



Annual Report 2014

INTEGRITY
QUALITY
SERVICE

Union Plastic Public Company Limited



Good Governance

Our Contribution



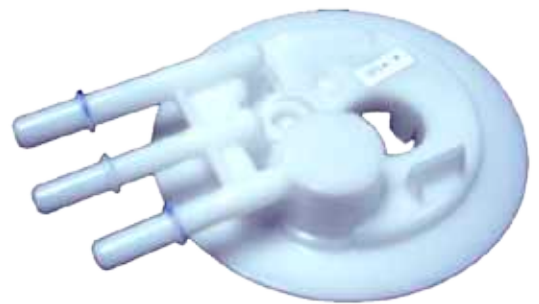


Vision

“To be leading company to provide holistic plastic part production in ASEAN region”

Missions

1. To enhance competitive potential and customer satisfaction so as to become leader in product quality and delivery on time.
2. Make a difference for customers by utilizing our experiences and expertise.
3. To have good corporate governance and manage operation by considering interest of stakeholders, communities and environments.



Values

1. Adhere to quality and tangible results, work with effectiveness, place emphasis on quality and cost management.
2. Commit to excellence, set challenging goals and exert our best effort.
3. Adhere to honesty basing on business ethics.
4. Seek knowledge from all aspects and make the best use of it.
5. Create unity among employees and promote teamwork.
6. Develop potential of employees in aspects of knowledge and abilities, encourage them to express their points of views and do the right things.
7. Seek opportunities from changes and implement into tangible action.



Quality Policy

We committed to create products and services to satisfy our customers, based on continuous improvement.

Environmental Policy

The company emphasizes responsibilities towards environmental conversation by adhering to the following guidelines:

1. Strictly comply with the Industrial Estate Authority of Thailand Act, the law, and related environmental regulations.
2. Advocate efficient environmental utilization for maximum benefits.
3. Focus on the pollution management and prevention as well as environmental impact by setting goals and objective to be carried out, revised and continually improved.
4. Instill environmental conscience to employees via training and encouragement to participate.



CONTENTS

02	Report of Board of Directors	19	Remunerations of the Directors and Executives
03	Major Financial and Information Summary	21	Good Corporate Governance
04	Board of Directors	21	1. Shareholders' Rights
05	Bio-data of Board of Directors and Company Secretary	22	2. Equitable Treatment to Shareholders
10	Company's Business Overview	23	3. Stakeholders' Roles
11	Corporate Social Responsibility (CSR) Activities	25	4. Information Disclosure and Transparency
12	Respect for Human Rights and Fair Operating Practices	26	5. The Board of Directors' Responsibilities
13	Shareholding Structure and Management	29	Control on Use of Internal Information
13	• Shareholders	29	Internal Control
13	(1) Top 10 Shareholders of Union Plastic PCL.	30	Risk Factors
13	(2) The Directors' Shareholdings	32	Management Discussion and Analysis on Financial Status and Operation Results
13	• Dividend Payment	42	Audit Committee's Report
14	• Management	43	Board of Directors' Responsibilities for the Financial Report
14	• Organization Chart	44	Independent Auditor's Report
14	• The Board of Directors' Structure and Management	46	Financial Statements
15	• Names and Scope of authorities of each Committee	53	Notes to Financial Statements
15	1. The Board of Directors	82	Audit Fee
16	2. The Audit Committee	83	Related Party Transactions
18	3. The Nomination and Remuneration Committee	86	General Information
18	4. The Company's Management	88	SET Information References Guide Under Form 56-2
19	The Nomination of Directors and Executives		

REPORT OF BOARD OF DIRECTORS



In 2014, the business of Union Plastic Public Company Limited, the manufacturer of plastic parts for industries, was greatly affected by the political situations which were uncertain in the first and second quarter of 2014. As a result, the purchase orders for parts of customers in the automotive industry and electrical appliance industry dramatically decreased. In the meantime, the purchasing power of consumers tended to decline due to the uncertainty of such situations. According to the dramatic shrinkage of markets, it resulted in more price competition with the Company's rivals. Quotations were offered below the actual price in order to seize market shares. In addition, the increment of energy value, especially electricity with automatic energy adjustment charge (Ft) almost every quarter, caused the higher production costs.

According to the situations in 2015, the Company estimates that situations tend to be better compared to the previous year as the Company is trusted by the automotive manufacturers to produce plastic parts for assembling new models of automobiles which the production will be started in the second quarter of 2015.

According to its consolidated financial statements of 2014, the Company had its incomes from sale and services in an amount of 744.98 million Baht, which was decreased by 166.57 million Baht, equivalent to 18.27% from those of 2013; and had its total incomes of 798.64 million Baht, which was decreased by 168.01 million Baht, equivalent to 17.38% from those of the previous year; and had its net profit as per the consolidated financial statements in a part of the Company's shareholders amounted to 47.40 million Baht, which was calculated as the profit of 1.90 Baht per share.

On behalf of the Board of Directors, I wish to express our sincerest thanks to all executives, employees, shareholders, customers and business partners of the Company, as well as all related parties, who have been providing continuous support to the Company's business activities. I insist that the Company will do its best to have good operating results and our business administration will base on the principles of moral, integrity and transparency as well as corporate social and environment responsibility to deserve the long-lasting trusts and confidence in the Company from all of you.



(Miss Dalad Saphavichaikul)

Chairman

Union Plastic Public Company Limited

MAJOR FINANCIAL AND INFORMATION SUMMARY

Unit : 1,000 (Baht)

	2014	2013	2012	2011	2010
Revenues	(Restated)				
Total Revenues	798,648	966,657	1,081,540	849,156	926,216
Sales	744,987	911,552	1,029,585	782,723	890,957
Interest income	-	-	-	-	-
Other income	53,661	55,106	51,954	66,433	35,259
Share of profit from investment in associate	1,361	1,736	860	679	137
Profit (Loss) before finance cost and income tax expenses	54,064	84,154	106,023	67,271	62,857
Finance cost	-	3	-	-	53
Income tax expenses	6,654	10,749	18,925	10,954	13,875
Profit for the year	47,410	73,402	87,194	57,657	50,470
Non-controlling interests of subsidiary	-	-	(96)	(1,340)	(1,541)
Net Profit (Loss) (Consolidated financial statements)	47,410	73,402	87,098	56,318	48,929
Net Profit (Loss) (Separate financial statements)	46,798	72,166	86,820	56,467	50,595
Earning per share (Baht) (Consolidated financial statements)	1.90	2.94	3.49	2.31	2.02
Earning per share (Baht) (Separate financial statements)	1.87	2.89	3.47	2.26	2.02
Dividend					
Issued and fully paid-up shares (shares)	25,000	25,000	25,000	25,000	25,000
Dividend per share (Baht/share)	1.87	2.85	3.65	2.20	2.00
Total Dividend Payment (Baht)	46,750	71,250	91,250	55,000	50,000
Dividend Payment Ratio (%) (Separate financial statements)	99.90	98.73	106.30	97.40	98.82
Total Assets	735,090	763,512	810,587	740,041	739,230
Total Liabilities	158,007	162,592	191,825	145,353	162,301
Total Shareholders' equity	577,083	600,920	618,762	594,688	576,929
Major Financial Ratio Summary					
Liquidity Ratio (times)	3.24	3.22	2.85	3.36	2.64
Current Ratio (times)	1.02	0.91	1.39	0.93	0.62
Gross Profit (%)	10.37	13.04	13.94	9.77	12.20
Net Profit (%)	5.94	7.59	8.06	6.79	5.45
Return on Equity (%)	8.05	12.04	14.37	9.94	8.98
Return on Assets (%)	6.33	9.33	11.25	7.86	6.86
Debt to Equity Ratio (times)	0.27	0.27	0.31	0.25	0.28

BOARD OF DIRECTORS



Miss Dalad Saphavichaikul
Chairman



**Assoc. Prof. Dr. Pakpachong
Vadhanasindhu**
Chairman of the Audit Committee/
Independent Director/Nomination
and Remuneration Committee



Mr. Bancherd Tanglerpaibul
Audit Committee/Independent Director/
Chairman of Nomination
and Remuneration Committee



