, there are exposure to foreign currency risk from investments in its subsidiary and associated companies that are denominated in foreign currencies. As at 31 December 2013, the Company and its subsidiaries have outstanding balance of liabilities denominated in foreign currencies of USD 26 million. Therefore, to reduce the effect from exchange rate fluctuation, the Company has managed the risk from exchange rate by using forward exchange contracts. Generally, the forward contracts mature within one year.

Steps taken to mitigate the risk:

The Company group had entered into forward exchange contracts when it considered appropriate in order to reduce this risk. In addition, the Company has the a policy to promote its export business to foreign markets which will be base on US dollars revenue and thereby it could help as a natural hedge mechanics. It has also followed closely the movement in exchange rates all the time.

4 Risk factors associated with control by major shareholders

There are four major shareholders of CTW that ultimately relate to Pacific Electric Wire & Cable Cable Co., Ltd. group, (PEWC) with a total shareholding about 51 per cent plus few individual shareholders that may comprised by PEWC's management and representatives, so PEWC can thus make decisions that directly affect the policy of the Company. Minority shareholders are therefore at risk for its inability to vote against major shareholders.

Steps taken to mitigate the risk:

The Company, as SET rulings, has appointed the Audit Committee to inspect the management team and to comment on transactions that could lead to a conflict of interest between the Company and its related shareholders. Such four major shareholders are prohibited from voting on connected transactions in which they may have conflict of interest.

5 Risk derived from the shortage of skilled labor

In the last year, the government announced raising minimum labor wage including fund policy and other project related to agricultural sector. As that result, labors have moved back to their hometown for agriculture. Moreover, regarding to the government's stimulus policies of investment such as tax reduction for the first car, the industrial sector regarding automobile has been expanded which result in labor movements from other industrial sectors into automobile sector and Thailand is entering to the ASEAN Economic Community (AEC) in the year 2015, industries and the Company need to be adjusted by using modern machinery and implement more technology, also to support expanding production capacity. This business trend is notified the shortage of skilled labors.

Steps taken to mitigate the risk:

Although, the most of production line of the Company is mainly used machinery but the Company still focuses on the importance of all levels of employees, the Company increases the appropriate welfare to employees and cover to their family such as financial aids regarding marriage, having child, and in the case that employee or their heirs have admitted to the hospital and increasing labor wage to production operators. The Company has the development plan for new employees to compensate the retired employees and to support the shortage of skilled labor in the future which they may return to their hometown and accordance Thailand entering into ASEAN Economic Community (AEC) by the year 2015.

General Information

Corporate Information

Charoong Thai Wire & Cable Public Company Limited (“CTW” or the “Company”), or in Thai บริษัท จรุงไทยไวร์แอนด์เคเบิล จำกัด (มหาชน), is located at 589/71 Central City Tower 12A Floor, Bangna-Trad Road, Bangna, Bangkok 10260. Its telephone numbers are (662) 745-6118 to 30 and facsimile numbers are (662) 745-6131 to 32. The Company’s home page on the internet is www.ctw.co.th and its registration number is 0107537000599 (Formerly number is BorMorJor 306). CTW has been a manufacturer and distributor of Aluminium Cables, Low Voltage Copper Cables, XLPE Insulated High Voltage Cables, Telephone Cables, Fibre Optic Cables and Enameled Wires sold to the domestic and export market. The Company is also an Original Equipment Manufacturer (OEM) which manufactures products for customers since 1967. As at 16 January 2014, it had paid-up capital in the amount of Baht 1,989,531,420.

Reference Person

Share Registrar

Thailand Securities Depository Co., Ltd. (TSD)

62 The Stock Exchange of Thailand Building, Rachadapisek Road,
Klongtoey, Bangkok, 10110, Thailand

Tel : (662) 229-2800

Fax : (662) 359-1259

TSD Call Center : (662) 229-2888

Website : www.tsd.co.th

Auditor

Ms. Waraporn Prapasirikul, Certified Public Accountant License No. 4579 or

Ms. Supanee Triyanantakul, Certified Public Accountant License No. 4498 or

Mr. Narong Puntawong, Certified Public Accountant License No. 3315

EY Office Limited (EY) (Formerly known as Ernst & Young Office Limited)

33rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110.

Tel. : (662) 264-9090

Fax : (662) 264-0789-90

Website : <http://www.ey.com>

Lawyer

Legal Adviser & Secretary of the Board of Directors : Mr. Pairoj Tansuriwongse

Suriyatham Law Office, 423 Nakornsawan Road, Wat Sommanut,

Pomprabsatrupai, Bangkok 10110

Tel. : (662) 629-8594, 281-7338

Fax : (662) 629-8594

General Information

Shareholding in Other Companies

Company Name and Location	Kind of Activity	Type	Issued Shares Numbers (Shares)	Shareholding Portion Numbers (Shares)	%
1. CTW-Beta Co., Ltd.	Investment & Holding Company	Ordinary Shares	10,000	9,993	100.00
2. Double D Cable Co., Ltd.	Manufacture and Distributor of Aluminium and Copper Cables, and Copper Rod	Ordinary Shares	200,000	199,995	100.00
3. Siam Fiber Optics Co., Ltd. Head office : 589/71 Central City Tower Fl. 12 A, Bangna-Trad Rd, Bangna, Bangna, Bangkok 10260 Tel. : (02) 745-6118-30 Fax : (02) 745-6575	Manufacturer and distributor of Fibre optic cables	Ordinary Shares	24,000,000	14,399,994	60.00
4. Siam Pacific Electric Wire & Cable Co., Ltd. Head Office : 30 Fl., Charnlssara Tower 2, 2922/312 New Petchburi Rd., Bangkok 10320 Tel. : (02) 308-2091 (Auto, 15 Lines) Fax : (02) 308-2081-2	Manufacturer and distributor of wire and cable products, and enameled copper wires	Ordinary Shares	6,700,000	6,700,000	100.00
5. Shanghai Yayang Electric Co., Ltd. Head Office : 2525 Daye R (d), Wuqiao Town, Feng Xian District, Shanghai, China Tel. : (86 21) 5740 3196 Fax: (86 21) 5740 2366	Manufacturer and distributor of enameled copper wires	Ordinary Shares	9,548,737	6,548,737	68.58
6. Loxpac (Thailand) Co., Ltd. (Formerly known as "Loxley Pacific Co., Ltd.") Head Office : 102 Na Ranong Rd., Klong Toey, Bangkok 10110 Tel. : (02) 240-3000 Fax : (02) 240-3180	Telecommunications	Ordinary Shares Preferred Shares	45,000,000 25,000,000	12,690,000 5,594,500	**24.56
7. Loxley Pacific Hong Kong Ltd. Head Office : Unit D, 9/F., Kai Centre, 36 Hung To Road, Kwun Tong, Kowloon, Hong Kong	Telecommunications	Ordinary Shares	40,002	9,825	24.56
8. Prospex Ltd. (Formerly known as "NCL Finance Ltd.") * Head Office : 2 Heather Street, Parnell, Auckland, New Zealand Tel. : (649) 917-8338	Public Shell Company	Ordinary Shares	1,343,236	437,597	31.96
9. Thai Metal Processing Co., Ltd. Head Office : 25 Fl., Two Pacific Place Bldg. 142 Sukhumvit Rd., Klongtoey, Bangkok 10110 Tel. : (02) 653-2550 (30 lines) Fax : (02) 653-2617	Fabrication of Copper Rod	Ordinary Shares	1,500,000	225,000	15.00

Remarks : * The liquidation is currently in progress.

** Voting Rights.

Shareholders

Major Shareholders

Major Shareholders as at 11th April 2013

Shareholders Group	No. of Shares	% of holding	Notes
Pacific Electric Wire & Cable Co., Ltd. (PEWC) Group			
1. Singvale Pte Ltd.	86,999,500	21.87	International Juristic Person
2. Trigent Investment Holdings Ltd.	49,568,514	12.46	International Juristic Person
3. PEWC (Thailand) Co., Ltd.	36,206,398	9.10	Domestic Juristic Person
4. APWC (Thailand) Co., Ltd.	20,186,272	5.07	Domestic Juristic Person
	192,960,684	48.50	
Italian-Thai Development Plc. Group			
5. Italian-Thai Development Plc.	51,327,115	12.90	Domestic Juristic Person
6. Siam Concrete and Brick Products Co., Ltd.	3,188,686	0.80	Domestic Juristic Person
	54,515,801	13.70	
Bangkok Insurance Plc. Group			
7. Bangkok Insurance Plc.	25,608,724	6.44	Domestic Juristic Person
8. Mr. Chai Sophonpanich	2,731,210	0.69	Domestic Natural Person
	28,339,934	7.13	
Management Group			
9. Mr. Sun Tao-Heng	6,273,460	1.57	International Natural Person
Other Group			
10. Quam Securities Company Limited A/C Client	10,000,000	2.51	Domestic Juristic Person
11. Mr. Si Lok Mark Lee	3,500,000	0.88	International Natural Person
12. Mr. Nanthapan Mahattanatan	2,813,000	0.71	Domestic Natural Person
13. Mr. Tung Yu-Jeh	2,720,928	0.68	International Natural Person
14. Minority Shareholders	96,782,477	24.32	
Total	397,906,284	100.00	

Dividend Policy

The Company has dividend policy that in normal circumstances it is to provide dividend a payout ratio of not less than 25 per cent of net profit from the separate financial statements as of the end of year after deducting legal reserve and the Board shall propose to the shareholders meeting for approval.

Its subsidiary companies have the dividend policy as the following details :

CTW-Beta Co., Ltd. has a dividend payout ratio of not less than 25 per cent and not exceeding 50 per cent of net profit after deducting legal reserve.

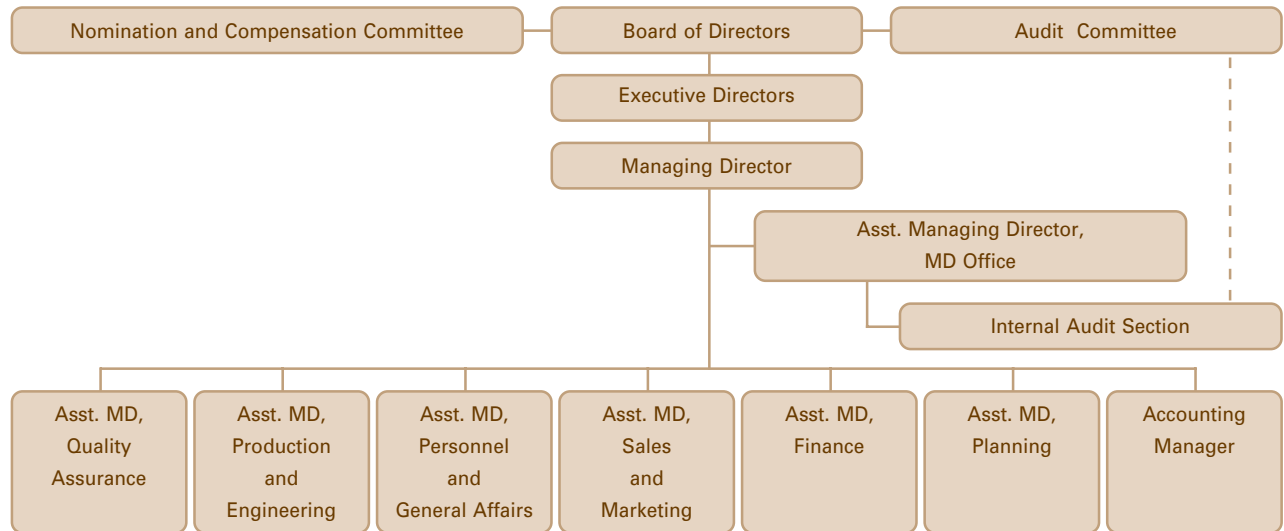
Siam Pacific Electric Wire & Cable Co., Ltd., determines the dividend payout ratio of not less than 25 percent of net profit after tax and to comply with the Civil and Commercial Code.

Siam Fiber Optics Co., Ltd., Shanghai Yayang Electric Co., Ltd., and Double D Cable Co., Ltd., the dividend payment shall be proposed by the Board from time to time to their shareholders meeting for approval.

Management Structure

Management Structure

Organization Chart of Charoong Thai Wire & Cable Public Company Limited



Directors Structure

The four bodies of committees are the Board of Directors, the Audit Committee, the Nomination and Compensation Committee and the Executive Committee with the following details :

1. Board of Directors

The Company has 12 Directors as at 31 December 2013:

Name	Position
1. Mr. Chai Sophonpanich	Chairman
2. Mr. Premchai Karnasuta	Vice-Chairman
3. Mr. Sun Tao-Heng*	Managing Director
4. Mr. Pornwut Sarasin	Chairman of Audit Committee and Independent Director
5. Mr. Lee Michael Chao-Chun	Director
6. Mr. Kasem Kularbkeo*	Director and Member of the Nomination and Compensation Committee
7. Mrs. Sununtha Phaengsook*	Director and Asst. Managing Director, Finance
8. Mrs. Nijaporn Charanachitta	Director and Member of the Nomination and Compensation Committee
9. Mr. Sai Wah Simon Suen	Chairman of the Nomination and Compensation Committee, Audit Committee Member and Independent Director
10. Mr. Steven Suey Ku	Audit Committee Member and Independent Director
11. Mr. Cheng Andy Chow-Chun	Director
12. Mr. Surachai Sirivallop	Independent Director

Remark: * Authorised directors

Mr. Pong Sarasin is the Honorary Chairman of the Company.

Management Structure

Authorities and Duties of directors :

The Board of Directors' duties and responsibilities, as included in but not limited to the Articles of Association of the Company are:

1. To appoint an Executive Board of Directors consisting of the Executive Chairman, Executive Vice-Chairman and other positions as necessary, to have the authority to administer and manage the operations of the Company as assigned by the Board of Directors.
2. To arrange meetings at least once in every three months at the Head Office of the Company or the province nearby in the meeting.
3. To implement and direct the Company's policies, as well as monitor and supervise its operations to maximize economic value and shareholders' wealth.
4. To notify shareholders immediately or call a shareholders' meeting in regard to events that might have a significant impact on the Company's operations or financial status and/or shareholders' benefits.

Besides, the Board of Directors delegates management authority to manage or make decisions relating to the normal business practices of the Company, but it is not allowed to approve transactions that may cause a conflict of interest among members of the executive management.

In addition to the above, the Board of Directors has granted the Managing Director the authority to approve purchases or sales of assets in the maximum value of Baht 50 million, with any amount higher than that to requiring the approval from the Board of Directors.

2. Audit Committee

The Company's Audit Committee consists of 3 members as at 31 December 2013 :

Name	Position	Meeting Attendance (Total 4 times)
Mr. Pornwut Sarasin	Chairman of Audit Committee and Independent Director	4/4
Mr. Sai Wah Simon Suen *	Audit Committee Member and Independent Director	4/4
Mr. Steven Suey Ku	Audit Committee Member and Independent Director	4/4

Remark : * Who has knowledge and experience in reviewing financial statements.

Scope of duties and responsibilities of the Audit Committee member :

- (1) To review the Company's financial reporting process to ensure that it is accurate and adequate;
- (2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
- (3) To review the Company's compliance with the law on securities and exchange, the regulations, and the laws relating to the Company's business;
- (4) To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
- (5) To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company;
- (6) To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (a) An opinion on the accuracy, completeness and credibility of the Company's financial report,
 - (b) An opinion on the adequacy of the Company's internal control system,

Management Structure

- (c) An opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - (d) An opinion on the suitability of an auditor,
 - (e) An opinion on the transactions that may lead to conflicts of interest,
 - (f) The number of the audit committee meetings, and the attendance of such meetings by each committee member,
 - (g) An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
 - (h) Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and
- (7) To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.
- Member of the Audit Committee are in 3 years per a period.

3. Nomination and Compensation Committee

The Company's Nomination and Compensation Committee consists of 3 members as at 31 December 2013 :

Name	Position	Meeting Attendance (Total 1 times)
1. Mr. Sai Wah Simon Suen	Chairman of the Nomination and Compensation Committee	1/1
2. Mrs. Nijaporn Charanachitta	Member of the Nomination and Compensation Committee	1/1
3. Mr. Kasem Kularbkeo	Member of the Nomination and Compensation Committee	1/1

Duties and responsibilities of member of Nomination and Compensation Committee :

1. To set the policy, the criteria and process of nominating Board members and top executives.
2. To consider and select the list of qualified candidates for presenting to become the Board member and top executives.
3. To consider and formulate the criteria and the form of payment to directors and top executives.
4. To consider and recommend the directors' compensation to the Shareholders' meeting for approval.

Member of the Nomination and Compensation Committee are in 3 years per a period.

4. Executive Directors and Management Team

The Company's Executive Directors and Management Team consists of 10 persons as at 31 December 2013 :

Name	Position
1. Mr. Sun Tao-Heng	Managing Director
2. Mr. Kasem Kularbkeo	Executive Director
3. Mrs. Sununtha Phaengsook	Executive Director and Asst. Managing Director, Finance
4. Mr. Tanasit Aungkasit	Asst. Managing Director, Sales and Marketing
5. Mr. Suvit Veerapong	Asst. Managing Director, Production and Engineering
6. Mr. Kuei Chih-Chung	Asst. Managing Director, Planning
7. Mr. Ponrawat Charoengsukpaisarn	Asst. Managing Director, Personnel and General Affairs
8. Mr. Sathit Tabpech	Asst. Managing Director, Quality Assurance
9. Mr. Chang Hsiao-Chun	Asst. Managing Director, Office of Managing Director
10. Mrs. Apanut Wongjarit	Accounting Manager

Management Structure

Duties and responsibilities of the Executive Directors and Management Team :

1. To carry out the Company's policies and to develop strategies according to policies set out by the Board of Directors, exclude approve to benefit or conflict of the company and subsidiaries.
2. To ensure that such policies and strategies are applied properly.
3. To manage their respective assignments and departments.
4. Be responsible for day-to-day operations.