Miss Jutatip Arunanondchai
Audit Committee/Independent Director



Mr. Supod Kantavijit
Managing Director



Mr. Thitivat Suebsaeng
Director



Mrs. Chantontree Darakananda
Director



Mr. Vacharaphong Darakananda
Director



Mr. Nanthiya Darakananda
Director

BIO-DATA OF BOARD OF DIRECTORS AND COMPANY SECRETARY

Miss Dalad Saphavichaiikul

- Chairman

Age 58 years

Education

- Master's Degree in Computer Science, University of Illinois at Urbana - Champaign, U.S.A.
- Bachelor's Degree (First Class Honor) in Economics, Chulalongkorn University

IOD's Training

- Awarded Diploma by passing the Examination of Australian IOD Year 2001
- Director Certification Program (DCP) Class 9/2001
- Finance for Non-Finance Director (FND) Class 1/2003
- Audit Committee Program (ACP) Class 10/2005

Experiences

- 1999 - 2007 Executive Director and Vice President, Saha-Union Public Company Limited
- 1999 - 2011 Director, Saha-Union Public Company Limited

Current Positions

Listed Companies

- 1995 - Present Director, Union Textile Industries Public Company Limited
- 2012 - Present President, Saha-Union Public Company Limited
- 2012 - Present Chairman of the Risk Management Committee, Saha-Union Public Company Limited
- 2012 - Present Chairman, Union Pioneer Public Company Limited
- May 2014 - Present Chairman, Union Plastic Public Company Limited

Other Positions

Saha-Union Group Companies

- 2012 - Present Chairman, Union Nifco Co., Ltd.
- 2013 - Present Chairman, Union Zojirushi Co., Ltd.
- 2013 - Present Chairman, Union Micronclean Co., Ltd.
- 2013 - Present Chairman, Union Stainless Steel Products Co., Ltd.
- March 2014 - Present Chairman, Union Thai-Nichiban Co., Ltd.
- 2014 - Present President, Computer Union Co., Ltd.
- Chairman and Director, Other Companies in Saha-Union Group

Other Companies

- 1989 - Present Director, Processing Center Co., Ltd.

Years of Directorship 4 years

Assoc. Prof. Dr. Pakpachong Vadhanasindhu

- Chairman of the Audit Committee/Independent Director/Nomination and Remuneration Committee

Age 64 years

Education

- B.A., M.A. in Commerical and Accounting, Chulalongkorn University
- MBA. U. OF NEBRASKA AT OMAHA
- DBA., UNITED STATES INTERNATIONAL UNIVERSITY

IOD's Training

- Director Accreditation Program (DAP) Class 58/2009
- Audit Committee Program (ACP) Class 36/2011
- Monitoring Fraud Risk Management (MFM) Class 6/2011
- Monitoring the Internal Audit Function (MIA) Class 12/2012
- Monitoring the Quality of Financial Reporting (MFR) Class 15/2012
- Monitoring the System of Internal Control and Risk Management (MIR) Class 14/2013

Experiences

- 2004 - 2008 Director of Master Management in International Business Program
- 2003 - 2007 Head of the International Business Management Course, Faculty of Commerce and Accountancy, Chulalongkorn University
- 2004 - 2012 Sub-committee of Indices Determination for Assessment of the State Enterprises, Ministry of Finance
- 2008 - 2010 Director of the Technology and Innovation Management Program, Chulalongkorn University
- 2011 - 2013 Chairman of the Risk Management Committee and Independent Director, Cambodian Commercial Bank Ltd.

Current Positions

Listed Companies

- Chairman of the Audit Committee and Independent Director, Union Plastic Public Company Limited

Other Positions

- Present, Lecturer on Business Ethic, Strategic Management, Entrepreneur
- Present, Business Advisor for Organization and Personnel Management, Strategic Planning, Strategic Management and Innovation.

Years of Directorship 6 years

Mr. Bancherd Tanglertpaibul

- Audit Committee/Independent Director/
Chairman of Nomination and Remuneration
Committee

Age 56 years

Education

- B.A. in Faculty of Laws, Thammasat University

IOD's Training

- Director Accreditation Program (DAP) Class 79/2009
- Audit Committee Program (ACP) Class 36/2011
- Monitoring Fraud Risk Management (MFM) Class 6/2011
- Monitoring the Internal Audit Function (MIA) Class 12/2012
- Monitoring the Quality of Financial Reporting (MFR) Class 15/2012
- Monitoring the System of Internal Control and Risk Management (MIR) Class 14/2013

Experiences

- 2000 - Present Managing Director, Top Ocean Consolidation Service (Bangkok) Co., Ltd.

Current Positions

Listed Companies

- Audit Committee and Independent Director,
Union Plastic Public Company Limited

Other Positions

Other Companies

- Managing Director,
Top Ocean Consolidation Service (Bangkok) Co., Ltd.

Years of Directorship 6 years

Miss Jutatip Arunanondchai

- Audit Committee/Independent Director

Age 43 years

Education

- BSc in Mathematics with Management, Imperial College, University of London, UK
- Master Degree
 1. MBA in International Management, University of Exeter, UK
 2. MA in Architectural Interior Design, University of Wales, UK
 3. MA in Economics Law, Chulalongkorn University

IOD's Training

- Director Accreditation Program (DAP) Class 78/2009
- Audit Committee Program (ACP) Class 26/2009
- Monitoring the Internal Audit Function (MIA) Class 5/2009
- Monitoring the System of Internal Control and Risk Management (MIR) Class 6/2009
- Monitoring Quality of Financial Reporting (MFR) Class 9/2009
- Monitoring Fraud Risk Management (MFM) Class 6/2011

Experiences

- 1994 - 1999 Manager, Daiwa Europe Co., Ltd.
- 2002 - 2005 Corporate Finance Manager, TA Orange Co., Ltd.
- 2005 - Present Executive Director, Ratchaburi Sugar Co., Ltd. and Group Companies
- 2009 - Present Independent Director and Nomination and Remuneration Committee, Thai Sugar Terminal Public Company Limited

Current Positions

Listed Companies

- Audit Committee and Independent Director,
Union Plastic Public Company Limited
- Independent Director and Nomination and Remuneration Committee, Thai Sugar Terminal Public Company Limited

Other Positions

Other Companies

- Executive Director, Ratchaburi Sugar Co., Ltd. and Group Companies
- Executive Director, Ratchaburi Ethanol Co., Ltd.
- Executive Director, Tippamas Co., Ltd.
- Director, Net Gadget Co., Ltd.
- Director, T.S.G. Asset Co., Ltd.
- Director, T.S. Oil Industry Co., Ltd.
- Director, T.S. Transport and Logistics Co., Ltd.

Years of Directorship 6 years

Mr. Supod Kantavijit

- Managing Director

Age 56 years

Education

- MBA. in Management, Kasetsart University

IOD's Training

- Director Accreditation Program (DAP) Class 93/2011
- Audit Committee Program (ACP) Class 38/2012

Experiences

- 1992 - 2001 General Manager, Union Nifco Co., Ltd.
- 2002 - 2005 Managing Director, Union Stainless Steel Products Co., Ltd.
- 2006 - January 2012 Managing Director, Union Zojirushi Co., Ltd.

Current Positions**Listed Companies**

- 2012 - Present Managing Director,
Union Plastic Public Company Limited

Other Positions**Saha-Union Group Companies**

- 2011 - Present Managing Director,
Union Stainless Steel Products Co., Ltd.
- 2012 - Present Director, Union Zojirushi Co., Ltd.

Years of Directorship 3 years**Mr. Thitivat Suebsaeng**

- Director

Age 61 years

Education

- Ph.D. in Chemistry, Marquette University, U.S.A.
- M.Sc. in Inorganic Chemistry, Chiangmai University
- B.Sc. in Chemistry, Chiangmai University

IOD's Training

- Director Accreditation Program (DAP) Class 21/2004

Experiences

- 1990 - 1991 Head of Departments, Chemistry, Faculty of Science, Ramkhamhaeng University
- 2003 - 2007 Director and General Manager,
Saha-Union Investment (China) Co., Ltd.
- 2007 - March 2013 Chairman, Union Zojirushi Co., Ltd.
- 2007 - February 2013 Chairman,
Union Stainless Steel Products Co., Ltd.
- 2007- March 2014 Chairman, Union Thai-Nichiban Co., Ltd.
- 2008 - December 2011 President,
Saha-Union Public Company Limited
- March 2008 - April 2012 Chairman, Union Garment Co., Ltd.
- March 2008 - April 2013 Chairman, Union Micronclean Co., Ltd.
- March 2008 - December 2013 Director, Union Textile Industries Public Company Limited
- April 2008 - December 2011 Director,
Union Pioneer Public Company Limited
- April 2008 - April 2012 Chairman, Union Universe Co., Ltd.
- June 2008 - March 2013 Director,
TenCate-Union Protective Fabrics Asia Limited
- August 2008 - March 2014 Director,
Union Technology (2008) Public Company Limited
- January 2010 - December 2011 Managing Director,
Union Plastic Public Company Limited
- January 2012 - May 2014 Chairman,
Union Plastic Public Company Limited
- April 2012 - 2013 Director, Union Garment Co., Ltd.
- April 2012 - April 2014 Director, Union Universe Co., Ltd.

Current Positions**Listed Companies**

- Director, Saha-Union Public Company Limited
- Director, Union Plastic Public Company Limited

Other Positions**Saha-Union Group Companies**

- Director, Union Stainless Steel Products Co., Ltd.
- Director, Union Zojirushi Co., Ltd.
- Director, Union Nifco Co., Ltd.
- Director, Union Rubber Products Corp., Ltd.
- Director, Yunnan Energy Luliang-Union Power Co., Ltd.

Years of Directorship 22 years

Mrs. Chantorntree Darakananda

- Director

Age 50 years

Education

- Doctor of Medicine, Chulalongkorn University

IOD's Training

- Director Accreditation Program (DAP) Class 5/2003

Experiences

- 1994 - 2008 Deputy Managing Director, Union Industries Corp., Ltd.
- 1997 - 2008 Director, Union Spinning Mills Co., Ltd.
- 2002 - 2008 Deputy Managing Director, Union Thread Industries Co., Ltd.
- 2002 - 2008 Director, Saha-Union Public Company Limited
- 2002 - 2009 Director, Union Capital Co., Ltd.
- 2002 - 2009 Director, Union Textile Industries Public Company Limited
- 2002 - 2011 Director, Pro-Lab Co., Ltd.
- 2013 - September 2014 Director, Saha-Union Public Company Limited
- 2013 - March 2014 Director, Union Technology (2008) Public Company Limited

Current Positions

Listed Companies

- September 2014 - Present Executive Vice President, Saha-Union Public Company Limited
- June 2014 - Present Director, Union Plastic Public Company Limited

Other Positions

Saha-Union Group Companies

- 2002 - Present Director, Uni-Fibre Co., Ltd.
- 2002 - Present Director, Union Asset Management Co., Ltd.
- 2009 - Present Deputy Managing Director, Venus Thread Co., Ltd.
- 2009 - Present Deputy Managing Director, Union Zip Co., Ltd.
- 2013 - Present Director, Union Property Co., Ltd.
- April 2014 - Present Director, Union Multi-Capital Co., Ltd.
- May 2014 - Present Director, The Royal Hotel Co., Ltd.

Other Positions

Other Companies

- 1990 - Present Director, Ladphrao Hospital Public Company Limited
- 2012 - Present Director, Union Sime Darby (Thailand) Ltd.
- 2012 - Present Chairman, Pro-Lab Co., Ltd.

Years of Directorship 6 Months

Mr. Vacharaphong Darakananda

- Director/Nomination and Remuneration Committee

Age 49 years

Education

- Bachelor's Degree in Physics, Harvey Mudd College, California, U.S.A.

IOD's Training

- Director Accreditation Program (DAP) Class 2/2003
- Awarded Diploma by passing the Examination of Australian IOD Year 2006
- Director Certification Program (DCP) Class 69/2006
- Role of the Compensation Committee (RCC) Class 15/2012

Experiences

- 1990 - May 2013 Director, Computer Union Co., Ltd.
- 1999 - 2000 General Manager, Saha-Union Public Company Limited (Sriracha Operation)
- 2001 - December 2006 Director, Union Textile Industries Public Company Limited
- Assistant Manager, Venus Thread Co., Ltd.
- 2007 - 2008 Director, Union Thai-Nichiban Co., Ltd.
- 2007 - January 2012 Managing Director, Union Zojirushi Co., Ltd.
- 2007 - March 2014 Managing Director, Union Technology (2008) Public Company Limited

Current Positions

Listed Companies

- Director, Saha-Union Public Company Limited
- Director, Union Plastic Public Company Limited
- Director, Union Pioneer Public Company Limited

Other Positions

Saha-Union Group Companies

- Managing Director, Union Technology Co., Ltd.
- Managing Director, Union Thai-Nichiban Co., Ltd.
- Managing Director, Union Zojirushi Co., Ltd.
- Director, Union Industries Corp. Ltd.
- Director, Union Thread Industries Co., Ltd.
- Director, Union Spinning Mills Co., Ltd.
- Director, Venus Thread Co., Ltd.
- Director, Computer Union System Co., Ltd.
- Director, Thai Rubber Enterprise Co., Ltd.
- Director, Union Rubber Products Corp., Ltd.
- Director, Union Nifco Co., Ltd.
- Director, Union Micronclean Co., Ltd.
- Director, Union Construction Co., Ltd.
- Director, Union Chamchuri Co., Ltd.

Years of Directorship 14 years

Mr. Nanthiya Darakananda

- Director

Age 46 years

Education

- Master's Degree in Business Administration, SASIN Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor's Degree in Applied Physics, University of California, Davis, U.S.A.

IOD's Training

- Director Accreditation Program (DAP) Class 2/2003

Experiences

- 1996 - September 2013 Director, Union Button Corp., Ltd.
- Assistant to Vice Executive Chairman, Saha-Union Public Company Limited

Current Positions**Listed Companies**

- 1993 - Present Director, Union Pioneer Public Company Limited
- 1996 - Present Director, Saha-Union Public Company Limited
- 1998 - Present Director, Union Plastic Public Company Limited

Other Positions

- None -

Years of Directorship 16 years

Mr. Amarin Patranawik

- Company Secretary

Age 60 years

Education

- B.A. in Faculty of Law, Ramkhamhaeng University

Experiences

- 1980 - 2008 Lawyer, Saha-Union Public Company Limited
- 1983 - Present Lawyer
- 1987 - Present Company Secretary and Assistant Company Secretary, Saha-Union Group Companies
- 1990 - Present Legal Consultant, Saha-Union Savings and Credit Co-operative Limited

Current Positions**Listed Companies**

- Assistant Manager, the Corporate Secretariat Office, Saha-Union Public Company Limited
- Company Secretary, Union Pioneer Public Company Limited
- Company Secretary, Union Plastic Public Company Limited (Appointed for Company Secretary since 2009)

Other Positions**Saha-Union Group Companies**

- Company Secretary, Union Garment Co., Ltd.
- Company Secretary, Union Micronclean Co., Ltd.
- Company Secretary, Union Rubber Products Corp., Ltd.
- Company Secretary, Thai Rubber Enterprise Co., Ltd.

Years of the Company Secretary 5 Years

COMPANY'S BUSINESS OVERVIEW

As the manufacturer and provider of manufacturing services of plastic parts and injection molds, the Company's operations are as follows:

1. Provide the service of manufacturing the industrial plastic parts through Thermoplastic Injection Molding. In addition, the Company provides fully integrated production process such as Furnishing, Spray painting, Assembling, Silkscreen, Hot Stamp and Plastic Welding by Ultrasonic Welding. Bangpakong Production Factory has also increased its production capacity and modernized its production process to meet the requirement of customers.

2. Provide the service of manufacturing plastic injection molds by using CAD/CAM/CAE technology to design and manufacture the molds and applying High Speed Machining to speed up the molding process.

Significant change and development

For the business operation and management, during the past year the company has been supplied with new equipment and manufacturing-related tools to improve the production efficiency, maintain products quality, and cost reduction which includes the production cost. This is to say, the company has improved the working environment by the development of new floor plant to support large machineries up to the standard as well as deployed software in the system in order to smoothen operation.