Secretary of the Board of Directors

Mr. Pairoj Tunsuriwongse

Secretary of the Company

Miss Kanjana Anekwasinchai

Criteria of selecting an independent director (s)

1. The independent director shall meet all the following criteria 1.1 through 1.9 :
 - 1.1. Holds shares not exceeding 1% of the total shares with voting right of the applicant, its parent company, subsidiaries, associates, major shareholders, and controlling of the company, provided that the shares held by the related parties of such independent director shall be included.
 - 1.2. Is not or has never been an executive director, employee, staff, advisor who receives salary, nor controlling parties of the applicant, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years, provided that such prohibition shall not include the case that such independent director has ever been official or advisor of the government sector that is the major shareholder or controlling party of the applicant.
 - 1.3. Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of management, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the applicant or its subsidiary.
 - 1.4. Have no or never had business relationship with its parent company, subsidiaries, associates, major shareholders, or controlling of the company in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the company, its parent company, subsidiaries, associates, major shareholders, or controlling of the company unless the foregoing status ended at least 2 years.
 - 1.5. Is not or has never been the auditor of the company, its parent company, subsidiaries, associates, major shareholders, or controlling of company, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the company, its parent company, subsidiaries, associates, major shareholders, or controlling of company unless the foregoing status ended at least 2 years.
 - 1.6. Is not or has never been the professional service provider, including but not limited to legal service or financial advisor with received service fee more than 2 million baht per year from the company, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status ended at least 2 years.
 - 1.7. Is not the director who is nominated to be the representative of directors of the company, major shareholders, or any other shareholder related to the major shareholders.
 - 1.8. Do not operate the same and competitive business with the business of the company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares for more than 1% of the total shares with voting right of any other company which operates same and competitive business with the business of the company, or its subsidiaries.

Management Structure

- 1.9 Is not any otherwise which is unable to have the independent opinion regarding the business operation of the company.
2. The member of the Nomination and Compensation is considering an appropriate person to the Board of Directors for the company whom has to be competent and matching all above listed criteria, and willing to take such position as an independent director of the company, In proceeding the independent director selection, the Board shall first conduct a searching for qualified individuals whom shall meet all required criteria with his/her own willingness then send their nomination to the Board meeting or shareholders meeting for final consideration and formal appointment.

The Meeting Attendance of Directors for 2013

Name	Board Meeting (Total 4 times)	2013 AGM (23 rd April 2013)
1. Mr. Chai Sophonpanich	4/4	1
2. Mr. Premchai Karnasuta	3/4	1
3. Mr. Sun Tao-Heng	4/4	1
4. Mr. Pornwut Sarasin	4/4	1
5. Mr. Kasem Kularbkeo	4/4	1
6. Mrs. Sununtha Phaengsook	4/4	1
7. Mrs. Nijaporn Charanachitta	3/4	1
8. Mr. Sai Wah Simon Suen	4/4	1
9. Mr. Steven Suey Ku	4/4	1
10. Mr. Surachai Sirivallop	3/4	1
11. Mr. Lee Michael Chao-Chun	4/4	1
12. Mr. Yuan Chun-Tang*	1/1	-
13. Mr. Cheng Andy Chow-Chun**	2/3	-

Remarks: * To be resigned before rotation on 27 March 2013

** To be appointed as the Company's director on 27 March 2013.

The director compensation policy

The compensation of director consists of:

1. The director remuneration

According to the Company's Articles of Association, a resolution shall be issued at the Meeting of Shareholders for paying remuneration to directors and employees every year at a total rate of not more than 3 per cent of total sales, with allocations in favor of directors at one-third and in favor of employees at two-third.

Regarding such payment of remuneration to directors, the allocation is made in consultation between the chairman and some directors of the Company by means of distribution according to the number of portions, with each portion receiving an equal amount, as follows:

Chairman	2.0	portions
Vice-Chairman	1.5	portions
Director	1.0	portion

The chairman and directors shall consider together for allocation as appropriate in case having faction or adjustment of allocated proportion.

As for the directors who are not to be the director full year, their remuneration shall be calculated average according to the number of days in term of office of those.

Management Structure

2. Meeting fees

The 2013 Annual General Meeting of Shareholders resolved to determine the meeting fees for directors who only present at the meeting as follows:

2.1 Meeting fees for director :	Baht	25,000 per meeting.
2.2 Meeting fees for audit committee :		
- Chairman of Audit Committee	Baht	40,000 per meeting
- Member of Audit Committee	Baht	30,000 per meeting
2.3 Meeting fees for the nomination and compensation committee :		
- Chairman of Nomination and Compensation Committee	Baht	40,000 per year
- Member of Nomination and Compensation Committee	Baht	30,000 per year

The Compensation of Directors for 2013

Monetary Compensation

No.	Name	Position	Meeting Fees (Baht)	Director Remuneration (Baht) ***
1.	Mr. Chai Sophonpanich	Chairman	100,000	2,712,000
2.	Mr. Premchai Karnasuta	Vice-Chairman	50,000	2,034,000
3.	Mr. Sun Tao-Heng	Managing Director	100,000	1,356,000
4.	Mr. Pornwut Sarasin	Chairman of Audit Committee and Independent Director	100,000	1,356,000
5.	Mr. Kasem Kularbkeo	Director and Member of the Nomination and Compensation Committee	100,000	1,356,000
6.	Mrs. Sununtha Phaengsook	Director and Asst. Managing Director, Finance	100,000	1,356,000
7.	Mrs. Nijaporn Charanachitta	Director and Member of the Nomination and Compensation Committee	75,000	1,356,000
8.	Mr. Sai Wah Simon Suen	Audit Committee Member, Independent Director and Chairman of the Nomination and Compensation Committee	100,000	1,356,000
9.	Mr. Steven Suey Ku	Audit Committee Member and Independent Director	100,000	1,356,000
10.	Mr. Surachai Sirivallop	Director	75,000	1,356,000
11.	Mr. Lee Michael Chao-Chun	Director	100,000	1,356,000
12.	Mr. Yuan Chun-Tang*	Director	25,000	1,356,000
13.	Mr. Cheng Andy Chow-Chun**	Director	50,000	1,356,000
Total			1,075,000	19,662,000

As at 31 December 2013, CTW has 12 directors.

Remarks : * To be resigned before rotation on 27 March 2013.

** To be appointed as the Company's director on 27 March 2013.

*** Director remuneration was calculated from the 2012's operating results but it was paid in 2013.

The Compensation of Audit Committee for 2013:

Name	Position	Meeting Fees (Baht)
1. Mr. Pornwut Sarasin	Chairman of Audit Committee	160,000
2. Mr. Sai Wah Simon Suen	Audit Committee Member	120,000
3. Mr. Steven Suey Ku	Audit Committee Member	120,000
Total		400,000

Management Structure

The Compensation of the Nomination and Compensation Committee for 2013:

Name	Position	Meeting Fees (Baht)
1. Mr. Sai Wah Simon Suen	Chairman of the Nomination and Compensation Committee	40,000
2. Mrs. Nijaporn Charanachitta	Member of the Nomination and Compensation Committee	30,000
3. Mr. Kasem Kularbkeo	Member of the Nomination and Compensation Committee	30,000
Total		100,000

The Compensation of Executive Directors and Management for 2013:

	(Number of person)	Salary (Million Baht)	Consultant Fee and Bonus (Million Baht)	Total (Million Baht)
Executive Directors and Management Team	8	21.03	9.72	30.75

Details of the Executive Management and Controlling Person

The management of the Company and its subsidiaries has no disqualification or legal dispute.

Name-Surname / Position	Education	5 Year's Work Experience			
		Period	Position	Company	
Mr. Pong Sarasin Honorary Chairman Age : 86 years % Holding : 0.05	Honorary Ph.D, Business Administration, Chulalongkorn University	1994 - Present	Honorary Chairman	Charoong Thai Wire & Cable Plc.	
		2000 - Present	Chairman	Honda Automobile (Thailand) Co., Ltd.	
		1993 - Present	Director	Bangkok Glass Industry Co., Ltd.	
		1990 - 2013	Executive Chairman	Thai Pure Drinks Co., Ltd.	
		1994 - Present	Director	Sammakorn Plc.	
Family relation between management Father of Mr. Pornwut Sarasin, who is CTW's Independent Director and Chairman of Audit Committee.		2013 - Present	Honorary Chairman	Thai Pure Drinks Co., Ltd.	
Mr. Chai Sophonpanich Chairman Age : 70 years % Holding : 0.69	- B.A. (Business Administration) Colorado University, USA - Training courses from Thai Institute of Directors (DCP 16/2002 and Chairman 10/2004) - Diploma, The National Defence Course for the Joint State-Private Sectors - Advanced Management Program, The Wharton School, 1984	1986 - Present	Chairman	Charoong Thai Wire & Cable Plc.	
		2010 - Present	Chairman and CEO	Bangkok Insurance Plc.	
		1978 - 2009	Chairman and President	Bangkok Insurance Plc.	
		1988 - Present	Chairman	Furukawa Metal (Thailand) Plc.	
		1979 - Present	Chairman	Bumrungrat Hospital Plc.	
		1978 - Present	Vice - Chairman	Thai Reinsurance Plc.	
		1968 - Present	Director	Bangkok Life Assurance Plc.	

Management Structure

Name-Surname / Position	Education	5 Year's Work Experience		
		Period	Position	Company
Mr. Premchai Karnasuta Vice - Chairman Age : 60 years % Holding : 0.00	MBA, University of Southern California, USA	2009 - Present	Vice - Chairman	Charoong Thai Wire & Cable Plc.
		1993 - 2009	Executive Vice - Chairman	Charoong Thai Wire & Cable Plc.
		1979 - Present	Executive Chairman	Italian Thai Development Plc.
		1997 - Present	Director	Siam Fiber Optics Co., Ltd.
		Present	Director	Thai Maruken Co.,Ltd.
Family relation between management Younger brother of Mrs. Nijaporn Charanachitta who is CTW's Director.				
Mr. Sun Tao - Heng Managing Director (Authorized director) Age : 60 years % Holding : 1.57	- MBA, University of Southern California, USA - Training courses from Thai Institute of Directors (DAP 73 / 2008)	1994 - Present	Managing Director	Charoong Thai Wire & Cable Plc.
		1996 - Present	Managing Director	CTW - Beta Co., Ltd.
		1996 - Present	Director	Loxpac (Thailand) Co., Ltd.
		1997 - Present	Managing Director	Siam Fiber Optics Co., Ltd.
		2003 - Present	President	Pacific Electric Wire & Cable Co., Ltd.
		2007 - Present	Chairman	Siam Pacific Electric Wire & Cable Co., Ltd.
		1995 - Present	Director	Thai Metal Processing Co., Ltd.
		1996 - Present	Director	Asia Pacific Wire & Cable Corp. Ltd.
		2012- Present	Director	Double D Cable Co., Ltd.
		Mr. Pornwut Sarasin Independent Director and Chairman of Audit Committee Age : 54 years % Holding : 0.005	- MBA, Pepperdine University, USA - Training courses from Thai Institute of Directors (DAP 45 / 2005)	1986 - Present
2001 - Present	Chairman of Audit Committee			Charoong Thai Wire & Cable Plc.
1999 - 2013	Vice-Chairman			Thai Pure Drinks Co., Ltd.
2013 - Present	Chairman			Thai Pure Drinks Co., Ltd.
Family relation between management Son of Mr. Pong Sarasin, who is CTW's Honorary Chairman.				
Mr. Steven Suey Ku Independent Director and Member of Audit Committee Age : 57 years % Holding : None	B.A. (Textile Engineering), St. John's University Taiwan R.O.C.	2009 - Present	Independent Director and Member of Audit Committee	Charoong Thai Wire & Cable Plc.
		2002 - Present	President	Lay Grand International Co., Ltd.
		2002 - Present	President	Suzhou King Packing Materials Co., Ltd.
		2011 - Present	President	Smartco International Co., Ltd.
Mr. Lee Michael Chao Chun Director Age : 64 years % Holding : 0.067	B.A. (Business Administration) Boston University, USA	2011 - Present	Director	Charoong Thai Wire & Cable Plc.
		2007 - Present	Director	Siam Pacific Electric Wire & Cable Co., Ltd.
		Present	Chairman and President Director	DING-HAO Acme Co., Ltd. Asia Pacific Wire & Cable Corp., Ltd.
Mr. Cheng Andy Chow-Chun Director Age : 55 years % Holding : 0.10	B.S. (Finance) University of Southern California, USA	2013 - Present	Director	Charoong Thai Wire & Cable Plc.
		2003 - Present	Vice - President	Pacific Electric Wire & Cable Co., Ltd.
		2007 - Present	Director	Siam Pacific Electric Wire & Cable Co., Ltd.
		2010 - Present	Chairman	Asia Pacific Wire & Cable Corp., Ltd.

Management Structure

Name-Surname / Position	Education	5 Year's Work Experience		
		Period	Position	Company
Mr. Kasem Kularbkeo Director and Member of the Nomination and Compensation Committee (Authorized director) Age : 82 years % Holding : 0.006	- B.A. (Engineering), Chulalongkorn University - Training courses from Thai Institute of Directors (DAP 35/2005, RCC 2/2007 and DCP 126/2009) - Diploma, National Defence College (Class 29)	1995 - Present	Director	Charoong Thai Wire & Cable Plc.
		1992 - Present	Advisor	Charoong Thai Wire & Cable Plc.
		2006 - Present	Member of the Nomination and Compensation Committee	Charoong Thai Wire & Cable Plc.
		1992 - Present	Senior Advisor	TASA Industrial Co., Ltd.
Mr. Sai Wah Simon Suen Independent Director, Member of Audit Committee and Chairman of the Nomination and Compensation Committee Age : 54 years % Holding : None	MBA, Finance Major, University of Hawaii, USA	2009 - Present	Independent Director, Audit Committee Member and Chairman of the Nomination and Compensation Committee	Charoong Thai Wire & Cable Plc.
		1997 - Present	Managing Director	Delta Holiday Company Limited.
Mrs. Nijaporn Charanachitta Director and Member of the Nomination and Compensation Committee Age : 63 years % Holding : 0.00	- MBA, University of Wisconsin (Medison), USA - Training courses from Thai Institute of Directors (DCP 56/2005)	2002 - Present	Director	Charoong Thai Wire & Cable Plc.
		2006 - Present	Member of the Nomination and Compensation Committee	Charoong Thai Wire & Cable Plc.
		1994 - Present	Senior Vice - Executive Chairman	Italian Thai Development Plc.
		Present	Director Director Director Director Director Director	Toyo Thai Corp., Ltd. Bangkok Steel Wire Co., Ltd. Siam Steel Syndicate Co., Ltd. Siam Concrete and Brick Product Co., Ltd. ItalThai Engineering Co., Ltd. ItalThai Industrial Co., Ltd.
Family relation between management Elder sister of Mr. Premchai Karnasuta, who is CTW's Vice-Chairman.				
Mr. Surachai Sirivallop Independent Director Age : 73 years % Holding : None	- Bachelor of Laws, Thammasat University - International Law, Albert Ludwig University of Freiburg, Germany - Training courses from Thai Institute of Directors (DCP 18/2002)	2010 - Present	Independent Director	Charoong Thai Wire & Cable Plc.
		2008 - Present	CEO and Director	Thai Reinsurance Plc.
		1990 - 2007	CEO and Managing Director	Thai Reinsurance Plc.
		1977 - Present	Director and Audit Committee Member	OHTL Plc.
Mrs. Sununtha Phaengsook Director and Asst. Managing Director, Finance (Authorized director) Age : 72 years % Holding : 0.01	- Mini MBA, Thammasat University - Training courses from Thai Institute of Directors (DCP 4/2000)	2000 - Present	Director	Charoong Thai Wire & Cable Plc.
		1994 - Present	Asst. Managing Director, Finance	Charoong Thai Wire & Cable Plc.
		1996 - Present	Director	CTW - Beta Co., Ltd.
		2011 - Present	Director	Siam Pacific Holding Co., Ltd.
		2012 - Present	Director	Double D Cable Co., Ltd.

Management Structure

Name-Surname / Position	Education	5 Year's Work Experience		
		Period	Position	Company
Mr. Ponrawat Charoensukpaisarn Asst. Managing Director, Personnel and General Affairs Age : 76 years % Holding : 0.01	High School, Chung-Yu College, Taiwan R.O.C.	1994 - Present	Asst. Managing Director, Personnel and General Affairs	Charoong Thai Wire & Cable Plc.
		1996 - Present	Director	CTW - Beta Co., Ltd.
Mr. Sathit Tabpech Asst. Managing Director, Quality Assurance Age : 58 years % Holding : 0.002	- MBA, The University of the Thai Chamber of Commerce - Training courses from Thai Institute of Directors (DCP 149/2011)	1994 - Present	Asst. Managing Director, Quality Assurance	Charoong Thai Wire & Cable Plc.
		1996 - Present	Director	CTW - Beta Co., Ltd.
		1997 - Present	Director and General Manager	Siam Fiber Optics Co., Ltd.
		2013 - Present	Director	Double D Cable Co., Ltd.
Mr. Kuei Chih - Chung Asst. Managing Director, Planning Age : 63 years % Holding : None	M.S. (Computer Science), Stevens Institute of Technology, USA	1996 - Present	Asst. Managing Director, Planning	Charoong Thai Wire & Cable Plc.
		1996 - Present	Director	CTW - Beta Co., Ltd.
		2002 - Present	Director	Siam Fiber Optics Co., Ltd.
Mr. Tanasit Aungkasit Asst. Managing Director, Sales and Marketing Age : 58 years % Holding : 0.007	M.S. (Plant), California State University, USA	1994 - Present	Asst. Managing Director, Sales and Marketing	Charoong Thai Wire & Cable Plc.
		1996 - Present	Director	CTW - Beta Co., Ltd.
		2000 - Present	Director	Siam Fiber Optics Co., Ltd.
		2012 - Present	Director	Double D Cable Co., Ltd.
Mr. Suvit Veerapong Asst. Managing Director, Production and Engineering Age : 62 years % Holding : 0.04	M.S. (Engineering), King Mongkut's Institute of Technology (North Bangkok)	1994 - Present	Asst. Managing Director, Production and Engineering	Charoong Thai Wire & Cable Plc.
		1996 - Present	Director	CTW - Beta Co., Ltd.
		2012 - Present	Director	Double D Cable Co., Ltd.
Mr. Chang Hsiao-Chun Asst. Managing Director, Office of Managing Director Age : 53 years % Holding : 0.03	B.A. (Accounting), Fujin University, Taiwan R.O.C.	2006 - Present	Asst. Managing Director, Office of Managing Director	Charoong Thai Wire & Cable Plc.
		1994 - 2006	Manager of MD Office	Charoong Thai Wire & Cable Plc.
		2011 - Present	Director	Siam Pacific Electric Wire & Cable Co., Ltd.
		1996 - Present	Director	CTW - Beta Co., Ltd.
		2012 - Present	Director	Double D Cable Co., Ltd.
Mrs. Apanut Wongjarit Accounting Manager Age : 57 years % Holding : None	B.A. (Accounting), Kirk University	2005 - Present	Accounting Manager	Charoong Thai Wire & Cable Plc.
		1996 - 2005	Asst. Manager, Accounting	Charoong Thai Wire & Cable Plc.
Miss Kanjana Anekwasinchai Company Secretary Age : 45 years % Holding : None	- MBA, Srinakharinwirot University - Training courses from Thai Listed Companies Association (Fundamental Practice For Corporate Secretary- FPCS19)	2008 - Present	Company Secretary	Charoong Thai Wire & Cable Plc.
		2008 - Present	Asst. Manager, Corporate Services	Charoong Thai Wire & Cable Plc.
		2005 - Present	Head of Internal Audit Section	Charoong Thai Wire & Cable Plc.