Characteristics of Products and Services

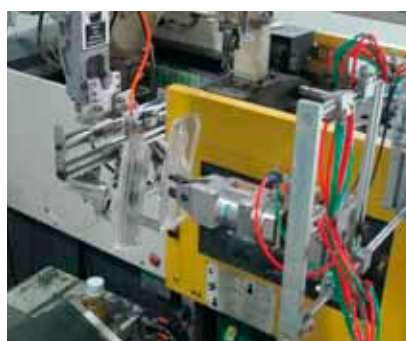
The Company's classifications of products, which are divided according to the requirements of customers, are as follows:

1. Plastic parts including automotive parts, parts of electrical appliances, household products and vacuum bottle.
2. Plastic injection mold for assembling the production of plastic parts consists of molds of automotive parts, molds of electrical appliance parts and other types of molds according to customers' requirements.
3. Painting on plastic parts as specified in Item 1 requiring high quality and delicacy for both Air Dry paint and 2K paint

Revenues Structure

The Company's main revenues derive from manufacturing and sale of plastic parts and the plastic injection molds. Details are as follows:

Products/Services	2014 Revenues (Thousand Baht)	%	2013 Revenues (Thousand Baht)	%	2012 Revenues (Thousand Baht)	%
1. Plastic Parts	722,748	90.41	839,246	86.82	987,453	91.31
2. Molds	22,239	2.78	72,306	7.48	42,132	3.89
3. Other Revenues	54,411	6.81	55,106	5.70	51,955	4.80
Total Revenues	799,398	100	966,658	100	1,081,540	100



CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES



Religious Activities : Buddhist Ceremony

On Sunday 26th October 2014, representatives of management and employees of Union Plastic Public Company Limited and Saha-Union Group Companies, jointly presented bestowed Kathin robe to Wat Rakhang Kositaram Woramahawihan Temple, Bangkok.



Religious Activities : Islamic Ceremony

On Friday 26th December 2014, representatives of management and employees of Union Plastic Public Company Limited and Islamic religious leaders to conduct annual merit making ceremony to mark end of year and celebrate New Year.



Environmental Activities

On Wednesday, 7th October 2014, representatives of employees jointly presented cartons of milk and fruit juice, which were donated by UP employees through the project "Waste Classification for Society and Environment" for the 3rd Year. The Company has collaborated with Beverage Carton Producers Club to recycle beverage cartons to teaching materials for schools in the Club's network. The project aims to reduce amount of carbon dioxide released into the atmosphere.



Community Activities

On Thursday, 5th June 2014, representatives of management and employees participated in the project "UP restore Clean Water to the Community" to mark the World Environment Day 2014. The project collaborated with the Office of Bang Chan Industrial Estate to release bio extracts into Saen Saeb canal at Wat Bumpen Nua Temple, Bangkok, so as to conserve and restore clean water in the canal.



Social Activities

On August 7th, 2014, representatives of the Management and employees attended the "UP Sharing Dreams and Contribution to Kids" Project by donating consumer goods and funds to children at Ban Dek Ramintra School, Bangkok, under the jurisdiction of Christian Foundation for the Blinds in Thailand under the Royal Patronage of H.M. the King, Bangkok.

RESPECT FOR HUMAN RIGHTS AND FAIR OPERATING PRACTICES



Management offered appreciation to retired employees

On Thursday, 20th February 2014, the management of the Company jointly expressed their appreciation to the retired staffs who have been working with the company with diligence and endeavor.



Organize training programs to increase labor productivity of enterprise

In May 2014, the Company cooperated with the Bangkok Skill Development Center (Wat Thad Thong) and Federation of Thai Industries to jointly organize training programs to increase labor productivity in accordance with requirement of enterprise and educate employees during operation.



Provide Annual Physical Examination for All Employees

On Wednesday 17th and Wednesday 24th September 2014, recognizing the importance of well-being of employees, the Company provided annual physical examination for all employees, especially employees who are at risk.



Opportunities to promote learning

The Company has provided opportunities to promote learning by initiating policy to accept bilateral students to take internship and enhance their professional skills so as to increase workforce in the market.

SHAREHOLDING STRUCTURE AND MANAGEMENT

Shareholders

(1) Top ten shareholders of Union Plastic Public Company Limited are as follows:

No.	Names of Shareholders	Number or Shares Held		Percentage (%)	
		April 4 th , 2013	April 3 rd , 2014	April 4 th , 2013	April 3 rd , 2014
1.	Saha-Union Public Company Limited	12,380,130	12,380,130	49.52	49.52
2.	Sri Thai Super Ware Public Company Limited	2,400,000	2,400,000	9.60	9.60
3.	Bangkok Insurance Public Company Limited	2,093,160	2,093,160	8.37	8.37
4.	Mr. Tinnakorn Thongthai	580,000	707,200	2.32	2.83
5.	Mrs. Kanjana Suwantavit	512,240	512,240	2.05	2.05
6.	Mr. Krit Thongthai	535,520	494,120	2.14	1.98
7.	Mrs. Porntip Wiraseranee	0	450,000	0	1.80
8.	Mr. Sumeth Darakananda	449,720	449,720	1.80	1.80
9.	Wattana Soponpanich Company Limited	253,660	253,660	1.01	1.01
10.	Ms. Sasipha Thongthai	249,600	249,600	1.00	1.00

(2) The directors' shareholdings are as follows :

No.	Names of Shareholders	Number or Shares Held		Percentage (%)	
		2013	2014	2013	2014
1.	Ms. Dalad Saphavichaikul	-	-	-	-
2.	Assoc. Prof. Dr. Pakpachong Vadhanasindhu	-	-	-	-
3.	Mr. Bancherd Tanglerpaibul	9,660	9,660	0.04	0.04
4.	Ms. Jutatip Arunanondchai	-	-	-	-
5.	Mr. Supod Kantavijit	-	-	-	-
6.	Mr. Thitivat Suebsaeng	-	-	-	-
7.	Mrs. Chantornree Darakananda	-	-	-	-
8.	Mr. Vacharaphong Darakananda	-	-	-	-
9.	Mr. Nanthiya Darakananda	-	-	-	-

Remarks

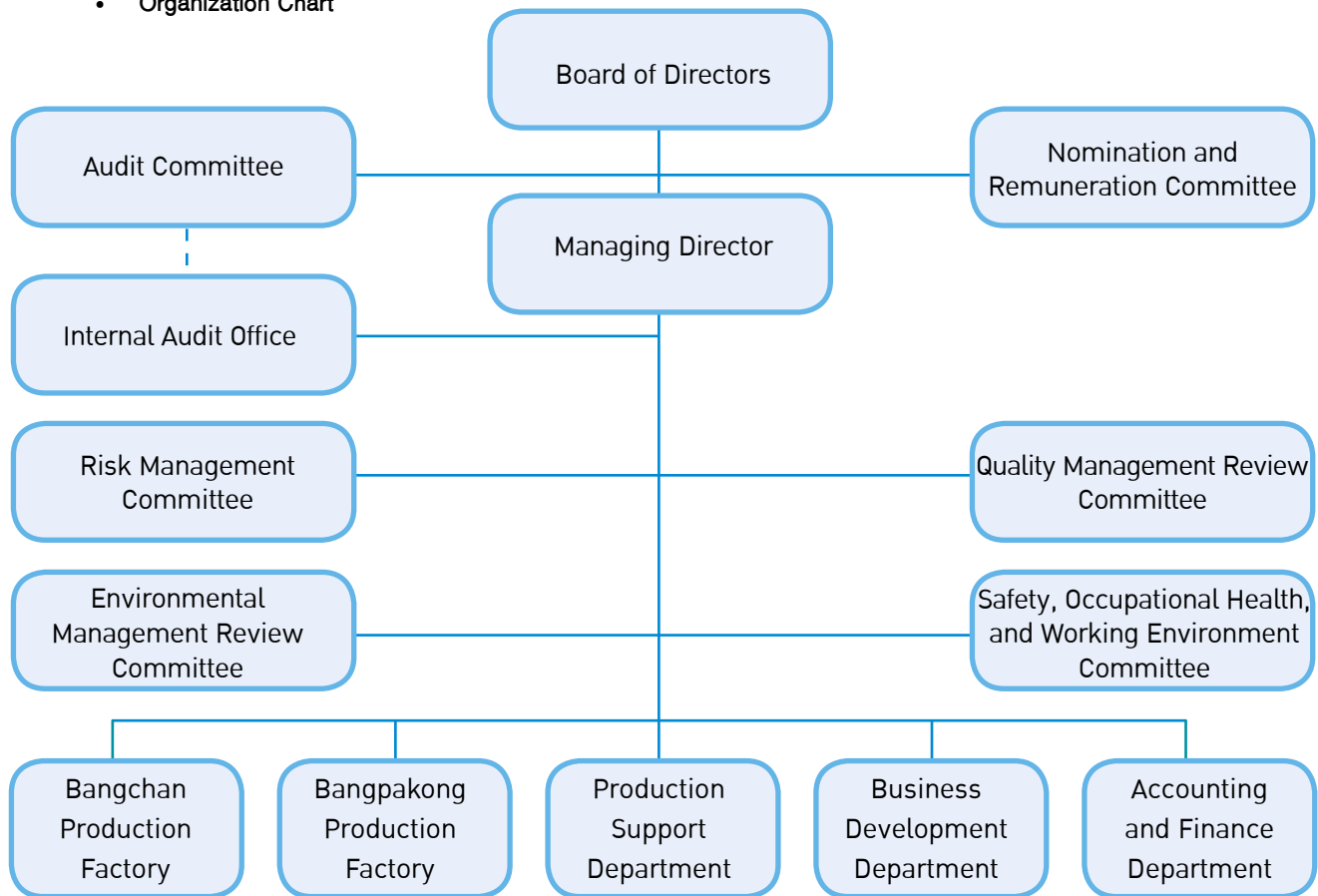
1. Ms. Dalad Saphavichaikul was appointed as the Chairman in place of Mr. Thitivat Suebsaeng since May 22nd, 2014 at the Board of Directors Meeting No. 5/2557 on May 21st, 2014.
2. Mrs. Chantornree Darakananda was appointed as the Director in place of Ms. Sriwarin Jirapakkana since June 20th, 2014 at the Board of Directors Meeting No. 6/2557 on June 18th, 2014.

Dividend Payment

The Company's dividend payment policy is in accordance with its operation results at the rate of not less than one-third of annual net profit after the deduction of accumulated loss (if any) according to the separate financial statement

Management

• Organization Chart



The Board of Directors' Structure and Management

The Board of Director consists of directors who are either outsiders or full-time executives selected from the qualified, knowledgeable, and capable individuals with experiences from various occupations. Their authorities are to supervise and manage the Company in pursuance of the law, objective, rules and regulations, and resolutions of the Board of Directors' Meetings as well as shareholders' meetings. In addition, they must preserve the interests of the shareholders with integrity, care, vigilance, transparency, and independent from the management for the maximum benefits of the Company, shareholders, and relevant individuals.

The Board of Directors must comprise not less than 5 directors and not less than half of the total number of the directors must reside in Thailand. Furthermore, not less than three-fourth of the directors must have Thai nationality. Pursuant to the Company's regulations, one-third of the directors are required to have rotation in office of every year.

The directors' elections must be carried out in the Annual General Meeting of Shareholders, the procedure of which is as follows:

- (1) One shareholder is entitled to one vote per share.
- (2) Directors may be voted for individually or in group of the required number of directors as deemed appropriate. In each voting, shareholders must exercise their voting rights according to (1) and must not divide the voting right and transfer to any persons or groups.
- (3) Directors are elected by majority vote and in the case of a tie the Chairman will cast the final vote. In the case where the number of directors is less than the quorum, the remaining directors only have the right to act on behalf of the Board to arrange a shareholder meeting only for the purpose of acquiring directors to attain The required number. This must be conducted within 1 month since the date of which the number of directors is less than the quorum and the replacing directors' terms of office is equivalent to the remaining terms of the resigned directors.

- Directors' Nomination Criteria and Procedure**

The candidates for the director positions must possess the following qualifications:

- (1) Must not possess forbidden characteristics as stipulated in the laws on public limited companies, securities and stock exchange laws, and good corporate governance of listed companies.
- (2) Be knowledgeable, capable, and independent to perform their duties of care and duties of loyalty and must fully dedicate their time to the Company. Also, they must be competent, matured, healthy both physically and spiritually, creative, straightforward and must not be reluctant to express their ideas in meetings and/or must be reputable businessmen with good working records and ethics.
- (3) Be an expert in at least one area, for example business, accounting and finance, strategic management, good corporate governance, law, or rules and regulations.
- (4) The Nomination and Remuneration Committee is responsible for proposing individuals with the above-mentioned qualifications to the Board for approval prior to acquiring approval from shareholders.

Names and scope of authorities of each committee are as follows :

1. The Board of Directors

The Company has set the number of directors and the composition of the board. With the approval of the Board of Directors and the general meeting of shareholders.

The Board of Directors comprises 9 members, the information of their attendances are as follows:

No.	Name	Position	2013			2014		
			No. of Meeting Attendances			No. of Meeting Attendances		
			Board of Directors	Audit Committee	Nomination and Remuneration Committee	Board of Directors	Audit Committee	Nomination and Remuneration Committee
1.	Ms. Dalad Saphavichaikul	Chairman	12/12			12/12		
2.	Assoc. Prof. Dr. Pakpachong Vadhanasindhu	Chairman of the Audit Committee/ Independent Director/ Nomination and Remuneration Committee	11/12	4/4	1/1	12/12	4/4	2/2
3.	Mr. Bancherd Tanglerpaibul	Audit Committee/Independent Director/ Chairman of Nomination and Remuneration Committee	10/12	4/4	1/1	12/12	4/4	2/2
4.	Ms. Jutatip Arunanondchai	Audit Committee/Independent Director	8/12	3/4		11/12	4/4	
5.	Mr. Supod Kantavijit	Managing Director	12/12			12/12		
6.	Mr. Thitivat Suebsaeng	Director	12/12			12/12		
7.	Mrs. Chantornree Darakananda	Director	-			6/6		
8.	Mr. Vachaphong Darakananda	Director/Nomination and Remuneration Committee	12/12		1/1	12/12		2/2
9.	Mr. Nanthiya Darakananda	Director	11/12			9/12		
	Ms. Sriwarin Jirapakkana	Director	12/12			5/6		
With Mr. Amarin Patranawik as the Company Secretary								

Scope of the Board of Director's Authorities

1. Regulate policies and direction of the Company as well as supervise the Management to operate in conformity with the policies effectively.
2. Appoint and terminate employees through either one director or more on behalf of the Company.
3. Reward the Company's officers, employees, or any individuals who work for the Company either full-time or part-time.
4. Set the interim dividend to shareholders.
5. Operate in accordance with the law, objectives, the Company's regulations, and resolutions of the shareholders' meetings.
6. The Board of Directors may appoint one director, directors, or other persons to act on behalf of the Board, in this respect, signatures of two directors with company stamp are required.

The Company Secretary

Mr. Amarin Patranawik was appointed for the Company Secretary position since 2009, his responsibilities are described in Article 89/15, Article 89/17, Article 89/18 and Article 89/23 of the Securities and Exchange Act (Volume 4) B.E. 2551

The Board of Directors consists of 3 independent directors are as follows:

No	Name	Position
1.	Assoc. Prof. Dr. Pakpachong Vadhanasindhu	Independent Director
2.	Mr. Bancherd Tanglerpaibul	Independent Director
3.	Ms. Jutatip Arunanondchai	Independent Director

Criteria of Independent Directors' Nomination

The independent directors are selected based on the basis of their knowledge, capabilities, experiences, and understanding of the Company's business as well as related businesses. They must also have visions and adequate time to perform their duties and the post will be offered by the Company. The Company believes that the above-mentioned independent directors can utilize their knowledge and capabilities as well as appropriately provide useful suggestions regarding its operations. The Company has set the number of independent directors according to the minimum requirement of the Securities and Exchange Commission which prescribes that the number of independent must be at least one-third of the total number of directors. The independent directors' qualifications must be in compliance with the minimum requirement of the Securities and Exchange Commission in order that they are genuinely independent and suitable for the Company's business.

The Board of Directors' Meetings

The Board of Directors' Meeting takes place at least once a month to follow-up on the operations to ensure that the objectives and plans are fulfilled. In 2014, there were 12 Board of Directors' Meetings and were attended by the directors who were not engaged in other arrangement.