Management Structure

Details of the Management who acts as management in its Subsidiary, Associated and Related Companies

Name of the Management	Charoong Thai Wire & Cable Plc.	Subsidiary, Associated and Related Companies									
		CTW Beta	SFO	SPEWC	DDC	SPH	PEWC	APWC	ITD	TMP	LoxPac
Mr. Pong Sarasin	Honorary Chairman										
Mr. Chai Sophonpanich	Chairman									/	
Mr. Premchai Karnasuta	Vice - Chairman		//						X		
Mr. Sun Tao-Heng	Managing Director	//	//	X	//		//	//		/	//
Mr. Pornwut Sarasin	Chairman of Audit Committee and Independent Director										
Mr. Sai Wah Simon Suen	Chairman of the Nomination and Compensation Committee, Audit Committee Member and Independent Director										
Mr. Lee Michael Chao Chun	Director			/				/			
Mr. Cheng Andy Chow-Chun	Director			/			//	X			
Mr. Kasem Kularbkeo	Director and Member of the Nomination and Compensation Committee										
Mr. Steven Suey Ku	Audit Committee Member and Independent director										
Mrs. Nijaporn Charanchitta	Director and Member of the Nomination and Compensation Committee								//		
Mr. Surachai Sirivallop	Independent Director										
Mrs. Sununtha Phaengsook	Director and Asst. Managing Director, Finance	//			//	//					
Mr. Ponrawat Charoensukpaisarn	Asst. Managing Director, Personnel and General Affairs	/									
Mr. Kuei Chih-Chung	Asst. Managing Director, Planning	//	//								//
Mr. Tanasit Aungkasit	Asst. Managing Director, Sales and Marketing	/	//		/						
Mr. Suvit Veerapong	Asst. Managing Director, Production and Engineering	/			//						
Mr. Sathit Tabpech	Asst. Managing Director, Quality Assurance	/	//		/						
Mr. Chang Hsiao-Chun	Asst. Managing Director, Office of Managing Director	//		/	/						
Mrs. Apanut Wongjarit	Accounting Manager										

Remarks: X = Chairman / = Director // = Executive Director

CTW-Beta : CTW-Beta Co., Ltd.

SPEWC : Siam Pacific Electric Wire & Cable Co., Ltd.

SPH : Siam Pacific Holding Co., Ltd.

APWC : Asia Pacific Wire & Cable Corp., Ltd.

TMP : Thai Metal Processing Co., Ltd.

SFO : Siam Fiber Optics Co., Ltd.

LoxPac : Loxpac (Thailand) Co., Ltd.

PEWC : Pacific Electric Wire & Cable Co., Ltd.

ITD : Italian Thai Development Plc.

DDC : Double D Cable Co., Ltd.

Management Structure

List of Directors of its Subsidiary Companies.

Name of Directors	Name of Subsidiary Companies				
	CTW - Beta	SFO	SPEWC	SYE	DDC
Mr. Chai Sophonpanich					
Mr. Premchai Karnasuta		//			
Mr. Sun Tao-Tsun			/		
Mr. Sun Tao-Heng	//	//	X	/	//
Mr. Lee Michael Chao-Chun			//	/	
Mr. Yuan Chun-Tang			/	/	
Mr. Cheng Andy Chow-Chun			/	/	
Mrs. Sununtha Phaengsook	//				//
Mr. Tanasit Aungkasit	/	//			/
Mr. Ponrawat Charoensukpaisarn	/				
Mr. Sathit Tabpech	/	//			/
Mr. Suvit Veerapong	/				//
Mr. Chang Hsiao-Chun	//		/		/
Mr. Kuei Chih-Chung	//	//			
Mr. Akira Saita		/			
Mr. Hideo Komiyama		/			
Mr. Chen Cheng Nan			//		
Mr. Bandhit Tanchavalit			//		
Mr. Chartchai Chutima			/		
Mr. Lu, Wei Ming			//		
Mr. Chu, Ying - Shyang			/		
Mr. Gong Wei				/	
Mr. Arthur Chiu				/	

Remarks: X = Chairman / = Director // = Executive Director

Management Structure

The criteria of selection of directors and Management.

Authorities and Duties of the Board of Directors

Directors of the Company shall perform their duties in accordance with the law, objectives and the articles of association of the Company as well as with the resolutions of general and extraordinary meetings of shareholders.

Selection of Directors

The Nomination and Compensation Committee shall consider and select qualified candidate director as the following guidelines:

1. The Nomination and Compensation Committee is responsible for selecting an appropriate person, taking into account experience, vision, ability and character, and submit to the shareholders meeting for further approval.
2. The Company's directors shall number not less than five persons and shall be appointed by a general meeting of shareholders. Not less than half of the directors must have their domicile in the Kingdom of Thailand.
3. In voting to elect directors, it is deemed that every shareholder shall have one vote per share.
4. The majority vote of the shareholders who attend the meeting and cast their votes. In cast of a tie vote, the Chairman of the meeting shall have a casting vote.

Expiration of Directors

One-third of the number of directors shall retire at an annual general meeting of shareholders. If the number of directors is not divisible by three, the number of directors retiring shall be the nearest integer to one-third.

The retired directors may be re-elected.

In addition to retiring by rotation, directors must retire or be considered retired if:

- 1) they die.
- 2) they resign.
- 3) they are unqualified or prohibited from being a director according to the Public Company Act.
- 4) a general shareholder meeting resolves to dismiss a director with the vote being not less than three-fourths of the participating shareholders who are eligible to vote, and the number of shares they hold is not less than half of the shares held by the participating shareholders who are eligible to vote.
- 5) they are dismissed by order of the Court.

In the case that the director is vacant by other cause, except by rotation, the Board of Directors shall appoint a qualified person whom is not prohibited by the law of public company in his stead in the next meeting of the Board of Directors. Except the leaving Directors has the time to retain in his office less than 2 months. Such resolution of the Board of Directors must have the vote not less than three-fourth of the remaining Directors. The substitute director shall hold office only for the remaining term of office of the director whom he or she replaces.

Corporate Governance

The Company has complied with the Good Corporate Governance principles according to the following 5 categories:

1. Rights of shareholders

The Company always recognizes the importance of shareholders and concerns the shareholder's rights. The practice of the shareholder's right is as follows :

- 1.1 The Company shall not perform any actions which are diminishing rights of shareholders.
- 1.2 The Company shall set up shareholders' meeting at the Company's headquarter which shareholders are able to travel conveniently.
- 1.3 Regarding 2013 shareholders' meeting, the Company has not increase any agendas which are not stated in the invitation which have been sent to all shareholders.
- 1.4 Regarding invitational letter and supporting documents of each agenda, there are explanations and information for shareholders to completely studied.
- 1.5 The Company informs the procedures of voting and score counting prior to the shareholders' meeting and use the voting card.
- 1.6 The Company fully facilitate and enhance shareholder to be able to join the meeting and vote.
- 1.7 In the shareholders' meeting, the Company provides the opportunity for the shareholders to question and give opinion independently any matters concerning the Company's operation.
- 1.8 The Company proposes the shareholders' meeting to consider and approve the directors' remuneration every year.
- 1.9 The Company poses the minutes of shareholders' meeting via SET channel and the Company's website within 14 days from the shareholders' meeting date and discloses the voting results of each agenda.
- 1.10 If the consideration of all the matters referred to in the agenda is finished, the shareholders holding shares amounting to not less than one-third of the total number of shares sold may request the shareholders to consider matters other than those indicated in the notice calling for the meeting.

2. Equitable Treatment of Shareholders

The Company always recognizes the importance of shareholders and fair shareholder's practice. In 2013, the shareholders' meeting was held an ordinary on April 23, 2013, at the Company's Head Office. eleven directors in total had joined the meeting. The Company practices for fair shareholders' practice as follows:

- 2.1 In order to ensure that each shareholder has background information for reviewing the issues and making informed decision, the Company had prepared the invitation, meeting agenda, opinion of the Board and other support documents to all shareholders.
- 2.2 The Company sent out the invitation to shareholders at least 9 days in prior to the date of the shareholders' meeting.
- 2.3 The Company set up the invitation to shareholders' meeting in both Thai and English and is also placed in daily newspapers and posted on the Company's website prior to the meeting date.
- 2.4 Provide the opportunity for shareholders who cannot attend shareholders' meeting by themselves, exercise voting rights by authorizing representative to attend the vote instead. The power of attorney type B which shareholders could vote independently for each agenda is attached with the invitation letter.
- 2.5 Each shareholder shall have a number of votes equal to the number of shares held with one vote per share.
- 2.6 Shareholders have the right to elect each board member individually.
- 2.7 At the Annual General Meeting of Shareholders for 2013, the Company also provided an option to shareholders where by they may appoint of three independent directors as their proxy. There were 10 shareholders who authorized the independent director to attend the meeting and vote on their behalf.
- 2.8 The Company has an established policy regarding the exploitation of inside information by executive officers for securities trading as follows:
 1. The executive officer will prepare and submit to the Company a securities holding report showing the number of securities held by him/her, his/her spouses and minor children in the prescribed form immediately following the delivery of such report to the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

Corporate Governance

2. The Company has submitted to each and every executive officer a circular to the effect that any executive officer who is informed of any insider information will suspend all trading transaction of the Company's securities prior to the Company's publication of operating results, (financial statements) or any other information which may materially affect the securities value.
3. The Company will restrict the access to the financial statements and relevant information of the Company prior to submit to the SET. The executive officer and other officers are instructed to keep all information confidential.

The Company will inflict the maximum punishment on any executive officer who exploits inside information or performs any act in such a way that may disgrace or damage the Company.

3. Role of Stakeholders

The Company always realizes the importance of all concerned parties as follows:

- 3.1 The Company has the Corporate Social Responsibility policy and Anti-Corruption policy which approved by the Board of Directors.
- 3.2 The Company has provided the Code of Conduct for Directors and Employees which is to be guideline to practice for all concerned parties as follows:

Customers: The Company must build productive relationships with its customers based on integrity, ethical behavior and mutual trust. Directors and managements must take care and maximize accountability in aspect of setting maintenance products standard and product quality.

Employees: The Company has realized the importance of safety to all employees by providing a safe and healthy work environment. It has also installed safety equipment and maintained good working environment for effective working. The Company has set up Occupational Safety and Health Committee which the evaluation will be performed on monthly basis. It also set employment procedures and equal employment to ensure that it employs the person who has quality and necessary knowledge for the business operations.

The Company has always supported the competency and knowledge development of employees by providing the in-house training seminar and public seminars both local and international.

The Company has provided the complain box for employees, in case they may acknowledge illegal behaviors or violating the Company's regulation.

In addition, the Company has established the provident fund for employees since the year 1993 to ensure financial security after retirement or leave a job. Employee can request for early retirement when reached the age of 55 and has been working for 25 years which the employee shall receive compensation according to the Company's regulations and laws.

Vendors or Creditors: The Company must ensure that the trading practices from suppliers or vendors are practically performed, including borrowing conditions and terms; objective, repayment, collateral and other commitments. In addition, it has regularly provided the correct information to vendors or creditors.

Communities and Societies: There shall be responsibility to the community and social regarding to use of resources and environmental protection. The Company has realized about the importance to maintain the environment and has perform management by using technologies and production processes which are up to the environmental standards regarding ISO 14001 : 2004 by establishing waste treatment systems such as waste water treatment system before releasing to the nature, treatment system of smokes for burning process, dust filtering system, and also establishing waste and industrial waste segregation plant in order to perform treatments which are accordance to the principles and performed by the certified units from Department of Industrial Works. It has also set up recycling, energy-saving and environmental protection system, including those which benefit to the community. The Company has been fully complied with governing law and rules and regulations of all involved agencies.

In 2012, the Company has changed fuel used in manufacturing process of 100% from Fuel Oils, which has to be imported from abroad while its price has been increased continually, to Natural Gas supplied by PTT Plc. which is considered as clean energy that is environmental friendly and help reduce pollution. Moreover, the process shall be free of black smokes, Sulfur Dioxide (SO₂), and Carbon Monoxide (CO). It will directly cut the cost for treatment of emission from combustion.

Corporate Governance

Regarding electricity usage which considered as the main energy of production, the Company give the importance and also provide support to “Energy conservation in establishment’s project” according to The Energy Conservation Promotion Act of Ministries of Energy by set up energy conservation committee, consistently specifying of policies and work plans, and set up energy conservation seminar to employees. The actions also include improve and adjust equipment and machines such as change 36W fluorescent bulbs to 10W LED bulbs in some areas of the office and factory, install capacitor bank to adjust power factor value of the factory in order to reduce system loss and reduce the fines to electrical authority, maintain machines per plan in order to reduce the loss and increase production efficiency.

Auditors : The Company has a good cooperation with auditor by providing complete financial and significant information as requested by the auditors. The auditors can perform their work independently.

Shareholders and all other concerned parties: Directors must have accountability to the shareholders and financial supporter in aspect of disclosure, accounting procedure. Directors must make decision honestly, fairness for both majority and minority shareholders, and for all stakeholders’ benefits.

4. Disclosure and Transparency

The Company gives important on the disclosure of information regarding their correct and complete as follows:

4.1 All information of the Company presented in the financial report is correct, creditable and in accordance with generally accepted accounting principles and standards. It has been audited by an independent external auditor who has qualification and approved by the Officer of the SEC.

In the year 2013, the auditor issued the unqualified opinion on the Company’s 2013 Financial Statements. The Company submits the financial report according to the regulation of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) within the specified period of time and no record of the financial statements revision ordered by the SEC.

4.2 The Audit Committee’s primary duty and responsibility is to review the Company’s financial statements to ensure its correctness and sufficiency. The Board of Directors provided the Statement of the Board of Directors’ Responsibility for the Financial Statements which was certified by the Board meeting and be disclosed together with the Auditor’s Report in the annual report.

4.3 The Company disclosed the scope, functions and responsibilities of the directors, and committee as follows :

4.3.1 Functions and responsibilities of the directors, audit committee member, member of nomination and compensation committee, and the executive directors (Refer to the Director Structure on page 16 - 18)

4.3.2 Disclosed the duties of the Board for the year 2013 e.g. number of meeting number of attendance of each director.

4.3.3 Disclosed the compensation of director (Refer to the Board Attendance of Directors and the Compensation of Director on page 19 and 20 - 21)

4.4 The Company completely disclosed the details on the related party transactions. (Refer to the Related Transaction on page 36 - 40)

4.5 The Company has posed the financial statements, annual information form, annual report and minutes of the annual general meeting of shareholders on the Company’s web site at www.ctw.co.th.

4.6 Shareholders and investors can contact the Corporate Services Section for more information by calling at 02-7456118-30 or e-mail address : kanjana@ctw.co.th

5. Responsibilities of the Board

The Company realizes the importance of directors’ role and responsibility regarding the corporate governance for the Company’s maximum benefit, details as follows:

Corporate Governance

5.1 Board Structure

5.1.1 According to the Company's Articles of Association, the directors of the Company shall be not less than 5 persons appointed by the meeting of shareholders.

5.1.2 As at 31 December 2013, the Company's 12 directors consists of:

Executive Directors	3 Persons
Non-Executive Directors	9 Persons (Independent Directors 4 persons)

5.1.3 At every annual general meeting of shareholders, one-third of the directors must be retired. Then the director has 3 years-period each.

5.1.4 The duties and responsibilities of the Chairman of the Board are different from those of the Managing Director. In order to separate responsibilities in formulating policies and management of routine work, then the Chairman of the Board is not the same person as the Managing Director.

5.1.5 The Company has Secretary to the Board of Directors, who is lawyer, to advise about laws and regulations that the directors shall know.

5.2 Committees

5.2.1 The Board of Directors has set up the Audit Committee and the Nomination and Compensation Committee to study and screen special tasks on behalf of the Board.

5.2.2 The attendance of each member of audit committee and nomination and compensation committee (Refer to the Audit Committee and the Nomination and Compensation Committee on page 16 - 17)

5.2.3 The Chairman of the Board is not either the chairman or the member of any committee to ensure independence of the committees.

5.2.4 The Chairman of all committee of the Company is also the independent director.

5.3 Roles and Responsibilities of the Board of Directors

5.3.1 The Board of Directors jointly determined the policy and approved the important matter regarding the Company's operation. The Board also monitored the Company's all activities that are in compliance with the laws. In 2013, the Company has no violation of the laws or related regulations of SEC or the Stock Exchange of Thailand (SET).

5.3.2 The Company has provided Code of Conduct for the Board of Directors, the Management and the employees to use as a guideline in performing their duties.

5.3.3 The attendance of each Board of Directors (Refer to the Board of Directors on page 19)

5.4 Board Meetings

5.4.1 The Board of Directors must convene at least one meeting in 3 months and held special meeting if necessary. The Board must set agenda for the meeting in advance.