2. The Audit Committee

The Audit Committee is appointed by the Board of Directors, comprising directors whose qualifications are in compliance with the notifications of the Capital Market Commission, the Securities and Exchange Commission (SEC), and the Stock Exchange of Thailand (SET) which stipulate that there must be at least 3 members, one of which must be knowledgeable and experience enough to review the credibility of financial statements. In addition, all directors must have independence and do not hold the position of chairman or managing director. The Audit Committee has the right to appoint one advisor and felicitous officer to act as the Committee's Secretary.

The term of office of the Audit Committee is 2 years and the directors who resign in rotation can be re-appointed. In case of termination for other reasons other than resignation in rotation, the Board will appoint qualified personnel in replacement to attain the required number of directors as specified by the Board. The replacing directors' terms of office are equivalent to the remaining terms of the resigned directors. Besides, the Audit Committee is authorized by the Board to perform their tasks which are related to the Management, Internal Control, auditor, and other units in order to achieve their goals. Other divisions are required to follow their roles and duties concerning the Audit Committee as specified in the regulations of the Audit Committee.

The Audit Committee comprises 3 directors are as follows:

No	Name	Position
1.	Assoc. Prof. Dr. Pakpachong Vadhanasindhu	Chairman of the Audit Committee
2.	Mr. Bancherd Tanglerpaibul	Audit Committee
3.	Ms. Jutatip Arunanondchai	Audit Committee
With Mrs. Achara Maneesawath / Internal Audit Manager as the Secretary		

Scope of Duties and Responsibilities of the Audit Committee

- Review the Company's financial reports to ensure that they are correct, sufficient, and in accordance with generally-accepted accounting standards.
- Examine the appropriateness and effectiveness of the internal control system as well as the internal audit. Monitor the independence of the Internal Audit Office and approve the appointment, transfer, and termination of the Internal Audit Manager.
- Review to make sure that the Company operates in full compliance with securities and stock exchange laws, the Stock Exchange of Thailand's regulations, and concerned laws.
- Consider, screen, and propose independent individuals to act as the Company's auditor as well as suggest their remunerations. Attend meetings with auditor without participation of the Management at least once a year.
- Review related transactions or transaction that may cause conflicts of interest so that they are in conformity with the laws and the Stock Exchange of Thailand's regulations to ensure that they are sensible and contribute to the maximum benefits of the Company.
- Prepare Audit Committee's reports to be disclosed in the Company's annual report. Such reports must be signed by the Chairman of the Audit Committee and at least contain the following information:
 - Opinions on the correctness, completeness, and reliability of the Company's financial reports.
 - Opinions on the adequacy of the internal control system.
 - Suggestions on the Company's operations in pursuance of the securities and stock exchange laws, the Stock of Exchange's regulations, and related laws.
 - Recommendations on the auditor's felicitousness.
 - Opinions on the transactions with possible conflict of interest.
 - The number of meetings of the Audit Committee and attendances of each director.
 - Overall suggestions or observations on the Audit Committee's performance carried out according to the charter or its regulations.
 - Other transactions which shareholders and investors should be aware of within the scope of duties and responsibilities as assigned by the Board.
- Make sure that problems are rectified by the Management in timely manner.
- Follow-up and evaluate operating results which are regarded as crucial by the Audit Committee.
- Perform other tasks as assign by the Board.

3. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee is appointed by the board of Directors and two-third of the member are independent directors and do not hold the position of the Company's Chairman.

- The Nomination and Remuneration Committee consists of 3 directors are as follows:

No.	Name	Position
1.	Mr. Bancherd Tanglertpaibul	Chairman of Nomination and Remuneration Committee
2.	Assoc. Prof. Dr. Pakpachong Vadhanasindhu	Nomination and Remuneration Committee
3.	Mr. Vacharaphong Darakananda	Nomination and Remuneration Committee

Scope of Duties and Authorities of the Nomination and Remuneration Committee

- Screen and propose candidates for the new director(s) to be considered in the Board of Directors' Meeting.
- Set forth the direction to select directors according to the criteria and procedure in this regard.
- Set the directors' remuneration policies.
- Determine and propose the directors' remunerations for the Board's consideration.

4. The Company's Management comprises:

(1) The Managing Director is recruited and appointed by the Board of Directors. Their authorities are also assigned by the Board. They must be qualified, competent, and possess appropriate experience to be able to maintain the Company's interest. Additionally, they must operate in full compliance with the policies assigned by the Board and run the business with due regard to the shareholders and stakeholders.

(2) The executives and organization chart of the current organization structure consists of 5 units; the details of which are as follows:

2.1. The Managing Director's Office includes Quality Management Representative, Quality Management Review Committee, Risk Management Committee, Safety, Occupational Health, and Working Environment Committee, Environmental Management Review Committee, Safety and Environmental Unit, Environmental Management Representative, Internal Audit Office, Personnel and Administration Division, Purchasing Division, and Information Technology Section.

2.2 Production Unit involves Plastic Parts Factories, Spray Painting and Assembly Factory, and Mold Manufacturing Factory.

2.3 Production Support Unit includes Engineering Division, Quality Assurance Division, Maintenance Division, Material Store Division and Production Technical Support Division and Mold Trial Division.

2.4 Business Development Office comprises Marketing Division and Sales Division.

2.5 Accounting and Finance Office consists of Accounting and Finance Division.

The Company's Management consists of 6 executives are as follows:

Name	Position	Education
1. Mr. Supod Kantavijit	Managing Director	M.B.A., in Management Kasetsart University
2. Mr. Wichit Amphaiwan	Bangchan Production Factory Manager	Junior High School
3. Mr. Wisit Saitaidoo	Bangpakong Production Factory Manager	High Vocational Certificate
4. Mr. Anupong Rengputipong	Business Development Manager	M.B.A., Ramkhamhaeng University
5. Mr. Khosit Thepchaleram	Accounting & Financial Manager	B.A., in Accounting Dhurakig Pundit University
6. Mrs. Achara Maneesawath	Internal Audit Manager	M.P.P.M., National Institute of Development Administration

Scope of Duties and Authorities of the Management

1. Initiate and fulfill operation plans as assigned by the Board to achieve goals and objectives.
2. Supervise and follow-up on the policies and operation plans as assigned by the Board.
3. Screen as well as approve important and urgent issues within the scope of authorities and budget set by the Board and propose to the Board for approval.
4. Study and seek opportunities of new business to be proposed to the Board for approval.
5. Perform other tasks as assigned by the Board.

The Nomination of Directors and Executives

The nomination of directors is based on the criteria and procedure stated in "The Board of Directors' Structure and Management". The directors act as the Company's representatives in maintaining the shareholders' interests and have the authority to supervise and manage the Company in accordance with the law, the Company's objectives, regulations and policies including resolutions of the Board of Directors' Meetings as well as shareholders' meetings. They must perform their duties with integrity, care, prudence, transparency with the aim of attaining maximum benefits for the Company, shareholders, and stakeholders. The Company's executives are outsiders or permanent and full-time executives recruited from qualified, competent individuals with experiences in various fields to operate as per the above-mentioned scope of duties and authorities.

Remunerations of the Directors and Executives

Remunerations of the Directors

The company has a transparent policy to prescribe the remunerations of the directors, which has been considered by the Nomination and Remuneration Committee and approved by shareholders.

Remunerations of the directors are comparable with the industry practices and determined by considering experiences, responsibilities, and roles and obligations, including the benefits that are expected to be utilized from each director. The directors with additional responsibilities are entitled to receive higher remunerations, such as the Audit Committee will be eligible for a meeting fee.

Managing Director and Executives' remunerations are in accordance with the principles and policies prescribed by the Board and are also in line with each executive's performance.

Remunerations and other monetary remunerations of the Directors and Sub-Committees

Pursuant to the Company's regulations, the directors have the rights to receive remunerations from the Company in the form of money, meeting fees, allowances, pension, bonus, or other forms of remunerations according to the regulations or as deemed appropriate in the shareholders' meetings. The criteria of which may be laid down permanently or until further notice or it may be applicable for that particular case.

The executives' remunerations are in accordance with the principles and policies prescribed by the Board and are also in line with each executive's performance.

Remunerations and other monetary remunerations of Directors and Sub-Committees

- **Remunerations and other monetary remunerations of Directors and Sub-Committees** are as follows:

Remark : As per the resolution of the Shareholders' Meeting of April 23rd, 2014, the approved budget of which was not to exceed 1,500,000 Baht.

No.	Name	Position	2013				2014			
			Remunerations (Baht)				Remunerations (Baht)			
			Board of Directors	Audit Committee	Nomination and Remuneration Committee	Total	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Total
1.	Ms. Dalad Saphavichaikul	Chairman	96,000			96,000	96,000			96,000
2.	Assoc. Prof. Dr. Pakpachong Vadhanasindhu	Chairman of the Audit Committee/ Independent Director/ Nomination and Remuneration Committee	96,000	132,000	6,000	234,000	96,000	132,000	12,000	240,000
3.	Mr. Bancherd Tanglertpaibul	Audit Committee/ Independent Director/ Chairman of Nomination and Remuneration Committee	96,000	120,000	6,000	222,000	96,000	120,000	12,000	228,000
4.	Ms. Jutatip Arunanondchai	Audit Committee/ Independent Director	96,000	120,000		216,000	96,000	120,000		216,000
5.	Mr. Supod Kantavijit	Managing Director	96,000			96,000	96,000			96,000
6.	Mr. Thitivat Suebsaeng	Director	96,000			96,000	96,000			96,000
7.	Mrs. Chantornree Darakananda	Director	-			-	48,000			48,000
8.	Mr. Vacharaphong Darakananda	Director / Nomination and Remuneration Committee	96,000		6,000	102,000	96,000		12,000	108,000
9.	Mr. Nanthiya Darakananda	Director	96,000			96,000	96,000			96,000
	Ms. Sriwarin Jirapakkana	Director	96,000			96,000	48,000			48,000
total			864,000	372,000	18,000	1,254,000	864,000	372,000	36,000	1,272,000

- **Other monetary remunerations of Directors and Sub-Committees** : - none -

Remunerations of Executives

- **Remunerations of Executives** are as follows :

Position	Salary and bonus per year (Baht)
Managing director and Executives	7.9 million baht

- **Other remunerations of Executives**

The Company contributed to the provident funds of Managing Director and 4 Executives at the rate of 3% of base salary.

GOOD CORPORATE GOVERNANCE

Category 1 : Shareholders' Rights

Category 2 : Equitable Treatment to Shareholders

Category 3 : Stakeholders' Roles

Category 4 : Information Disclosure and Transparency

Category 5 : The Board of Directors' Responsibilities

Good corporate governance policy

In 2014, the Company operated in conformity with the Stock Exchange of Thailand's good corporate governance by taking into consideration its responsibilities toward employees, shareholders, customers, competitors, community, society, environment, and all stakeholders to create balance for every party. Also, the Company was managed under the motto "Integrity Quality Service". The operations of which are as follows:

Category 1 : Shareholders' Rights

- **Shareholders' rights policy**

The shareholders' rights and the promotion of the exercise of such rights were taken into consideration by covering basic legal rights such as dividend, share acquisition and transfer, sufficient receipt of news and information, vote casting to appoint or terminate directors in shareholders' meetings, approve directors' remuneration, auditor's appointment and approve audit fee, and any other issues affecting the company, etc.

- **The opportunity provided to shareholders to study the information prior to shareholders' meetings**

- In 2014, the 21st Annual Shareholders' Meeting took place on 23rd April, 2014 at the auditorium, head office of Saha-Union Public Company Limited situated at 1828 Sukhumvit Road, Bangchak, Prakanong, Bangkok.

- Complete and correct sets of letter of invitation with date, time, venue, agendas, information, and documents were submitted to shareholders.

- The above-mentioned documents were sent to shareholders no less than 7 days prior to the meeting.

- The letter of invitation, information, and documents both in Thai and English were posted 30 days prior to the meeting (posted on 21st March, 2014) on the company's website, <http://www.unionplastic.co.th>, as well as in the News for the Stock Exchange of Thailand.

- **Facilities Provided to Shareholders**

- In 2014, the 21st Annual General Meeting of Shareholders was held on 23rd April, 2014 at the head office's auditorium of Saha-Union Public Co., Ltd., situated at 1828 Sukhumvit Road, Bangchak, Prakanong, Bangkok. This was due to the fact that the company's head office and branches are situated in the suburbs which are not convenient to shareholders whereas this venue is located on a main road with the sky train facility, hence a more convenient venue.

- Sufficient staff was provided to check the participating shareholders' documents. Duty stamps were also available for proxy purposes and ballots were provided for important agendas such as appointments of directors, etc.

- **Appointment of Proxy**

- In the previous Annual General Meeting of Shareholders, the Company gave an opportunity to every shareholder to authorize another person to vote on his/her behalf.

- Shareholders were required to use Proxy Form Khor (ข) so that they could cast their votes in the event of agreement, disagreement, or no vote and they could also vote for directors individually or in group of the required number of directors depending on the consent of the meeting.

- Should the shareholders want to vote by proxy via independent directors, details of independent directors, such as names, surnames, ages, addresses, were made available as well as the information on whether or not they had stakes in the matter.

- The Company proposed 2 independent directors for the shareholders to appoint in case of voting by proxy.
- List of required documents as well as suggestions on proxy procedure and criteria were supplied.
- Information on the exercise of proxy rights and procedure was posted for 30 days prior to the meeting (posted on 21st March, 2014) on the company's website as well as in the News for the Stock Exchange of Thailand.

- **Shareholders' Meetings**

- In the last Annual General Meeting of Shareholders, the shareholders were given an opportunity to register for not less than 1 hour prior to the meeting. They were also informed of the numbers of attendees and those who voted by proxy by the Chairman of the Board. All 9 directors attended the meeting and were introduced by the Chairman.

- Before the meeting, the shareholders were advised of voting criteria and procedure as well as ballot-counting practices. The shareholders had the rights to vote in accordance with the sequence of the agendas notified in the letter of invitation. They had their equal rights to cast their votes, that is to say, no shareholders' rights were limited in each agenda and no crucial information was changed during the meeting.

- The Chairman of the Meeting provided opportunities to shareholders to ask questions and expressed their opinions freely. He also completely answered all pivotal questions to the satisfaction of shareholders. Then the voting was conducted in sequential order as per the agendas, the details of which are shown in the 21st Annual General Meeting of Shareholders' Minutes of Meeting.

- The minutes of meeting were posted on the company's website as well as in the News for The Stock Exchange of Thailand within 14 days from the meeting date (posted on 2nd May, 2014).

- The elections of directors are executed in accordance with the following criteria and procedure:

- (1) A shareholder is entitled to one vote per share.

- (2) The elections of directors could be done individually or in group of the required number of directors depending on the consent of the meeting. However, each shareholder must only exercise his/her vote as per (1) and shall never divide the voting right and transfer the vote to other persons or groups.

- (3) Directors are elected by majority votes and in the case of a tie, the Chairman will cast the final vote.

Category 2 : Equitable Treatment to Shareholders

- **Policy on Equitable Treatment to Shareholders**

The Board of Directors has regulated that shareholders are treated equally and that their basic rights are protected according to Category 1 (Shareholders' rights) to create confidence to shareholders in terms of efficient use of their investments, which is a vital factor to enhance confidence to invest in the Company.

- **No additional Agendas without prior notification to the shareholders**

In the previous Annual General Shareholder Meeting, the company did not include any additional agendas other than those stated in the letter of invitation, in order that the shareholders shall have enough time to study the information before making any decision.

- **Provide the opportunity for the minority shareholders to propose the additional agendas**

- In the previous Annual General Meeting of Shareholders, the Company's policy facilitated the minority shareholders who wanted to add meeting agendas prior to the meeting by providing forms, criteria, and procedure in this respect including, setting the deadline to propose additional agendas (from 1st October, 2013 - 31st December, 2013) for the Board's consideration and the Company's decision was deemed final.

- Forms, criteria, and procedure to propose additional agendas were posted for not less than 3 months prior to the meeting on the Company's website as well as the News for the Stock Exchange of Thailand (posted on 1st October, 2013).

- All shareholders exercise their rights equally.**

- In the previous Annual General Meeting of Shareholders, the Company regulated that shareholders' voting rights are equivalent to the number of shares held i.e. one vote per share.

- Proxy Form Khor (กข) was submitted to each shareholder so that they could exercise their voting rights on agreement, disagreement, or no vote.