5.4.2 The secretary to the Board is responsible for preparing and invitation letter, agenda and support documents and sending them to each member of the Board not least than 7 days in prior to the meeting date.

5.4.3 The quorum of each meeting requires at least 50% of the total number of Board members.

5.4.4 In 2013, 4 meetings were held and written minutes of each meeting were approved by the Board and kept for future reference and auditing by responsible person. On the average, each the Board meeting shall take about 1 hour and 30 minutes.

5.4.5 The Chairman of the Board and the Managing Director jointly considered to set the Board Meeting agenda. Each Board member is also independent to propose an issue for the Meeting agenda.

Corporate Social Responsibility

CSR Policy

Charoong Thai Wire & Cable Public Company Limited engages in manufacturing and distributing electric wire, cable and telephone cable. It is determined to conduct its business with accountability against any possible impacts resulting from the Company's operation. The Company shall also manufacture products of quality and safety that international standard guided by good corporate governance and accountability for community and environment, taking into account all stakeholders. The company hence sets out its CSR Policy as follows:

CSR Practice

1. Business Ethics

The Company promotes free trade competition. The company's directors, management and staffs shall, in their decision making and business conduct, strictly adhere to applicable laws, rules and regulations. They are also asked to conduct oneself under good moral principle and avoid doing anything leading to conflict of interest.

Ways of conduct

- 1) Not supporting any infringement of the intellectual property and copyrights.
- 2) Strictly comply with the agreed conditions and contracts with the customers, business partners, or creditors.
- 3) Manufacture up to standard quality and safety products with a suitable selling price.
- 4) Avoid doing any matters which can lead to beneficial conflicts. In case of having to do so, all information shall be fully disclosed.

2. Respect to human right

The Company gives priority to and respects human rights by treating all relevant parties under equality without discrimination based on gender, race, religion or domicile. It also promotes compliance with universal human right principles.

Ways of conduct

- 1) Encourage in work equity with no discrimination in racial, religion, gender and domicile.
- 2) Discourage using child labor and support any opposing of using child labor campaign.
- 3) Create a good working environment and strictly conform to the laws, rules and regulations
- 4) Encourage employees to treat others in respect to people human rights.

3. Fair treatment of labour

The Company strives to provide safe and healthy working environment for its staffs. Work conditions are set out under fair terms with reasonable compensation and welfare. It is intended to allow all staffs to work with happiness and good quality of life.

Ways of conduct

- 1) Strictly follow the labor laws, rules and regulations.
- 2) Provide clean, safe and hygiene working place for employees.
- 3) Provide doctor and nurse to be stationed at the factory clinic
- 4) Encourage and support the employees to strictly follow the rules and regulations of work safety.
- 5) Set up a Welfare committee in order to observe and improve employee welfare and working environment.

Corporate Social Responsibility

- 6) Set up an Occupational Health and Safety committee in order to observe, follow up and provide a report on any safety, risks, accidents and injuries which may happen during work operation to create awareness to all employees.
- 7) Provide equal job and promotion opportunity to all employees.
- 8) Encourage and support skill training both in-house and outside for the employees.
- 9) Avoid doing a double standard manners which is against the laws.
- 10) Allow for a complaint in case of unfairness.
- 11) Encourage exercise activities to enhance a good health for employees by providing a place, tools and equipments for exercise.

4. Consumer responsibility

The Company is determined to manufacture product of quality and safety that meet international standards. Its products have to be the perfect solution for demand and expectation by customer. They are sold at fair price with reasonable warranty and quality claim. The Company also engages in communicating on how to get the most out of them properly and safely.

Ways of conduct

- 1) Set up suitable selling price. Manufacture up to International standard quality and safety products.
- 2) Provide a warranty and receive any complaints regarding the quality of the products.
- 3) Create products awareness by setting a product manual in order to give the right information, safety, its applications and able to provide right and clear information for the product.
- 4) Strictly follow the laws and Standard of Consumer Protection.

5. Environmental conservation

The Company conducts its business by strictly observing environmental laws and regulations, promoting resource efficiency, putting in place energy saving measures, pollution control and environmental conservation.

Ways of conduct

- 1) Encourage to recycle of packaging materials and other recycle materials such as wooden wheels, iron wheels, etc.
- 2) Use of natural gas instead of fuel oil in order to save energy and reduce pollution.
- 3) Provide efficient industrial waste water treatment system which the treated water shall also be utilized such as plant watering, etc.
- 4) Make use of remaining food from the cafeteria in order to produce enzyme ionic plasma to water home-grown vegetables which are planted within the factory.
- 5) Establish waste and industrial waste segregation plant regarding to recycle waste, contaminated waste, hazardous waste, compostable waste, and manage the disposal by using different treatment methods by using the companies which have license from Department of industrial works.

6. Contribution to community and social development

The Company is committed to conducting its business with responsibility to environment, community and society and supporting participation in any activities aimed for public good. The Company's staffs are encouraged to have good spirit and public service mind.

Corporate Social Responsibility

Ways of conduct

- 1) Encourage and support employees to be involved in public contribution activities.
- 2) Encourage all employees to conduct their duties in a responsible way to the environment, community and society.
- 3) Encourage employees to have a good conscious and a good conduct to the society.
- 4) Encourage and support employment from employees who live near the factory.
- 5) Send employees to be guest speakers in the schools in order to provide knowledge about electrical system design and installing electrical system.
- 6) Set up donation activities to disabled home or foster home and invite employees to get involved.

Anti-corruption Policy

Charoong Thai Wire & Cable Public Company Limited is committed to conducting our business with transparency guided by the good corporate governance principles and providing full support to its management and staffs to render their works with integrity, to strictly observe applicable laws and rules and regulations. The Company has therefore laid down anti-corruption policy as a guideline for its management and staffs as follows:

1. The management and staffs shall not give or ask for or take bribes or any other unlawful interest in order to persuade to do or omit doing something illegally or which may prejudice the company's legitimate benefit.
2. The management and staffs shall not seek for personal interest in conflict with the company's benefit, directly or indirectly and shall also carry out their duties and make decision on business by always taking into account the company's optimum benefit.
3. The management and staffs are assigned with duty to monitor and prevent corruption. If any corruption or any event suspicious of corruption, it is required to notify the independent director or manager without delay and provide all possible cooperation to investigate the fact.
4. Donation to any charitable activity or providing financial support for any activities or projects shall be transparently and legally done.

Ways of conduct

- 1) Create an appropriate internal control system for doing business as to avoid employees to behave in an inappropriate way especially in marketing and purchasing areas.
- 2) Create a way to be able to receive the complaints or report of any bad conducts.
- 3) Management and employees shall avoid conflicts between self and company interests, induce bad conducts or may make the company lose advantages.

Internal Control and Risk Management

The Company's Board of Director recognizes the importance of the internal control system and creates the internal control system covering financial, management and operation for effectiveness in accordance with related laws, rules and regulations, the appropriated risk management, as well as creating the effective investigation mechanism and balance to protect the Company's assets.

The Company's Internal Audit Section shall responsible for the internal audit by carrying out according to the charter. The internal auditor shall report the audit result to the Audit Committee and the Board of Directors.

At the Board meetings No.1/2014 on 19 March 2014 which were attended by the all three 3 audit committee members. During the meetings, the Board of Directors had evaluated the sufficiency of internal control by using the Internal Audit System Sufficiency Evaluation Form of the Office of the Securities and Exchange Commission which consists of five parts: 1.) Organizational Control and Environmental Measures; 2.) Risk Management Measures; 3.) Management Control Activities; 4.) Information and Communication Measures; and 5.) Monitoring. The Board of Directors unanimously resolved to certify the sufficiency of the Internal Control system.

Head of Internal Audit Section

The Audit Committee Meeting passed the resolution to appoint Miss Kanjana Anekwasinchai who has appropriate qualification, competency and knowledge, as the Company's Head of Internal Audit Section. Details of education and training are as follows:

Education

MBA	Srinakharinwirot University
B.A. (Accounting)	The University of the Thai Chamber of Commerce
B.B.A. (Finance and Banking)	Ramkhamhaeng University
Training courses of Internal Audit Practice from P & D Training Center	
Training courses of Finance for Management from Faculty of Commerce and Accountancy, Chulalongkorn University	

Related Transactions

1. Intragroup transactions

Trading

The Company has had business transactions with subsidiary companies, affiliate companies and related companies. The transactions have occurred in the ordinary course of business such as through inter-company sales, service fees or management fees and have been reported in the Company's financial statements.

Financial support

There are both lending and borrowing financial transactions including guaranties, amongst the CTW Group of companies in order to provide working capital and to help the liquidity of certain companies when required. These transactions are also conducted in the ordinary course of business.

2. Necessary and Reasonable of Related Transactions

The necessities and opinions of the Audit Committee in regard to the Related Party Transactions are as described in the tables.

3. Measures or procedures to approve a Related Transaction

Since the Company is a listed company on the Stock Exchange of Thailand (SET), its practice regarding related transactions is conducted according to the rules and regulations of the SET. Management is highly aware of the sensitivity of this issue and monitors closely any situation in which a potential related transaction could occur. Moreover, the Company seeks advice from the SET before engaging in a related transaction.

4. Potential future of Related Transactions

Trading

The Company is expected to continue its business transactions with subsidiaries, affiliated companies and related companies with regard to the sale and purchase of products and raw materials in the normal course of business. In addition, the Board meeting resolved to approve in principle regarding the related party transactions with the general commercial terms between the Company and its subsidiary companies with the director, executive or related person.

Financial support

The Company shall support its subsidiary companies through providing working capital as required. Such transactions are expected to be in the ordinary course of business only.

Related Transactions

Related Transactions for the year 2013

Name	Amount (Million Baht)	Related Transactions	Relationship	Price policy/ Conditions	Notes		
Siam Fiber Optics Co., Ltd. (SFO)	2.47	Sale of raw materials by CTW to SFO.	CTW holds a 60.00% stake in SFO, while Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta are directors of CTW and major shareholders of IITD. They and family hold 30.64% stake in ITD., and ITD holds 10% stake in SFO.	Market price/terms and conditions are considered to be a normal business practice offered to third parties.	Terms and conditions of these transactions are considered appropriate as they occur in the normal course of business, and are disclosed in the Company's financial statements.		
	0.37	SFO owes payment to CTW for raw materials.					
	0.12	CTW purchases product from SFO.					
	5.89	SFO owes payment to CTW for management fee, service fee and rental fee.		Contract price/Management Fee is in accordance with an Agreement. The management fee charged to SFO will vary depending on the number of advisory personnel CTW assigns to assist SFO. The rate charged for various levels of advisory personnel range CTW charge in actual cost plus 10 per cent.	These transactions are described in an Agreement and are disclosed in the Company's financial statements.		
	50.05	Management fee income for services provided by CTW to SFO.					
	9.78	Service fee income from SFO to CTW.				Contract price/CTW receives Baht 814,995 services revenue monthly from SFO for the maintenance, repair, and cleaning of facilities at SFO's factory.	These transactions are described in an Agreement and are disclosed in the Company's financial statements.
	6.11	Rental income from SFO to CTW.					
	0.30	Rental deposit from SFO to CTW.					

Related Transactions

Name	Amount (Million Baht)	Related Transactions	Relationship	Price policy/ Conditions	Notes
Siam Fiber Optics Co., Ltd. SFO (Continued)	5.43	Electric income from SFO to CTW.	CTW holds a 60.00% stake in SFO, while Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta are directors of CTW and major shareholders of ITD. They and family hold 30.64% stake in ITD., and ITD holds 10% stake in SFO.	At cost price (actual cost).	This transaction is disclosed in the Company's financial statements.
	75.00	Loan Guarantee provided by CTW to SFO.		CTW is a guarantor of loans (Credit Facility) from Bangkok Bank Plc. and Siam Commercial Bank Plc. to SFO for the purpose of working capital and business operation.	This transaction is to assist SFO cope with its liquidity and is approved by the Board meeting. The Information Memorandum was submitted to the SET and disclosed in the Company's financial statements.
	9.60	Dividend income from SFO to CTW.		CTW received a dividend income of Baht 0.67 per share from 14,399,994 shares in SFO.	Normal course of business that is disclosed in the Company's financial statements.
	165.12				
Siam Fiber Optics Co., Ltd. (SFO) and Fujikura Ltd.	47.39	SFO, CTW's subsidiary, purchased raw materials from Fujikura Ltd.	SFO is a 60% subsidiary company of CTW. Fujikura holds 25% stake in SFO.	Market price/Same terms and conditions as other clients.	Terms and conditions of these transactions are considered appropriate as they occur in the normal course of business, and are disclosed in the Company's financial statements.
	0.32	SFO owes payment to Fujikura for raw materials.			
	47.71				
Thai Metal Processing Co., Ltd. (TMP)	35.44	CTW hired TMP to melt copper rod.	CTW holds a 15% stake in TMP.	Market Price/Terms and conditions are considered to be a normal business practice offered to third parties.	Terms and conditions are in the normal course of business. The Audit Committee agreed that the transaction is at fair price and more reasonable than CTW investing in additional machinery. This transaction is disclosed in financial statements.
	2.31	CTW owed payment to TMP for melting fee of copper rod.	Mr. Chai Sophonpanich, director of CTW holds 3.85% stake in Bangkok Insurance Plc. and holds 0.69% stake in CTW. Bangkok Insurance Plc. holds 5% stake in TMP.		
	3.38	CTW received dividend income from TMP.		CTW received a dividend income of Baht 15 per share from 225,000 shares in TMP.	Normal course of business and disclosed in financial statements.
	41.13				

Related Transactions

Name	Amount (Million Baht)	Related Transactions	Relationship	Price policy/ Conditions	Notes
Pacific Electric Wire and Cable Co., Ltd. (PEWC)	1.65	Management fee expenses from CTW to PEWC.	PEWC indirectly holds 51% stake in CTW.	Contract price/Management fee for service provided by PEWC to CTW.	These transactions are described in the Agreement with normal course of business that are approved by the Board meeting and are disclosed in the Company's financial statements.
	0.43	CTW owes the payment to PEWC for management fee expenses.			
Sigma Cable Pte. Ltd. (Sigma)	0.32	Sales by CTW to Sigma.	Sigma is affiliated company under PEWC Group.	Market Price/Terms and conditions are the same as those of other parties.	Normal course of business that disclosed in the financial statements.
Australia Pacific Electric Cable Pty. Ltd. (APEC)	3.26	Sales by CTW to APEC.	APEC is affiliated company under PEWC Group.	Market Price/Terms and conditions are the same as those of other parties.	Normal course of business that disclosed in the financial statements.
Siam Pacific Electric Wire and Cable Co., Ltd. (SPEWC) and Pacific Electric Wire and Cable Co., Ltd. (PEWC)	29.54	SPEWC purchases raw materials from PEWC.	SPEWC is a 100% subsidiary of CTW and PEWC is a parent company of CTW group.	Market price/Same terms and conditions as other clients.	Normal course of business at the price below the market price a little bit, since PEWC had a surplus of raw materials (copper) that approved by the Board meeting and disclosed in the financial statements.
	8.82	SPEWC purchases product from PEWC.			
	5.75	Management fee expenses from SPEWC to PEWC.			
	1.27	SPEWC owes the payment to PEWC for management fee expenses.		Contract price/Management fee for service provided by PEWC to SPEWC.	These transactions are described in the Agreement that are approved by the Board meeting and are disclosed in the Company's financial statements.
	51.04				
Italian-Thai Development Plc. (ITD)	55.40	Sales by CTW to ITD.	Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta are directors of CTW and major shareholders of ITD. (They and family hold 30.64% stake in ITD.).	Market Price/Terms and conditions are the same as those of other parties.	Normal course of business that disclosed in the financial statements.
	39.69	ITD owes payment to CTW for products.			
Ital-Thai Engineering Co., Ltd. (Ital Thai)	8.49	Sales by CTW to Ital Thai.	Mrs. Nijaporn Charanachitta is a director of CTW and Ital Thai.	Market Price/Terms and conditions are the same as those of other parties.	Normal course of business that disclosed in the financial statements.
	2.55	Ital Thai owes payment to CTW for products.			
	106.13				

Related Transactions

Name	Amount (Million Baht)	Related Transactions	Relationship	Price policy/ Conditions	Notes
Siam Pacific Electric Wire and Cable Co., Ltd. (SPEWC) and Moon View Ventures Ltd. (Moon View)	6.42	Short-term loan from Moon View to SPEWC.	Moon View is an indirect shareholder of CTW group.	Moon View has provided a loan of US\$ 194,718.58 to SPEWC without any interest charged since SPEWC was established, for SPEWC's working capital.	SPEWC has become a 100% subsidiary of CTW by share swap since 2 July 2002. Those transactions occurred before share swap transaction between CTW and SPEWC. Those transactions have provided financial assistance and benefit to SPEWC's operation while its connected persons did not receive any benefits from such transactions and disclosed in financial statements.
	6.42				

Financial Highlights

Financial Information of the Company and its subsidiaries for 2011 - 2013

For the year ended December 31

(Unit : Million Baht)

	2013	2012	2011
Operating Results			
Total Revenues	6,903.99	7,537.03	7,621.71
Revenue from Sales	6,858.09	7,283.83	7,574.47
Selling Expenses	159.05	131.14	131.32
Administrative Expense	330.97	283.55	238.86
Total Expenses	6,467.23	6,821.55	7,273.59
Net Income (Loss)	295.84	503.83	168.74
Earning (Loss) per Share (Baht)	0.74	1.27	0.42
Par Value (Baht/Share)	5.00	5.00	5.00
Financial Position			
Current Assets	5,153.14	5,082.69	4,891.52
Total Investments	100.69	47.47	36.47
Property, Plant and Equipment-Net	841.97	791.30	718.89
Total Assets	6,425.96	6,255.73	6,005.06
Current Liabilities	1,731.00	1,758.13	1,816.04
Total Liabilities	1,825.31	1,824.64	1,844.19
Equity attributable to CTW's Shareholders	4,388.19	4,306.12	4,033.64
Total Shareholders' Equity	4,600.65	4,431.09	4,160.86
Book Value (Baht/Share)	11.56	11.14	10.46
Financial Ratio			
Current Ratio (times)	2.98	2.89	2.69
Quick Ratio (times)	2.10	2.02	1.79
Gross Profit (%)	12.84	12.04	8.16
Net Profit (Loss) (%)	4.29	6.68	2.21
Return on Equity (%)	6.55	11.73	4.09
Debt to Equity Ratio (times)	0.40	0.41	0.44
Return on Assets (%)	4.67	8.22	2.71
Total Assets Turnover Ratio (times)	1.09	1.23	1.22

Management Discussion Analysis

1. Overview of operation

In 2014, the Company and subsidiaries have operated the business of manufacturing power cable, communication cable, fiber optic cable and enameled wire. The main revenue of the Company group is from selling enameled wire which sale is for private sector customer inside the country mostly. The Company group's total sales in 2013 decreased by 5.85% compared with the previous year due to the price competition and the slowdown of domestic economy. As a result, the revenue from sales to the projects of private sector was also decreased.

2. Operating results and profitability

Revenue Analysis

In 2013, the Company and subsidiaries have total revenue of Baht 6,903.99 million, decreased by Baht 633.03 million or 8.40% from Baht 7,537.03 million in the previous year. Most revenue was generated by sales of products in the amount of Baht 6,858.09 million decreased by Baht 425.74 million or 5.85% compared with the previous year from decreased in sales volume of selling power cable and communication cable which is consistent with the investment in both the government and private sector that have shrunk.

In addition, the Company group has domestic sales of Baht 4,990 million and export sales of Baht 1,868 million. There is the revenue from one major customer which is the new customer in the amount of Baht 803 million or 11.71% of total sales, arising from sales by the power cable.

In 2013, the Company group has other revenue of Baht 45.90 million, decreased by Baht 207.29 million or 81.87 from Baht 253.19 million in 2012 resulted from revenue from compensation for losses from flooding of Baht 149.09 million and gain on exchange of Baht 60.36 million of its a subsidiary.

Cost and Expense Analysis

Cost

In 2013, the Company and subsidiaries have total cost of sales of Baht 5,977.21 million, decreased by Baht 429.65 million or 6.71% from Baht 6,406.86 million which is consistent with decrease in sales. In addition, the Company group reversed the allowance for diminution in value of inventory in the amount of Baht 10.39 million.

Selling expense

The Company group has selling expenses of Baht 159.05 million in 2013, increased by Baht 27.91 million or 21.29% from Baht 113.14 million in 2012 which are mostly from service fee and consultation fee.

Administrative expense

The Company group has administrative expenses of Baht 330.97 million in 2013, increased by Baht 47.42 million or 16.72% from Baht 283.55 million in 2012 since there is the loss on exchange of Baht 42.96 million, arising from the weakness of Thai Baht comparing with US\$ when importing raw materials, while there is gain on exchange of Baht 60.36 million in 2012.

Finance cost

The Company group has finance cost of Baht 43.75 million in 2013, decreased by Baht 5.21 million or 10.64% from Baht 48.95 million in 2012 due to payment of debt under trust receipts before the maturity date.

Corporate Income Tax

In 2013, the Company group has corporate income tax of Baht 87.40 million, decreased by Baht 40.94 million or 31.90% from Baht 128.35 million in 2012 since operating profit dropped and the tax rate is reduced to 20% for 2013 in accordance with the decrease in tax rates for 2012 - 2014 were enacted through a royal decree.

Management Discussion Analysis

In addition, the Company group has deferred tax relating to origination and reversal of temporary differences of Baht 3.88 million, reduced by Baht 24.29 million or 86.23% in the previous year, as a result of the adoption of Thai Accounting standard (TAS) 12 Income Taxes that became effective in the year 2013.

Net profit

The Company and subsidiaries have net profit of Baht 295.84 in 2013, decreased by Baht 207.99 million or 41.28% from Baht 503.83 million in 2012. The net profit margin is 4.41% in 2013, reduced from 6.77 in 2012 which the main causes are from its a 100 subsidiary receives compensation for losses from flooding of Baht 149.09 million and the Company group has gain on exchange of Baht 60.36 million in 2012. At the same time, the Company group's sales reduced and there is loss on exchange of Baht 42.96 million in 2013 arising from the weakness of Thai Baht comparing with US\$ when importing raw materials.

3. Ability to manage property

Asset

As at 31 December 2013, the Company and subsidiaries have total assets of Baht 6,425.96 million, increased by Baht 170.22 million or 2.72% from Baht 6,255.73 million, caused by the increase in cash and cash equivalents of Baht 173.52 million arising from cash flows mostly used in investing activities in 2012.

As at the end of 2013, the Company group's current investments decreased by Baht 190 million from Baht 190 million at the end of 2012 since the Company withdrew its fixed deposits for dividend payment.

The Company group has trade receivable of Baht 2,301.20 million as at 31 December 2013, increased by Baht 141.01 million or 6.53% from Baht 2,160.19 million at the end of 2012 mostly arising from trade receivable not yet due.

The Company group has other long-term investments of Baht 97.77 million as at 31 December 2013, increased by Baht 64.27 million or 191.85% from Baht 33.50 million at the end of 2012 arising from a subsidiary's investment in Hong Kong.

The Company group has property, plant and equipment of Baht 817.45 million as at 31 December 2013, increased by Baht 49.15 million or 6.40% from Baht 768.31 million at the end of 2012, arising from purchase of new machineries.

Liability

As at 31 December 2013, the Company and subsidiaries have total liabilities of Baht 1,825.31 million, increased by only Baht 0.67 million or 0.04% which is similar to that of the end of 2012, divided into short-term loans of Baht 1,731.00 million and long-term loans of Baht 94.32 million. All long-term loans are the provision for long-term employee benefits, which are compensations on employees' retirement.

The Company group has short-term loans from financial institutions of Baht 334.20 million, increased by Baht 28.89 million from Baht 305.31 million at the end of 2012, which arising from the increase in short-term loans from financial institutions of its a subsidiary in China.

The Company group has trust receipts (T/R) of Baht 748.59 million, decreased by Baht 159.97 million or 17.61% from Baht 908.56 million at the end of 2012 due to payment before the maturity date.

Cash flow analysis

In 2013, the Company and subsidiaries have cash flows from operating activities of Baht 457.41 million, cash flows from investing activities of Baht 22.96 million, cash flows used in financing activities of Baht 326.75 million and increase in translation adjustments of Baht 18.54 million, resulted in increase in cash and cash equivalents of Baht 172.16 million. The cash and cash equivalent is Baht 1,335.65 million as at 31 December 2013.

Management Discussion Analysis

Net cash flows from operating of Baht 457.71 million are from profit before tax of Baht 395.96 million and cash received for compensation for losses from flooding of Baht 40 million.

Net cash flows from investing activities of Baht 22.96 million are from decrease in current investments of Baht 190.00 million, purchase of machineries and equipment of Baht 143.40 million and increase in other long-term investments of Baht 64.27 million of its a subsidiary.

In addition, net cash flows used in financing activities of Baht 326.75 million are from dividend payment of Baht 237.58 million, payment of trust receipts of Baht 185.14 million and cash received from capital increase of subsidiary of Baht 77.70 million.

4. Liquidity and Sufficiency of Fund

Liquidity

As at 31 December 2014, the Company and subsidiaries have the current ratio of 2.98 times and quick ratio of 2.10 times which are better than the current ratio of 2.89 times and quick ratio of 2.02 times at the end of 2012 since the Company group has the increase in cash and equivalents of Baht 173.52 million arising from cash received from trade receivables and there are the increase in trade receivables not yet due of Baht 98.08 million. At the same time, the Company group has the decrease in current liabilities, especially the decreased in trust receipts of Baht 159.97 million arising from payment before maturity date.

Capital structure

As at 31 December 2013, the Company and subsidiaries have the shareholders' equity of Baht 4,388.19 million, increased by Baht 82.07 million from Baht 4,306.12 million at the end of 2012 since there is total comprehensive income for the year 2013 of Baht 319.69 million while there is dividend payment for 2012's operating results of Baht 238.74 million.

The capital structure of the Company group as at 31 December 2013 consists of total liabilities of Baht 1,825.31 million and shareholders' equity of Baht 4,600.65 million. As a result, the debt to equity ratio was only 0.40 times which is better than the equity ratio of 0.41 times at the end of 2012. Therefore, the Company group has no the risk from insufficiency of fund since they have more funds than debts. Most of the liabilities is current liabilities of 94.83% arising from the operations such as trust receipts, trade payables and short-term loans from financial institutions.

5. Other factors that may affect the operation in the future

From the world economy has recovered slowly. The government spending has delayed, especially, the part of the investment in basic infrastructure projects. As results, those affect the investment decisions of the private sector which the confidence of the private sector has decreased and there is the situation of political instability. Therefore, Thailand's economy in the second half of the year 2013 growth lower than forecast. And the Thai economy is expected that in the first half of the year 2014 also faces the challenge from such situations.

The investment in the private sector within the country has been slowed by the uncertainty of the Thai economy. The government stimulus cannot be fully made. Some projects of investment in basic infrastructure have to be postponed. Since the Company's products are related to basic utilities and its major customers are the state enterprises and government agencies, the operation of the Company group in the year 2014 has to face with difficulties and challenges that may affect the profitability. However, the Company group expects that its operating results in the year 2014 will not be different form that in the year 2013 since the Company has purchased the new machineries to increase production efficiency and control cost in order to determine the selling price to be competitive in the market.

Report from Audit Committee

Dear Shareholders:

The Audit Committee of Charoong Thai Wire and Cable Public Company Limited consists of three independent directors as follows:

1. Mr. Pornwut Sarasin Chairman of the Audit Committee
2. Mr. Sai Wah Simon Suen Member of the Audit Committee
3. Mr. Steven Suey Ku Member of the Audit Committee

In the year 2013, the Company's Audit Committee totally held four regular meetings and report to the Board of Directors every quarter. The attendance of the Audit Committee members is summarized as follow

Name	Meeting Attendance/Total Meeting (Times)
1. Mr. Pornwut Sarasin	4/4
2. Mr. Sai Wah Simon Suen	4/4
3. Mr. Steven Suey Ku	4/4

The followings are summary of the Audit Committee's duties during the year:

- Meetings with both external auditor and internal auditor to consider matters and to assess any occur issues if relate to the Company internal control system to ensure its adequate and appropriate.
- To review the Company quarterly financial statements and yearend financial statements as well as all related documents and validate it is correct, sufficient, creditable and in accordance with general accounting standards. In addition, the Audit Committee considered the suggestion to improve the accounting guidelines to be in line with the new and revised accounting standards.
- To review all related party transactions between the Company and its related companies to assure that there are no transactions may lead to conflicts of interest.
- To review and to ensure that the Company complies with the Securities and Exchange Act, regulations, notification and all relevant laws with the Company's business operation.
- To pay attention on concerned issues or information (if any) that may relate or effect to the Company's financial statements.
- To monitor the operation results of internal audit section.

During the year 2013, the certified public accountant from EY Office Limited (Formerly known as Ernst & Young Office Limited) performed properly and efficiently. Therefore, the Audit Committee considers and proposes EY Office Limited and its audit fee proposal for the year 2014 for the Company and subsidiaries totaling Baht 4.89 million, then send their recommendation to the Board for consideration and such proposal will be proposed to the 2014 Annual General Meeting for further approval.

For and on behalf of the Audit Committee of
Charoong Thai Wire and Cable Public Company Limited


(Mr. Pornwut Sarasin)

Chairman of the Audit Committee

March 19, 2014

Statement of the Board of Directors' Responsibility for the Financial Reporting

The financial statements of Charoong Thai Wire and Cable Public Company Limited and its subsidiary companies for the year 2013 have been prepared in accordance with accounting standards enunciated under the Accounting Profession Act B.E. 2547 (A.D. 2004) and their presentation has been made in compliance with the stipulations of the Notification, issued under the Accounting Act B.E. 2543 (A.D. 2000)

The Board of Directors is responsible for the financial statements of Charoong Thai Wire and Cable Plc. and its subsidiary companies as to their correctness and the completeness of the presentation. The aforementioned financial statements are prepared in accordance with the general accounting standards as applied in Thailand, using appropriate accounting policy consistently employed by the Company. They are genuinely representative of the Company's financial status and operational results. Important information is adequately disclosed in the notes to financial statements.

March 19, 2014

On behalf of the Board of Directors of Charoong Thai Wire and Cable Plc.



(Mr. Chai Sophonpanich)

Chairman



(Mr. Sun Tao-Heng)

Managing Director

Independent Auditor's Report

To the Shareholders of Charoong Thai Wire and Cable Public Company Limited

I have audited the accompanying consolidated financial statements of Charoong Thai Wire and Cable Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2013, and the related consolidated statements of income, 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, and have also audited the separate financial statements of Charoong Thai Wire and Cable Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Charoong Thai Wire and Cable Public Company Limited and its subsidiaries and of Charoong Thai Wire and Cable Public Company Limited as at 31 December 2013, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Emphasis of matter

I draw attention to Note 3 to the financial statements regarding the change in accounting policy due to the adoption of Thai Accounting Standard 12 Income Taxes. The Company has restated the consolidated and separate financial statements for the year ended 31 December 2012, presented herein as comparative information, to reflect the adjustments resulting from such change. The Company has also presented the consolidated and separate statements of financial position as at 1 January 2012 as comparative information, using the newly adopted accounting policy for income taxes. My opinion is not qualified in respect of this matter.



Waraporn Prapasirikul

Certified Public Accountant (Thailand) No. 4579

EY Office Limited

(Formerly known as Ernst & Young Office Limited)

Bangkok: 28 February 2014

Statement of financial position

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

As at 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2013	31 December 2012	1 January 2012	31 December 2013	31 December 2012	1 January 2012
			(restated)			(restated)	
Assets							
Current assets							
Cash and cash equivalents	7	1,335,647,460	1,162,131,056	1,368,357,304	542,883,136	291,679,946	528,011,404
Current investments		-	190,000,000	80,000,000	-	100,000,000	-
Trade and other receivables	9	2,303,683,409	2,205,602,004	1,812,294,039	1,242,282,899	1,098,843,398	1,001,413,396
Inventories	10	1,469,165,217	1,449,861,033	1,495,297,518	911,277,300	835,820,530	710,354,040
Other current assets		44,647,747	75,096,557	135,571,853	2,077,859	2,884,867	50,648,215
Total current assets		5,153,143,833	5,082,690,650	4,891,520,714	2,698,521,194	2,329,228,741	2,290,427,055
Non-current assets							
Restricted bank deposits		261,700,000	261,700,000	261,729,044	-	-	-
Long-term loans to subsidiaries	8	-	-	-	20,077,740	14,052,315	14,354,027
Investments in subsidiaries	11	-	-	-	1,224,749,375	1,209,749,751	1,204,749,876
Investments in associates	12	2,923,378	13,965,917	13,965,917	-	-	-
Other long-term investments	13	97,770,000	33,500,000	22,500,000	22,500,000	22,500,000	22,500,000
Investment properties	14	24,513,503	22,996,897	24,232,841	17,817,809	15,733,059	16,400,859
Property, plant and equipment	15	817,452,889	768,306,535	694,660,946	439,883,317	440,255,368	420,801,681
Deferred tax assets	22	45,114,608	50,040,242	71,510,849	24,876,007	23,939,567	15,235,296
Other non-current assets		23,339,257	22,533,505	24,935,492	2,344,010	2,055,624	2,127,346
Total non-current assets		1,272,813,635	1,173,043,096	1,113,535,089	1,752,248,258	1,728,285,684	1,696,169,085
Total assets		6,425,957,468	6,255,733,746	6,005,055,803	4,450,769,452	4,057,514,425	3,986,596,140

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

Statement of financial position (Cont.)

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

As at 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2013	31 December 2012	1 January 2012	31 December 2013	31 December 2012	1 January 2012
			(restated)		(restated)		
Liabilities and shareholders' equity							
Current liabilities							
Short-term loans from financial institutions	16	334,200,483	305,308,440	284,353,200	-	-	
Trust receipts	16	748,588,919	908,557,409	1,083,284,231	161,235,162	263,845,697	
Trade and other payables	17	544,008,711	416,579,004	349,323,125	366,440,384	170,273,341	
Short-term loans from related company	8	6,415,860	5,992,951	6,198,262	-	-	
Income tax payable		41,600,986	66,185,179	47,283,700	36,674,274	58,068,259	
Other current liabilities		56,181,780	55,503,021	45,596,819	45,934,491	32,826,405	
Total current liabilities		1,730,996,739	1,758,126,004	1,816,039,337	610,284,311	449,411,227	
Non-current liabilities							
Provision for long-term employee benefits	18	94,315,002	66,108,909	23,672,076	77,634,057	55,630,853	
Other non-current liabilities		-	409,970	4,479,881	300,000	709,970	
Total non-current liabilities		94,315,002	66,518,879	28,151,957	77,934,057	56,340,823	
Total liabilities		1,825,311,741	1,824,644,883	1,844,191,294	688,218,368	505,752,050	
Shareholders' equity							
Share capital							
Registered							
397,906,284 ordinary shares of Baht 5 each		1,989,531,420	1,989,531,420	1,989,531,420	1,989,531,420	1,989,531,420	
Issued and fully paid-up							
397,906,284 ordinary shares of Baht 5 each		1,989,531,420	1,989,531,420	1,989,531,420	1,989,531,420	1,989,531,420	
Share premium		1,105,933,696	1,105,933,696	1,105,933,696	1,105,933,696	1,105,933,696	
Retained earnings							
Appropriated - statutory reserve	19	170,000,000	147,000,000	131,000,000	170,000,000	147,000,000	
Unappropriated		1,109,661,937	1,071,389,873	809,330,748	497,085,968	309,297,259	
Other components of shareholders' equity		13,065,934	(7,736,681)	(2,153,660)	-	-	
Equity attributable to owners of the Company		4,388,192,987	4,306,118,308	4,033,642,204	3,762,551,084	3,551,762,375	
Non-controlling interests of the subsidiaries		212,452,740	124,970,555	127,222,305	-	-	
Total shareholders' equity		4,600,645,727	4,431,088,863	4,160,864,509	3,762,551,084	3,457,620,050	
Total liabilities and shareholders' equity		6,425,957,468	6,255,733,746	6,005,055,803	4,450,769,452	3,986,596,140	

The accompanying notes are an integral part of the financial statements

Income statement

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
			(restated)		(restated)
Revenues					
Sales		6,858,089,942	7,283,833,329	3,107,686,200	3,489,833,118
Other income					
Interest income		32,447,357	31,497,422	9,835,504	8,813,559
Gain on exchange		-	60,360,497	-	20,838,897
Management fee income		-	-	50,049,037	38,114,745
Dividend income		3,374,855	3,375,000	174,444,855	15,375,000
Compensation for losses from flooding	21	-	149,087,283	-	-
Others		10,081,794	8,873,011	23,772,063	20,334,221
Total revenues		6,903,993,948	7,537,026,542	3,365,787,659	3,593,309,540
Expenses					
Cost of sales		5,987,596,330	6,542,544,029	2,499,154,000	2,941,217,931
Allowance for diminution in value of inventory (reversal)		(10,388,395)	(135,683,235)	5,923,933	(16,911,595)
Total cost of sales		5,977,207,935	6,406,860,794	2,505,077,933	2,924,306,336
Selling expenses		159,051,787	131,137,814	110,082,187	91,238,846
Administrative expenses		330,966,728	283,548,335	224,005,672	153,747,415
Total expenses		6,467,226,450	6,821,546,943	2,839,165,792	3,169,292,597
Profit before share of profit from investment in associate, finance cost and income tax expenses					
Share of profit from investment in associate	12	2,938,862	-	-	-
Profit before finance cost and income tax expenses		439,706,360	715,479,599	526,621,867	424,016,943
Finance cost		(43,745,332)	(48,952,027)	(4,319,673)	(6,883,080)
Profit before income tax expenses		395,961,028	666,527,572	522,302,194	417,133,863
Income tax expenses	22	(91,284,287)	(156,521,779)	(77,113,798)	(97,219,163)
Profit for the year		304,676,741	510,005,793	445,188,396	319,914,700
Profit attributable to:					
Equity holders of the Company		295,839,441	503,831,500	445,188,396	319,914,700
Non-controlling interests of the subsidiaries		8,837,300	6,174,293		
		304,676,741	510,005,793		
Earnings per share					
Basic earnings per share	23				
Profit attributable to equity holders of the Company		0.74	1.27	1.12	0.80

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

Statement of comprehensive income

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2013

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
			(restated)		(restated)
Profit for the year		304,676,741	510,005,793	445,188,396	319,914,700
Other comprehensive income:					
Actuarial gains (losses)	18	5,219,370	(33,525,039)	5,428,982	(33,525,039)
Income tax effect	22	(1,043,874)	6,705,008	(1,085,796)	6,705,008
Exchange differences on translation of financial statements in foreign currency		28,149,855	(6,009,064)	-	-
Other comprehensive income for the year		32,325,351	(32,829,095)	4,343,186	(26,820,031)
Total comprehensive income for the year		337,002,092	477,176,698	449,531,582	293,094,669
Total comprehensive income attributable to:					
Equity holders of the Company		319,692,472	471,428,448	449,531,582	293,094,669
Non-controlling interests of the subsidiaries		17,309,620	5,748,250	-	-
		337,002,092	477,176,698	449,531,582	293,094,669

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

Statement of changes in shareholders' equity

Charoeng Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2013

(Unit: Baht)

	Consolidated financial statements										
	Equity attributable to owners of the Company										
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of equity			Total other components of equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
			Appropriated	Unappropriated	Other comprehensive income	Other changes by the owners	Capital surplus from changes in shareholding percentage in subsidiary				
Exchange differences on translation of financial statements in foreign currency	Exchange differences on translation of financial statements in foreign currency	Capital surplus from changes in shareholding percentage in subsidiary	Other comprehensive income	Other changes by the owners	Capital surplus from changes in shareholding percentage in subsidiary	Exchange differences on translation of financial statements in foreign currency	Other comprehensive income	Other changes by the owners	Capital surplus from changes in shareholding percentage in subsidiary		
Balance as at 31 December 2011 - as previously reported	1,989,531,420	1,105,933,696	131,000,000	738,714,849	(2,153,660)	-	(2,153,660)	3,963,026,305	126,327,355	4,089,353,660	
Cumulative effect of change in accounting policy for deferred tax (Note 4)	-	-	-	70,615,899	-	-	-	70,615,899	894,950	71,510,849	
Balance as at 31 December 2011 - as restated	1,989,531,420	1,105,933,696	131,000,000	809,330,748	(2,153,660)	-	(2,153,660)	4,033,642,204	127,222,305	4,160,864,509	
Dividend paid (Note 26)	-	-	-	(198,952,344)	-	-	-	(198,952,344)	-	(198,952,344)	
Total comprehensive income for the period - restated	-	-	-	477,011,469	(5,583,021)	-	(5,583,021)	471,428,448	5,748,250	477,176,698	
Unappropriated retained earnings transferred to statutory reserve	-	-	16,000,000	(16,000,000)	-	-	-	-	-	-	
Decrease in non-controlling interests of the subsidiaries from dividend payment	-	-	-	-	-	-	-	-	(8,000,000)	(8,000,000)	
Balance as at 31 December 2012 - as restated	1,989,531,420	1,105,933,696	147,000,000	1,071,389,873	(7,736,681)	-	(7,736,681)	4,306,118,308	124,970,555	4,431,088,863	
Balance as at 31 December 2012 - as previously reported	1,989,531,420	1,105,933,696	147,000,000	1,022,237,641	(7,736,681)	-	(7,736,681)	4,256,966,076	124,082,545	4,381,048,621	
Cumulative effect of change in accounting policy for deferred tax (Note 4)	-	-	-	49,152,232	-	-	-	49,152,232	888,010	50,040,242	
Balance as at 31 December 2012 - as restated	1,989,531,420	1,105,933,696	147,000,000	1,071,389,873	(7,736,681)	-	(7,736,681)	4,306,118,308	124,970,555	4,431,088,863	
Dividend paid (Note 26)	-	-	-	(238,742,873)	-	-	-	(238,742,873)	-	(238,742,873)	
Total comprehensive income for the year	-	-	-	300,014,937	19,677,535	-	19,677,535	319,692,472	17,309,620	337,002,092	
Unappropriated retained earnings transferred to statutory reserve	-	-	23,000,000	(23,000,000)	-	-	-	-	-	-	
Effect from the changes in shareholding percentage in subsidiary (Note 2.2 g)	-	-	-	-	1,125,080	-	1,125,080	1,125,080	-	1,125,080	
Decrease in non-controlling interests of the subsidiaries from dividend payment	-	-	-	-	-	-	-	-	(6,400,000)	(6,400,000)	
Balance as at 31 December 2013	1,989,531,420	1,105,933,696	170,000,000	1,109,661,937	11,940,864	1,125,080	13,065,934	4,388,192,987	212,452,740	4,600,645,727	

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

Statement of changes in shareholders' equity (cont.)

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2013

(Unit: Baht)

Separate financial statements

	Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated	Unappropriated	
Balance as at 31 December 2011 - as previously reported	1,989,531,420	1,105,933,696	131,000,000	215,919,638	3,442,384,754
Cumulative effect of change in accounting policy for deferred tax (Note 4)	-	-	-	15,235,296	15,235,296
Balance as at 31 December 2011 - as restated	1,989,531,420	1,105,933,696	131,000,000	231,154,934	3,457,620,050
Dividend paid (Note 26)	-	-	-	(198,952,344)	(198,952,344)
Total comprehensive income for the period - restated	-	-	-	293,094,669	293,094,669
Unappropriated retained earnings transferred to statutory reserve	-	-	16,000,000	(16,000,000)	-
Balance as at 31 December 2012 - as restated	1,989,531,420	1,105,933,696	147,000,000	309,297,259	3,551,762,375
Balance as at 31 December 2012 - as previously reported	1,989,531,420	1,105,933,696	147,000,000	285,357,692	3,527,822,808
Cumulative effect of change in accounting policy for deferred tax (Note 4)	-	-	-	23,939,567	23,939,567
Balance as at 31 December 2012 - as restated	1,989,531,420	1,105,933,696	147,000,000	309,297,259	3,551,762,375
Dividend paid (Note 26)	-	-	-	(238,742,873)	(238,742,873)
Total comprehensive income for the year	-	-	-	449,531,582	449,531,582
Unappropriated retained earnings transferred to statutory reserve	-	-	23,000,000	(23,000,000)	-
Balance as at 31 December 2013	1,989,531,420	1,105,933,696	170,000,000	497,085,968	3,762,551,084

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

Cash flow statement

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2013

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
		(restated)		(restated)
Cash flows from operating activities				
Profit before tax	395,961,028	666,527,572	522,302,194	417,133,863
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Dividend income	(3,374,855)	(3,375,000)	(174,444,855)	(15,375,000)
Compensation for losses from flooding	-	(149,087,283)	-	-
Depreciation and amortisation	102,948,503	101,643,459	55,307,152	52,283,554
Allowance for doubtful accounts - trade receivables (reversal)	(23,823,861)	(12,974,539)	2,368,956	(3,352,995)
Allowance for doubtful accounts - long-term loans to subsidiaries	-	-	14,052,315	-
Allowance for diminution in value of inventory (reversal)	(10,388,395)	(135,683,235)	5,923,933	(16,911,595)
Loss on onerous sale contracts (reversal)	(676,792)	676,792	(676,792)	676,792
Allowance for impairment of investment in associate	13,965,917	-	-	-
Reversal of allowance for impairment of other long-term investments	-	(1,580,220)	-	(1,580,220)
Gains on sales of property, plant and equipment	(3,422,251)	(472,981)	(2,031,753)	(1,295,612)
Reversal of allowance for impairment of property, plant and equipment	-	(780,000)	-	-
Allowance for impairment of investment properties (reversal)	(2,084,750)	667,800	(2,084,750)	667,800
Share of profit from investment in associate	(2,938,862)	-	-	-
Provision for long-term employee benefits	37,956,824	40,679,357	31,043,106	33,528,889
Unrealised (gain) loss on exchange	21,810,477	(2,648,226)	6,330,728	(224,019)
Interest income	(32,447,357)	(31,497,422)	(9,835,504)	(8,813,559)
Interest expenses	39,077,787	37,656,152	3,275,293	5,646,614
Profit from operating activities before changes in operating assets and liabilities	532,563,413	509,752,226	451,530,023	462,384,512
Operating assets (increase) decrease				
Trade and other receivables	(111,344,604)	(346,276,822)	(146,130,617)	(93,208,455)
Inventories	(8,915,789)	181,119,720	(81,380,703)	(108,554,895)
Other current assets	33,272,297	60,128,662	807,008	47,677,796
Operating liabilities increase				
Trade and other payables	126,200,838	67,286,981	135,923,284	59,247,723
Other current liabilities	1,897,243	11,587,364	1,856,527	16,087,457
Cash flows from operating activities	573,673,398	483,598,131	362,605,522	383,634,138
Cash paid for long-term employee benefits	(4,531,361)	(31,767,563)	(3,610,920)	(28,223,285)
Cash paid for interest expenses	(36,922,121)	(39,919,083)	(3,124,033)	(5,718,060)
Cash paid for corporate income tax	(114,810,207)	(109,444,729)	(100,530,019)	(81,890,933)
Cash flows from operating activities before compensation for losses from flooding	417,409,709	302,466,756	255,340,550	267,801,860
Cash received for compensation for losses from flooding	40,000,000	109,087,283	-	-
Net cash flows from operating activities	457,409,709	411,554,039	255,340,550	267,801,860

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

Cash flow statement (Cont.)

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2013

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
		(restated)		(restated)
Cash flows from investing activities				
Decrease (increase) in current investments	190,000,000	(110,000,000)	100,000,000	(100,000,000)
Decrease in restricted bank deposits	-	29,044	-	-
Increase in investment in subsidiary	-	-	(14,999,624)	(4,999,875)
Decrease (increase) in other long-term investments	(64,270,000)	(9,419,780)	-	1,580,220
Increase in long-term loans to subsidiary	-	-	(20,000,000)	-
Acquisition of property, plant and equipment	(143,397,871)	(176,324,581)	(55,166,958)	(71,787,713)
Interest income	33,191,765	31,963,089	10,079,924	8,332,271
Dividend income	3,374,855	3,375,000	174,444,855	15,375,000
Proceeds from sales of property, plant and equipment	4,262,829	2,547,775	2,399,277	1,415,003
Decrease (increase) in other assets	(197,689)	180,337	(424,053)	2,803
Net cash flows from (used in) investing activities	22,963,889	(257,649,116)	196,333,421	(150,082,291)
Cash flows from financing activities				
Increase in short-term loans from financial institutions	28,892,043	20,955,240	-	-
Increase (decrease) in trust receipts	(185,142,049)	(167,066,129)	41,026,731	(148,747,940)
Cash paid for liabilities under financial lease agreements	(4,213,867)	(4,069,911)	(3,913,626)	(6,350,743)
Cash received from capital increase of subsidiary	77,697,645	-	-	-
Dividend paid to non-controlling interests of the subsidiaries	(6,400,000)	(8,000,000)	-	-
Dividend paid	(237,583,886)	(198,952,344)	(237,583,886)	(198,952,344)
Net cash flows used in financing activities	(326,750,114)	(357,133,144)	(200,470,781)	(354,051,027)
Increase (decrease) in translation adjustments	18,535,409	(3,579,804)	-	-
Net increase (decrease) in cash and cash equivalents	172,158,893	(206,808,025)	251,203,190	(236,331,458)
Unrealised gain on exchange for cash and cash equivalents	1,357,511	581,777	-	-
Cash and cash equivalents at beginning of year	1,162,131,056	1,368,357,304	291,679,946	528,011,404
Cash and cash equivalents at end of year	1,335,647,460	1,162,131,056	542,883,136	291,679,946

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

Notes to consolidated financial statements

Charoong Thai Wire and Cable Public Company Limited and its subsidiaries

For the year ended 31 December 2013

1. General information

Charoong Thai Wire and Cable Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The parent company of the group is Pacific Electric Wire and Cable Co., Ltd., which was incorporated in Taiwan. The Company is principally engaged in the manufacture and distribution of electric wire and cables and telephone cables. The registered office of the Company is at 589/71 Central City Tower, 12A Floor, Bangna-trad Road, Bangna, Bangkok.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Charoong Thai Wire and Cable Public Company Limited (“the Company”) and the following subsidiary companies (“the Subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2013	2012
			Percent	Percent
CTW-Beta Co., Ltd.	Investment & holding company	Thailand	100	100
Siam Fiber Optics Co., Ltd.	Manufacturer and distributor of fiber optic cables	Thailand	60	60
Siam Pacific Electric Wire and Cable Co., Ltd.	Manufacturer and distributor of wire and cable products, and enameled wires	Thailand	100	100
Pacific-Thai Electric Wire and Cable Co., Ltd. (Held by subsidiary)	Liquidation	Thailand	100	100
Shanghai Yayang Electric Co., Ltd. (Held by subsidiary 59% (2012: 78%))	Manufacturer and distributor of enameled copper wires	China	70	93
Double D Cable Co., Ltd.	Pre-operating stage	Thailand	100	100

b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

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

e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.

f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statements of financial position.

g) During the current year, Shanghai Yayang Electric Co., Ltd., the overseas subsidiary, increased its registered share capital amounting to USD 2.5 million. The subsidiary already received proceeds from its capital increase. However, the Company and Siam Pacific Electric Wire and Cable Co., Ltd. decided to maintain the number of shares they held (and not to increase their holdings proportionately). As a result, the shareholdings of the Company and Siam Pacific Electric Wire and Cable Co., Ltd. in this company had been changed as presented in Note 2.2 a).

The Company recorded the effect of changes in shareholding percentage in subsidiary under the statement of changes in shareholders' equity.

2.3 The separate financial statements, which present investments in subsidiaries and associate under the cost method, have been prepared solely for the benefit of the public.

3. New accounting standards

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

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

Accounting standards:

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

Financial Reporting Standard:

TFRS 8	Operating Segments
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Accounting Standard Interpretations:

TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

Accounting Treatment Guidance for Transfers of Financial Assets

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

TAS 12 Income Taxes

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

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

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

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives	1 January 2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32	Intangible Assets - Web Site Costs	1 January 2014

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non-cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

The management of the Company and its subsidiaries has assessed the effect of the above accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations and believes that they will not have any significant impact on the financial statements for the year when they are initially applied.

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

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

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

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	As at 31 December 2013	As at 31 December 2012	As at 1 January 2012	As at 31 December 2013	As at 31 December 2012	As at 1 January 2012
Statements of financial position						
Increase in deferred tax assets	45,115	50,040	71,511	24,876	23,940	15,235
Increase in non-controlling interests of the subsidiaries	902	888	895	-	-	-
Increase in unappropriated retained earnings	44,213	49,152	70,616	24,876	23,940	15,235

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Statements of comprehensive income				
Profit or loss:				
Increase (decrease) in income tax	3,881	28,176	(2,022)	(2,000)
Increase (decrease) in profit attributable to non-controlling interest of the subsidiaries	14	(7)	-	-
Increase (decrease) in profit attributable to equity holders of the Company	(3,895)	(28,169)	2,022	2,000
Increase (decrease) in basic earnings per share (Baht)	(0.01)	(0.07)	0.01	0.01

5. Significant accounting policies

5.1 Revenue recognition

Sales of goods

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

Interest income

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

Dividends

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

5.2 Cash and cash equivalents

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

5.3 Trade and other receivables

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

5.4 Inventories

Finished goods and work in process are valued at the lower of average cost and net realisable value. Average cost includes all production costs and attributable factory overheads.

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

5.5 Investments

a) Investments in debt securities expected to be held to maturity are recorded at amortised cost. The premium/discount on debt securities is amortised/ accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.

b) Investments in non-marketable equity securities, which the Company and its subsidiaries classify as other investments, are stated at cost net of allowance for impairment loss (if any).

c) Investment in associate is accounted for in the consolidated financial statements using the equity method.

d) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

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

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.6 Investment properties

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

Depreciation of condominium and office building for rent is calculated by reference to their costs on the straight-line basis over estimated useful life of 20 years. Depreciation is included in determining income.

No depreciation is provided on land not being used for operation.

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

5.7 Property, plant and equipment/Depreciation

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

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

Buildings	20 - 25 years
Building improvement	5 - 20 years
Machinery and equipment	5 - 20 years
Furniture, fixtures and office equipment	3 - 20 years
Motor vehicles	5 - 10 years

Depreciation is included in determining income.

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

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

5.8 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include associated company and individuals which directly or indirectly own a voting interest in the Company and its subsidiaries that give them significant influence over the Company and its subsidiaries, key management personnel, directors, and officers with authority in the planning and direction of the operating of the Company and its subsidiaries.

5.9 Long-term leases

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

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

5.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.11 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the investment properties, property, plant and equipment and investments whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

5.12 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company and its subsidiary have obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plan. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

The defined benefits liability comprises the present value of the defined benefit obligation less unrecognised past service cost and unrecognised actuarial gains or losses.

For the first-time adoption of TAS 19 Employee Benefits in 2011, the Company and its subsidiary elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, as an expense on a straight-line basis over up to five years from the date of adoption.

5.13 Provisions

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

5.14 Income tax

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

Current tax

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

Deferred tax

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

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

At each reporting date, the Company and its subsidiaries 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 utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.15 Derivatives

Forward exchange contracts

The Company and its subsidiaries enter into forward exchange contracts to reduce their exposure to exchange rate risk. The Company and its subsidiaries record such forward exchange contracts at fair value, with changes in fair value being recognised in profit or loss.

6. Significant accounting judgments and estimates

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

Leases

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

Allowance for doubtful accounts

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

Allowance for diminution in value of inventories

In determining allowance for diminution in the value of inventories, the management exercises judgment in estimating the net realisable value of inventory based on the amount the inventories are expected to realise. These estimates are based on estimates of selling prices, which take into account events occurring after the reporting period, estimates of related costs and expenses or estimates of replacement cost of the raw materials.

Impairment of investments

The Company and its subsidiaries treat investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Property plant and equipment/Depreciation

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

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

Deferred tax assets

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

Post-employment benefits under defined benefit plans

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

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Cash	2,534	2,513	650	650
Bank deposits	1,333,113	905,339	542,233	291,030
Bills of exchange	-	254,279	-	-
Total	1,335,647	1,162,131	542,883	291,680

As at 31 December 2013, bank deposits in saving accounts and bills of exchange carried interests between 0.05 and 3.10 percent per annum (2012: between 0.25 and 2.75 percent per annum).

8. Related party transactions

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

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2013	2012	2013	2012	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	2	58	Cost plus margin
Sales of raw materials	-	-	2	4	Cost plus margin
Fabrication income	-	-	22	16	Cost plus margin
Purchases of goods	-	-	1	28	Cost plus margin
Purchases of raw materials	-	-	-	51	Cost plus margin
Management fee income	-	-	50	38	Contract price
Service income	-	-	10	9	Contract price
Rental income	-	-	6	6	Contract price
Electric income	-	-	5	3	At cost
Dividend income	-	-	171	12	Announced rate
<u>Transactions with related parties</u>					
Sales of goods	80	140	67	91	Market price
Sales of raw materials	-	3	-	-	Market price
Purchases of goods	-	102	-	-	Market price
Purchases of raw materials	73	35	-	-	Market price
Fabrication cost	35	42	35	42	Contract price
Management fee	7	7	2	2	Contract price
Dividend income	3	3	3	3	Announced rate
Service fee	-	12	-	-	Contract price

As at 31 December 2013 and 2012, the balances of the accounts between the Company, its subsidiaries and those related companies are as follows

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012
<u>Trade and other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	9,551	30,895
Related companies (related as the shareholders of the Company or common shareholders or directors)	54,157	64,135	42,242	60,262
Total trade and other receivables - related parties	54,157	64,135	51,793	91,157
<u>Trade and other payables - related parties (Note 17)</u>				
Subsidiaries	-	-	-	5,260
Related companies (related as indirect shareholders of the Company or shareholder of a subsidiary or investee of the Company)	7,249	54,093	2,744	4,048
Total trade and other payables - related parties	7,249	54,093	2,744	9,308

Long-term loans to subsidiaries

As at 31 December 2013 and 2012, the balances of loans between the Company and its subsidiaries and the movements are as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2012	Increase during the year	Decrease during the year	Balance as at 31 December 2013
Loans to				
CTW-Beta Company Limited				
Loan	540,939	-	-	540,939
Add: Accrued interest	96,174	-	-	96,174
Total	637,113	-	-	637,113
Less: Allowance for doubtful accounts	(623,061)	(14,052)	-	(637,113)
Total	14,052	(14,052)	-	-
Double D Cable Company Limited				
Loan	-	20,000	-	20,000
Add: Accrued interest	-	78	-	78
Total	-	20,078	-	20,078
Total long-term loans to subsidiaries	14,052	6,026	-	20,078

Long-term loan to CTW-Beta Company Limited was loan in the form of at call on demand promissory notes bearing interest at the rate of time deposit 12 months of the commercial bank. During the year 2006, the Company ceased to calculate the said interest because of the uncertainty in receiving repayments. The Company considered adjusting the allowance to be at the anticipated repayment amount. (A total of Baht 94 million of interest receivable under the agreement was not recorded in its accounts. Interest income for the year ended 31 December 2013 and 2012 amounted to Baht 12 million and Baht 15 million, respectively).

Long-term loan to Double D Cable Company Limited was loan in the form of at call on demand bearing interest at the rate of time deposit 12 months of the commercial bank.

Short-term loans from related company

As at 31 December 2013 and 2012, the balance of short-term loans from related company and the movement is as follows:

(Unit: Thousand Baht)

Loans from	Related by	Consolidated financial statements			
		Balance as at 31 December 2012	Increase (decrease) during the year	Unrealised loss on exchange	Balance as at 31 December 2013
Moon View Ventures Ltd.	Indirect shareholder	5,993	-	423	6,416

Short-term loans of subsidiary company were from overseas related company without any interest charged.

Directors and management's benefits

During the years ended 31 December 2013 and 2012, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Short-term employee benefits	87,267	92,408	62,382	52,609
Post-employment benefits	8,051	23,292	5,591	21,235
Total	95,318	115,700	67,973	73,844

Guarantee obligations with related parties

The Company and its subsidiaries have outstanding guarantee obligations with their related parties, as described in Note 27.4 to financial statements.

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	21,594	31,124	25,024	55,632
Past due				
Up to 3 months	21,574	30,200	9,894	27,489
3 - 6 months	10,989	2,786	10,988	2,786
6 - 12 months	-	25	-	25
Total trade receivables - related parties	54,157	64,135	45,906	85,932
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,933,231	1,575,273	1,113,952	686,387
Past due				
Up to 3 months	182,625	458,230	57,850	277,727
3 - 6 months	96,300	41,864	-	38,106
6 - 12 months	20,948	4,401	11,716	-
Over 12 months	30,273	56,484	13,190	8,948
Total	2,263,377	2,136,252	1,196,708	1,011,168
Less: Allowance for doubtful accounts	(16,333)	(40,196)	(7,039)	(4,670)
Total trade receivables - unrelated parties, net	2,247,044	2,096,056	1,189,669	1,006,498
Total trade receivables - net	2,301,201	2,160,191	1,235,575	1,092,430

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Other receivable				
Other receivable - subsidiary	-	-	5,887	5,225
Insurance compensation receivables	-	40,000	-	-
Other receivable	2,482	5,411	821	1,188
Total other receivables	2,482	45,411	6,708	6,413
Trade and other receivable - net	2,303,683	2,205,602	1,242,283	1,098,843

During the year 2013, the Company and its subsidiary wrote-off bad debt and reversed the related allowance for doubtful accounts amounting to Baht 25 million (2012: Baht 5 million) (Separate financial statements: Baht 1 million, 2012: Nil).

10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements

	Cost		Reduce cost to net realisable value		Inventories - net	
	2013	2012	2013	2012	2013	2012
	Finished goods	671,876	589,059	(24,598)	(19,967)	647,278
Work in process	254,345	362,070	(7,097)	(18,874)	247,248	343,196
Raw materials and factory supplies	430,794	439,501	(11,436)	(14,678)	419,358	424,823
Goods in transit	155,281	112,750	-	-	155,281	112,750
Total	1,512,296	1,503,380	(43,131)	(53,519)	1,469,165	1,449,861

(Unit: Thousand Baht)

Separate financial statements

	Cost		Reduce cost to net realisable value		Inventories - net	
	2013	2012	2013	2012	2013	2012
	Finished goods	415,075	380,706	(22,674)	(18,256)	392,401
Work in process	192,996	262,587	(5,360)	(2,074)	187,636	260,513
Raw materials and factory supplies	204,105	111,050	(4,880)	(6,660)	199,225	104,390
Goods in transit	132,015	108,467	-	-	132,015	108,467
Total	944,191	862,810	(32,914)	(26,990)	911,277	835,820

11. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Cost		Dividend received during the year	
	2013	2012	2013	2012	2013	2012
	Siam Fiber Optics Company Limited	240,000	240,000	144,000	144,000	9,600
Siam Pacific Electric Wire and Cable Company Limited	670,000	670,000	1,067,703	1,067,703	161,470	-
Double D Cable Company Limited	20,000	5,000	20,000	5,000	-	-
Shanghai Yayang Electric Company Limited	9,549	7,049	41,110	41,110	-	-
	Thousand	Thousand				
	USD	USD				
CTW-Beta Company Limited	100	100	100	100	-	-
Total			1,272,913	1,257,913	171,070	12,000
Less: Allowance for impairment loss of investments			(48,163)	(48,163)		
Total investments in subsidiaries - net			1,224,750	1,209,750		

During the current year, Double D Cable Company Limited called up an additional 75 percent of the value of its 200,000 ordinary shares with a par value of Baht 100 each, or a total of Baht 15 million, represented 100 percent held by the Company. In addition, Shanghai Yayang Electric Company Limited increased its registered share capital as described in Note 2.2 g) to the financial statements.

12. Investments in associates

12.1 Details of associates:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements							
			Shareholding percentage		Cost		Carrying amounts based on equity method			
			2013	2012	2013	2012	2013	2012		
			(%)	(%)						
Loxpac (Thailand) Company Limited (Formerly known as "Loxley Pacific Company Limited")	Providing telecommunication service	Thailand	25	25	379,246	379,246	105,151	105,151		
Loxley Pacific Hong Kong Co., Limited	Investment & holding company	Hong Kong	25	-	302	-	2,923	-		
Total					379,548	379,246	108,074	105,151		
Less: Allowance for impairment loss of investment							(105,151)	(91,185)		
Total investment in associated company - net							2,923	13,966		

12.2 Share of gain/loss and dividend received

During the year, the subsidiary has not recognised its share of loss from investment in Loxpac (Thailand) Company Limited because the subsidiary already recognised the allowance for impairment loss of investment. In addition, there was no dividend income received from this associate.

During the current year, the subsidiary has recognised its share of gain from investment in Loxley Pacific Hong Kong Co., Limited totally Baht 2.9 million and received dividend from this associate amounting to Baht 0.3 million.

12.3 Summarised financial information of associates

Financial information of the associated company is summarised below.

Company's name	Unit (Million)	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the year ended		Profit (loss) for the year ended	
		31 December		31 December		31 December		31 December		31 December	
		2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Loxpac (Thailand) Company Limited (Formerly known as "Loxley Pacific Company Limited")	Baht	700	700	352	372	11	7	32	76	(24)	(26)
Loxley Pacific Hong Kong Co., Limited	EUR	0.03	-	3	-	2	-	1	-	1	-

The financial statements included investment in Loxpac (Thailand) Company Limited which based on the audited financial statements by other auditor. This associate invested mainly through its subsidiary established in the Democratic People's Republic of Korea, which often has political instability, and recorded investment in that subsidiary company by cost method. During the current year, the Company reviewed the allowance for impairment loss of this investment by considering discounted cash flows prepared by the Company's management. The Company therefore decided to record the allowance for impairment amounting to Baht 14 million in the allowance for impairment of investment in an associate account in the consolidated financial statements and recorded the allowance for doubtful accounts for the long-term loans to subsidiaries in the separate financial statements.

During the current year, a subsidiary invested Euro 7,428 or equal to approximately Baht 0.3 million in Loxley Pacific Hong Kong Co., Limited, represented 25% of the registered share capital of that company.

13. Other long-term investments

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Non-marketable equity securities				
Thai Metal Processing Company Limited	22,500	22,500	22,500	22,500
Crown Century Holdings Limited	64,270	-	-	-
Total non-marketable equity securities	86,770	22,500	22,500	22,500
Held-to-maturity debt securities				
Subordinated debentures of BBL PLC.	11,000	11,000	-	-
Total held-to-maturity debt securities	11,000	11,000	-	-
Total other long-term investments	97,770	33,500	22,500	22,500

On 29 August 2013, a meeting of the Board of Directors of Siam Pacific Electric Wire and Cable Company Limited passed a resolution to invest in 7,800,000 shares of 5% non-cumulative convertible preferred stock of Crown Century Holdings Limited at a price of HKD 2 per share. The total investment value was Baht 64 million which represented 4 percent of the registered share capital. Crown Century Holdings Limited was incorporated in Hong Kong and its principle activities are investment holding and import and export trading.

During the year 2013, the Company received dividend from the long-term investments at Baht 3 million (2012: Baht 3 million).

14. Investment properties

The net book value of investment properties as at 31 December 2013 and 2012 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Land - not being used for operation	Condominium and office building for rent	Total	Land - not being used for operation	Condominium and office building for rent	Total
31 December 2013						
Cost	19,068	11,363	30,431	19,068	-	19,068
<u>Less</u> Accumulated depreciation	-	(4,667)	(4,667)	-	-	-
<u>Less</u> Allowance for diminution in value	(1,250)	-	(1,250)	(1,250)	-	(1,250)
Net book value	17,818	6,696	24,514	17,818	-	17,818
31 December 2012						
Cost	19,068	11,363	30,431	19,068	-	19,068
<u>Less</u> Accumulated depreciation	-	(4,099)	(4,099)	-	-	-
<u>Less</u> Allowance for diminution in value	(3,335)	-	(3,335)	(3,335)	-	(3,335)
Net book value	15,733	7,264	22,997	15,733	-	15,733

A reconciliation of the net book value of investment properties for the years 2013 and 2012 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Net book value at beginning of year	22,997	24,233	15,733	16,401
Depreciation charged	(568)	(568)	-	-
Reversal of allowance for impairment loss (recorded)	2,085	(668)	2,085	(668)
Net book value at end of year	24,514	22,997	17,818	15,733

The fair value of the investment properties as at 31 December 2013 and 2012 is stated below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Land - not being used for operation	375,870	343,300	375,870	343,300
Condominium and office building for rent	20,279	20,077	-	-

The fair values of the above investment properties have been determined based on market price valuations performed by the accredited independent valuers.

15. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Land	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	
Cost:							
1 January 2012	202,364	1,022,481	3,581,825	108,481	81,971	14,292	5,011,414
Additions	-	857	15,207	6,781	7,451	146,029	176,325
Disposals	-	(293)	(237,030)	(9,961)	(7,518)	-	(254,802)
Transfers	-	3,294	48,098	491	3,047	(54,930)	-
Translation adjustment	-	(1,535)	(3,667)	(58)	(93)	-	(5,353)
31 December 2012	202,364	1,024,804	3,404,433	105,734	84,858	105,391	4,927,584
Additions	-	862	6,874	4,577	3,604	127,480	143,397
Disposals	-	(533)	(431,739)	(6,000)	(9,320)	-	(447,592)
Transfers	-	84,625	84,046	1,914	7,125	(177,710)	-
Translation adjustment	-	6,493	15,545	235	393	-	22,666
31 December 2013	202,364	1,116,251	3,079,159	106,460	86,660	55,161	4,646,055
Accumulated depreciation:							
1 January 2012	-	(804,925)	(3,361,333)	(93,990)	(55,725)	-	(4,315,973)
Depreciation for the year	-	(32,894)	(51,098)	(5,194)	(10,124)	-	(99,310)
Depreciation on disposals	-	293	235,090	9,928	7,416	-	252,727
Translation adjustment	-	537	2,638	35	69	-	3,279
31 December 2012	-	(836,989)	(3,174,703)	(89,221)	(58,364)	-	(4,159,277)
Depreciation for the year	-	(33,388)	(52,492)	(5,328)	(9,874)	-	(101,082)
Depreciation on disposals	-	533	431,544	5,955	8,719	-	446,751
Translation adjustment	-	(2,583)	(11,943)	(151)	(317)	-	(14,994)
31 December 2013	-	(872,427)	(2,807,594)	(88,745)	(59,836)	-	(3,828,602)
Net book value:							
31 December 2012	202,364	187,815	229,730	16,513	26,494	105,391	768,307
31 December 2013	202,364	243,824	271,565	17,715	26,824	55,161	817,453
Depreciation for the year							
2012 (Baht 85 million included in manufacturing cost, and the balance in selling and administrative expenses)							99,310
2013 (Baht 87 million included in manufacturing cost, and the balance in selling and administrative expenses)							101,082

(Unit: Thousand Baht)

Separate financial statements

	Land	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:							
1 January 2012	149,013	512,904	1,711,064	67,363	49,477	7,890	2,497,711
Additions	-	564	7,234	2,483	4,001	57,506	71,788
Disposals	-	-	(88,120)	(5,162)	(3,089)	-	(96,371)
Transfers	-	194	15,248	266	2,631	(18,339)	-
31 December 2012	149,013	513,662	1,645,426	64,950	53,020	47,057	2,473,128
Additions	-	424	2,896	2,336	1,996	47,515	55,167
Disposals	-	-	(236,710)	(2,428)	(7,130)	-	(246,268)
Transfers	-	7,589	63,519	666	7,126	(78,900)	-
31 December 2013	149,013	521,675	1,475,131	65,524	55,012	15,672	2,282,027
Accumulated depreciation:							
1 January 2012	-	(396,092)	(1,596,463)	(57,197)	(27,157)	-	(2,076,909)
Depreciation for the year	-	(20,245)	(20,924)	(3,200)	(7,846)	-	(52,215)
Depreciation on disposals	-	-	88,114	5,150	2,987	-	96,251
31 December 2012	-	(416,337)	(1,529,273)	(55,247)	(32,016)	-	(2,032,873)
Depreciation for the year	-	(19,990)	(24,163)	(3,143)	(7,875)	-	(55,171)
Depreciation on disposals	-	-	236,683	2,394	6,823	-	245,900
31 December 2013	-	(436,327)	(1,316,753)	(55,996)	(33,068)	-	(1,842,144)
Net book value:							
31 December 2012	149,013	97,325	116,153	9,703	21,004	47,057	440,255
31 December 2013	149,013	85,348	158,378	9,528	21,944	15,672	439,883
Depreciation for the year							
2012 (Baht 44 million included in manufacturing cost, and the balance in selling and administrative expenses)							52,215
2013 (Baht 48 million included in manufacturing cost, and the balance in selling and administrative expenses)							55,171

As at 31 December 2013 and 2012, the Company and its subsidiary had vehicles under finance lease agreements with net book values amounting to Baht 0.4 million and Baht 12 million, respectively (The Company only: Baht 0.4 million, 2012: Baht 11 million).

As at 31 December 2013 and 2012, certain plant and equipment items had been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 3,165 million and Baht 3,389 million, respectively (The Company only: Baht 1,481 million, 2012: Baht 1,639 million).

As at 31 December 2013, the subsidiary companies have pledged assets amounting to approximately Baht 83 million and RMB 6 million (2012: Baht 91 million and RMB 6 million) as collateral against credit facilities received from financial institutions.

16. Short-term loans from financial institutions and trust receipts

Short-term loans from financial institutions carry interest at rates of 6.1 - 6.6% per annum (2012: 6.2 - 6.9% per annum) while trust receipts carry interest at rates of 1.2 - 1.8% per annum (2012: 1.3 - 2.1% per annum). These are secured by pledges of fixed deposits of a subsidiary, by the mortgage of land, building and land leasehold right and the pledge of machinery by two subsidiaries and by guarantee provided by a subsidiary.

17. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Trade payables - related parties	5,549	52,487	2,313	8,902
Trade payables - unrelated parties	370,647	214,759	256,858	138,877
Other payables - related parties	1,700	1,606	431	406
Other payables	20,684	14,096	5,136	4,508
Accrued expenses	145,429	133,631	101,702	76,830
Total trade and other payables	544,009	416,579	366,440	229,523

18. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Defined benefit obligation at beginning of year	174,452	85,127	151,321	61,385
Current service cost	9,877	4,897	8,107	2,957
Interest cost	6,987	3,201	6,062	2,208
Benefits paid during the year	(4,531)	(31,767)	(3,611)	(28,223)
Actuarial (gains) losses	(5,219)	33,525	(5,429)	33,525
Past service costs	11,481	79,469	11,481	79,469
Defined benefit obligation at end of year	193,047	174,452	167,931	151,321
Unrecognised transitional provisions	(31,926)	(47,890)	(23,491)	(35,237)
Unrecognised past service costs	(66,806)	(60,453)	(66,806)	(60,453)
Provisions for long-term employee benefits at end of year	94,315	66,109	77,634	55,631

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Current service cost	9,877	4,897	8,107	2,957
Interest cost	6,987	3,201	6,062	2,208
Transitional liability recognised during the year	15,964	13,565	11,746	9,348
Past service costs recognised during the year	5,129	19,016	5,129	19,016
Total expenses recognised in profit or loss	37,957	40,679	31,044	33,529
Line items under which such expenses are included in profit or loss				
Cost of sales	25,430	19,131	20,510	13,903
Selling and administrative expenses	12,527	21,548	10,534	19,626

The cumulative amount of actuarial gains (losses) recognised in other comprehensive income and taken as part of retained earnings of the Company and its subsidiaries as at 31 December 2013 amounted to Baht 28 million (2012: Baht 34 million) (The Company only: Baht 28 million and 2012: Baht 34 million).

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated financial statements		Separate financial statements	
	2013 (% per annum)	2012 (% per annum)	2013 (% per annum)	2012 (% per annum)
Discount rate	4.3	3.8 - 4.0	4.3	3.8
Average future salary increase rate (depending on age)	6.0	6.0	6.0	6.0
Average staff turnover rate (depending on age)	0.0 - 18.0	0.0 - 15.0	0.0 - 10.0	0.0 - 9.0

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

(Unit: Thousand Baht)

	Defined benefit obligation		Experience adjustments on the obligation	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Year 2013	193,047	167,931	7,207	6,910
Year 2012	174,452	151,321	24,459	21,969
Year 2011	85,127	61,385	-	-

19. Statutory reserve

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

20. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Raw materials and consumables used and purchase finished goods	5,048	5,801	1,969	2,507
Changes in finished goods and work in progress	25	(44)	35	(46)
Salary and wages and other employee benefits	504	484	331	289
Packing expenses	163	148	129	118
Fabrication expenses	35	26	35	42
Electric expenses	167	127	63	58
Repair and maintenance expenses	46	60	37	45
Depreciation and amortisation	103	102	55	52
Commission expenses	76	53	60	43
Allowance for doubtful accounts (reversal)	(24)	(13)	16	(3)

21. Compensation from floods

During the year 2012, a subsidiary received documentation of agreement to the amount of compensation for which insurance companies are responsible, as assessed by an independent surveyor. The subsidiary therefore recorded compensation for losses from flooding amounting to Baht 149 million in the income statement.

During the current year, the subsidiary fully collected the compensation for losses from flooding.

22. Income tax

Income tax expenses for the years ended 31 December 2013 and 2012 are made up as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
		(Restated)		(Restated)
Current income tax:				
Interim corporate income tax charge	87,403	128,346	79,136	99,218
Deferred tax:				
Relating to origination and reversal of temporary differences	3,881	26,630	(2,022)	(3,330)
Effects of changes in the applicable tax rates	-	1,546	-	1,331
Income tax reported in the statements of income	91,284	156,522	77,114	97,219

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2013 and 2012 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
		(Restated)		(Restated)
Deferred tax relating to actuarial gains (losses)	1,044	(6,705)	1,086	(6,705)

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2013 and 2012

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
		(Restated)		(Restated)
Accounting profit before tax	395,961	666,528	522,302	417,134
Applicable tax rate	20% and 25%	23% and 25%	20%	23%
Accounting profit before tax multiplied by applicable tax rate	77,957	153,094	104,460	95,941
Adjustment in respect of current income tax of previous year	-	548	-	-
Effects of changes in the applicable tax rates	-	1,546	-	1,331
Effects of:				
Additional taxable income	63	-	2,417	3,361
Tax-exempt income	(1,263)	(6,580)	(34,889)	(3,536)
Non-deductible expenses	3,194	2,005	5,190	216
Additional expense deductions allowed	(276)	(124)	(64)	(94)
Loss for the current year	11,609	6,033	-	-
Total	13,327	1,334	(27,346)	(53)
Income tax expenses reported in the statement of comprehensive income	91,284	156,522	77,114	97,219

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

Statements of financial position

	Consolidated financial statements			Separate financial statements		
	As at	As at	As at	As at	As at	As at
	31 December	31 December	1 January	31 December	31 December	1 January
	2013	2012	2012	2013	2012	2012
		(Restated)			(Restated)	
Deferred tax assets						
Trade accounts receivable and inventories (differences in revenue recognition)	1,033	5,159	-	634	5,159	-
Allowance for doubtful accounts	3,267	7,976	12,110	1,408	935	1,775
Allowance for diminution in value of inventories	8,626	10,704	41,686	6,583	5,398	9,063
Allowance for impairment of investment in subsidiary	11,657	11,657	11,657	-	-	-
Allowance for asset impairment	250	667	713	250	667	533
Provision for accrued vacation leave	612	520	-	474	520	-
Provision for long-term employee benefits	18,863	13,222	5,345	15,527	11,126	3,864
Provision for loss on onerous sale contracts	-	135	-	-	135	-
Tax loss for the year	807	-	-	-	-	-
Total	45,115	50,040	71,511	24,876	23,940	15,235

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

As at 31 December 2013 the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 201 million (2012: Baht 170 million), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe that they might not be used to offset taxable income in the future.

23. Earnings per share

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

24. Segment information

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 president of the group.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and have four reportable segments as follows:

- The power cable segment, which consists of aluminum conductor power cable, copper conductor power cable and high-voltage power cable
- The communication cable segment
- The enameled wire segment, which consists of enameled copper wire and enameled aluminum wire
- The fiber optic cable segment

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company and its subsidiaries' operating segments for the years ended 31 December 2013 and 2012, respectively.

(Unit: Million Baht)

	For the year ended 31 December											
	Power cable segment		Communication cable segment		Enameled wire segment		Fiber optic cable segment		Other segments		Consolidated	
	2013	2012 (Restated)	2013	2012 (Restated)	2013	2012 (Restated)	2013	2012 (Restated)	2013	2012 (Restated)	2013	2012 (Restated)
Revenue												
Sales	2,943	3,164	347	585	3,228	3,186	285	261	55	88	6,858	7,284
Segment profit	562	535	80	112	113	73	112	75	14	82	881	877
Unallocated income and expenses												
Other income											46	253
Selling expenses											(159)	(131)
Administrative expenses											(331)	(283)
Finance expenses											(44)	(49)
Share of profit from investment in associate											3	-
Profit before income tax expense											396	667
Income tax expense											(91)	(157)
Profit for the year											305	510
Non-controlling interests of the subsidiaries											(9)	(6)
Profit attributable to equity holders of the Company											296	504

Geographic information

Revenue from external customers is based on locations of the customers.

(Unit: Million Baht)

	2013	2012
Revenue from external customers		
Thailand	4,990	5,345
China	1,170	1,154
Hong Kong	321	422
Vietnam	187	199
Others	190	164
Total	6,858	7,284
Non-current assets (other than deferred tax assets)		
Thailand	1,133	1,027
China	95	96
Total	1,228	1,123

Major customers

For the year 2013, the Company and its subsidiaries have revenue from one major customer in amount of Baht 803 million, arising from sales by the power cable segment (for the year 2012, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues.)

25. Provident fund

The Company together with its subsidiary and their employees has jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The employees, the Company and its subsidiary contribute to the fund monthly at the rate of 5 percent of basic salary. The fund of the Company, which is managed by Bank of Ayudhya Public Company Limited and the fund of the subsidiary, which is managed by Bangkok Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2013, the Company and its subsidiary contributed Baht 7 million (2012: Baht 7 million) (the Company only: Baht 5 million, 2012: Baht 4 million) to the fund.

26. Dividends

	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2011	Annual General meeting of the shareholders on 23 April 2012	198,952	0.5
Final dividends for 2012	Annual General meeting of the shareholders on 23 April 2013	238,743	0.6

27. Commitments and contingent liabilities

27.1 Capital commitments

As at 31 December 2013, the Company and its subsidiaries had capital commitments of approximately Baht 5 million relating to the construction of factory building improvement and USD 1 million relating to acquisition of machinery (31 December 2012: Baht 39 million relating to the construction of factory building improvement and Baht 3 million relating to acquisition of machinery).

27.2 Operating lease and service commitments

As at 31 December 2013 and 2012, the Company and its subsidiary had commitments in respect of the lease of equipment, factory building and office building and the respect of service as follows:

(Unit: Million Baht)

	Unrelated parties		Related parties	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Payable within 1 year	8	5	17	-
Payable within 2 - 5 years	-	-	18	-

(Unit: Million TWD)

	Unrelated parties		Related parties	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Payable within 1 year	-	-	2	-

27.3 Commitment to purchase raw materials

As at 31 December 2013 and 2012, the Company and its subsidiary had commitments to purchase raw materials as follows:

As at 31 December 2013

The Company and its subsidiaries	The Company only	Pricing/Metric ton	Foreign currency
(Metric ton)	(Metric ton)		
12,520 - 15,470	3,700	reference to the market price	
100	-	51,603	RMB
1,050	200	7,258.95 - 7,414.89	US dollar
50	50	230,180	Baht

As at 31 December 2012

The Company and its subsidiaries	The Company only	Pricing/Metric ton	Foreign currency
(Metric ton)	(Metric ton)		
9,300 - 10,450	4,200	reference to the market price	
300	300	7,900 - 8,100	US dollar

27.4 Guarantee

a) As at 31 December 2013, the Company and subsidiary had guarantee obligations for bank credit lines of two subsidiaries at approximately Baht 75 million, USD 5 million and RMB 21 million (2012: Baht 75 million, USD 5 million and RMB 21 million).

b) As at 31 December 2013 and 2012, there were the following outstanding bank guarantees issued by the banks in respect of certain performance bonds required in the normal course of business by the Company and its subsidiaries.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Letter of guarantee for bidding	270	129	270	120
Letter of guarantee for performance in accordance with the contracts	838	791	817	765
Letter of guarantee for utilities usage	35	25	19	10
	1,143	945	1,106	895

28. Financial instruments**28.1 Financial risk management**

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise the following:

Financial assets

- Cash and cash equivalents
- Current investments
- Trade and other receivables
- Restricted bank deposit
- Long-term loans to subsidiary
- Other long-term investments

Financial liabilities

- Short-term loans from financial institutions
- Trust receipts
- Trade and other payables
- Short-term loans from related company

The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures. In addition, the Company and its subsidiaries sold goods to credit worthiness customers such as state enterprise and government agencies and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since they have the large customer bases. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries are exposure to interest rate risk relates primarily to its cash at banks, short-term loans, debentures, trust receipts and financial lease liabilities. Most of the Company's and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

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

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2013

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective interest rate
	Within 1 year	Over 5 years				
						(% p.a.)
Financial assets						
Cash and cash equivalents	725	-	567	44	1,336	0.1 - 3.1
Trade and other receivables	-	-	-	2,304	2,304	-
Restricted bank deposit	262	-	-	-	262	1.6 - 2.3
Other long-term investments	-	11	-	87	98	4.4
	987	11	567	2,435	4,000	
Financial liabilities						
Short-term loans from financial institutions	214	-	120	-	334	6.1 - 6.6
Trust receipts	-	-	749	-	749	1.2 - 1.8
Trade and other payables	-	-	-	544	544	-
Short-term loans from related company	-	-	-	6	6	-
	214	-	869	550	1,633	

(Unit: Million Baht)

Separate financial statements as at 31 December 2013

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years				
						(% p.a.)
Financial assets						
Cash and cash equivalents	200	-	334	9	543	0.4 - 3.1
Trade and other receivables	-	-	-	1,242	1,242	-
Long-term loans to subsidiary	-	-	20	-	20	2.0 - 2.3
Other long-term investments	-	-	-	23	23	-
	200	-	354	1,274	1,828	
Financial liabilities						
Trust receipts	-	-	161	-	161	1.3 - 1.5
Trade and other payables	-	-	-	366	366	-
	-	-	161	366	527	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2012

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years				
						(% p.a.)
Financial assets						
Cash and cash equivalents	254	-	874	34	1,162	0.3 - 2.8
Current investments	190	-	-	-	190	2.9 - 3.6
Trade and other receivables	-	-	-	2,206	2,206	-
Restricted bank deposit	262	-	-	-	262	1.8 - 2.8
Other long-term investments	-	11	-	23	34	4.4
	706	11	874	2,263	3,854	
Financial liabilities						
Short-term loans from financial institutions	-	-	305	-	305	6.2 - 6.9
Trust receipts	794	-	115	-	909	1.3 - 2.1
Trade and other payables	-	-	-	417	417	-
Short-term loans from related company	-	-	-	6	6	-
	794	-	420	423	1,637	

(Unit: Million Baht)

Separate financial statements as at 31 December 2012

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective interest rate
	Within 1 year	1 - 5 years				
						(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	285	7	292	0.7 - 1.4
Current investments	100	-	-	-	100	3.6
Trade and other receivables	-	-	-	1,099	1,099	-
Long-term loans to subsidiary	-	-	14	-	14	1.4 - 2.8
	100	-	299	1,106	1,505	
Financial liabilities						
Trust receipts	-	-	115	-	115	1.3 - 1.9
Trade and other payables	-	-	-	230	230	-
	-	-	115	230	345	

Foreign currency risk

The Company and its subsidiaries are exposure to foreign currency risk arises mainly from trading transactions and borrowings that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

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

Foreign currency	Financial assets as at 31 December		Financial liabilities as at 31 December		Average exchange rate as at 31 December	
	2013	2012	2013	2012	2013	2012
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	6	12	26	33	32.8136	30.6316

The Company and its subsidiaries had no foreign exchange contracts at 31 December 2013 and 2012.

28.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

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

29. Capital management

The primary objective of the Company and its subsidiaries capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2013, the Group's debt-to-equity ratio was 0.40:1 (2012: 0.41:1) and the Company's was 0.18:1 (2012: 0.14:1).

30. Approval of financial statements

These financial statements were authorised for issue by the authorised director of the Company on 28 February 2014.

Fee to the Auditor

1. Audit fee

The Company and its subsidiaries paid audit fee to :

- The Company's auditor for the year 2013 totaling Baht 4,920,000.
- Other than the Company's auditor but, related individual or related company of the Company's auditor for the year 2013 totaling Baht 0.

2. Non-audit fee

The Company and its subsidiaries paid non-audit fee for the year 2013 totaling Baht 0.

Charoong Thai Wire & Cable Public Company Limited

Head Office : 589/71 Floor 12A, Central City Tower,
Bangna-Trad Road, Bangna, Bangkok 10260, Thailand

Telephone : 0 2745 6118-30

Fax : 0 2745 6131-32

Factory : 35/1 Moo 22 Suwinthawong Road, Saladang
Bang Nam Prieu District, Chachoengsao 24000

Telephone : 0 3859 3401-10

Fax : 0 3859 3400

website :

www.ctw.co.th

email :

sales@ctw.co.th



www.ctw.co.th

“The investors can study more information about Charoong Thai Wire & Cable Plc.
From Annual Information Disclosure Form (56-1 Form) on www.sec.or.th
or the Company’s website www.ctw.co.th”