- In the event of elections of directors, shareholders had the rights to vote for directors individually or in group of the required number of directors depending on the consent of the meeting.

- In case of voting by proxy via independent directors, shareholders were provided with details of independent directors such as names, surnames, ages, addresses, and the information on whether or not they had stakes in the matter. The company also proposed 3 independent directors in this regard.

- List of required documents as well as suggestions on proxy procedure were supplied.

- Ballots were provided in the event of important agendas such as elections of directors, etc.

- Conflicts of Interest**

- In the case where the Company engages in business transactions with major shareholders, directors, executives, or other individuals related to them, the Board will implement measures and policies to ensure that those transactions are in consistent with general business conditions. In addition, these individuals will get the same treatment as others and the approvals of such transactions are obtained from those who have no stakes in the matters, with the Company's maximum benefits as the main objective.

- In the case where the Company approves any business transactions executed with related parties with long-term obligations such as purchases and sales of products, etc., the Company will follow-up to make sure that the agreed conditions are honored during the period when the obligation is in effect. Also, investments in concerned companies, affiliates, and subsidiaries will be regularly monitored.

- Measures on Prevention of Internal Information Usage**

- The Company has established measures and policies to prevent internal information usage to maintain confidential data. Such measures and policies are included in the Staff Handbook and the prevention system is documented. Additionally, they are notified to all employees to make sure that they are strictly complied.

- The directors and managers responsible for reporting asset possession according to the law must regularly conduct the report to the Board.

Category 3 : Stakeholders' Roles

- Policies on treatment to each group of stakeholders**

- The Company places the emphasis on the importance of every group of stakeholders and, therefore, has laid down policies to ensure that their legal rights are maintained, the summary of which is as follows :

- Employees :** The Company's policies prohibit the violation of human rights. This can be found in the work regulation section under the heading of discipline and good behavior.

The Company is committed to enhancing knowledge, good working atmosphere as well as providing various benefits to create security to its employees as follows :

- **Human Resources Development**

Training and seminars are arranged to provide knowledge and working skills to staff.

- **Safety, welfare, and benefits are extended to employees equally and fairly as follows:**

- Safety, Occupational Health, and Working Environment Committee and Staff's Welfare Committee have been established.
- Employees are provided with transportation, medical treatments, and other social welfare.
- Recreational activities as well as indoor and outdoor sports are also provided.

- **Shareholders** : The Company is consistently and earnestly responsible for its shareholders as well as determined to make profits or suitable returns to shareholders.

- **Customers** : The Company is attentive and responsible to its customers by documenting its quality policy, acquiring ISO 9001, ISO/TS 16949, producing quality products, maintaining its standards, not delivering defected products to customers, keeping customers' confidentiality, providing officers to take care of customers' complaints and take the corrective action to the problem as soon as possible.

- **Business Partners** : Product purchasing verification is on equality, transparency, fair competition basis and takes into account of the need of product, worthiness and quality. The business partner comparison is conducted without discrimination and the agreement made by and between business partners is provided with documentation system. The committee is also appointed to consider various elements of relevant work and free from discrimination.

- **Competitors** :

- The company observes fair competition rules, avoids dishonest actions as well as does not ruin its competitors.

- The company has measures to prevent fraud in the organization explicitly as prescribed in company rules and regulations under the heading of discipline.

- **Creditors** : The company complies with the loan condition or other related agreement made between the company and creditors and avoids any dishonest acts.

- **Community, Society, and Environmental Policies**

The Company has set up policies to look after community, society, and environment by advocating activities, assisting and developing social work and environment preservation with the emphasis on staff's participation in various activities.

- **Preservation of the Environment**

The Company has policies to preserve the environment by managing and controlling the company's production process to cause minimum impact to the environment, conscientiously and continually followed the environmental standards, using resources efficiently, reusing resources, and conducting energy saving measures etc. The goal is to increase maximum production and reduce pollution that could cause global warming. The Company has also emphasized on staff's participation in preserving the environment as follows :

- **Conscientiously and continually followed the environmental standards.**

The Company had been evaluated and ISO14001:2004 was bestowed by the BUREAU VERITAS CERTIFICATION (THAILAND) Limited on 18th January, 2012 (the expiration date of which is 17th January, 2015).

- **Using resources efficiently and reusing resources**

- The Company reuses used papers and one-sided papers to reduce paper waste in the factory.
 - The Company circulates hot air from the Hopper Dryer back again to reduce the workload of Heater(s). This is another way of saving energy without an effect on the operations.
 - The Company collects dumped containers such as milk and juice cartons to donate and to recycle them.

- **Energy-Saving Measures**

- The Company had improved the capacitor bank set in order to control the power factor of the high current electricity system for operation efficiency.
- The Company had installed the variable speed drive (VSD) to control the operation of the water pump for reducing the use of electricity power.
- The Company had reduced the pressure, generated from the air compressor, lower to minimum working level for reducing the use of electricity power.
- The Company had a plan to change the light bulb to energy saving type in the warehouse, however, still maintains the suitable brightness for working environment.
- The Company had improved the compressor room for reducing the air-intake temperature thus the compressor can work effectively.

- **Complaint Channels**

- The Company has initiated channels to take complaints and various leads via staff's suggestion box, concerned offices, and Independent Directors as well as the Audit Committee.
- Complaints are rectified through the process of consideration, investigation, and follow-up. The results of the follow-ups and rectifications are regularly presented in the Operation Meetings.

Category 4 : Information Disclosure and Transparency

- **Information Disclosure and Transparency Policy**

The Board has regulated that the disclosure of essential financial and non-financial information related to the Company both in Thai and English is transparent, correct, complete, and in a timely manner. This may be exercised through channels with easy access such as the Company's website, News for the Stock Exchange of Thailand, or annual reports, etc.

- **Disclosure of Directors' and Executives' Remunerations**

The Company has policies on its directors' and executives' remunerations that reflects each director's duties and responsibilities and the directors' and executives' remunerations are in compliance with the criteria and policies laid down by the Board which are in line with the Company's operating results. Each directors and senior executive's performances as well as details of their remunerations are demonstrated on page 19-20 of the Annual Report under the topic "Remunerations of the Directors and Executives".

- **Disclosure of Roles and Duties of the Board of Directors and Sub-Committees**

- The roles and authorities of the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee are described on page 15-19 of the Annual Report under the topic "Management".
- The numbers of the Board of Directors' meetings and meeting attendances of each director in the meetings of the Board, the Audit Committee, the Nomination and Remuneration Committee are shown on page 15 of the Annual Report under the topic "Management".

- **Disclosure of Last year's Performance of Sub-Committees**

The Audit Committee's performances are shown on page 42 of the Annual Report in the Audit Committee's Report.

- **Disclosure of Shareholder Structure**

The first 10 major shareholders' names are revealed on page 13 of the Annual Report under the topic "Shareholders" on the Company's website.

- **Disclosure of Related Party Transactions**

In case of related party transactions (if any), the Company has exhibited the names of individuals involved, relationships, nature of the conditional transactions, pricing policy, and value of the transactions on page 27 of the Annual Report under the topic “Conflicts of Interest”.

- **Disclosure of Directors’ and Executives’ Securities Holdings Reports**

The Company observes the guideline of SEC/SET that requires the Company to report on securities holdings annually.

- **Financial Report Disclosure**

- The Board of Directors is responsible for the Company’s and its subsidiaries’ consolidated financial reports as well as financial information appeared in the Annual Report. Such financial reports are prepared in accordance with the generally-accepted accounting standards in Thailand by applying accounting policies which are felicitous to the nature of business and have been consistently practiced. The financial reports contain correct, complete and truthful information according to accounting standards and sufficient vital information has been disclosed in the Notes to the Financial Statements.

- The Board of Directors’ Responsibility for the Financial Report was signed by the Chairman and Managing Director.

- Details of the above-mentioned reports are demonstrated on page 43 of the Annual Report.

- **Investor Relations Office**

The Company’s policy has stipulated that the disclosure of information is conducted transparently, correctly, completely, and equally. In this respect, shareholders and investors can gain access to the Company’s essential information such as shareholders’ meetings, overall picture of the Company/the Board/shareholders/important financial information/balance sheets/news/Form 56-1, and annual reports, on the Company’s website, <http://www.unionplastic.co.th> under the topic “Investor Relations”.

Category 5 : The Board of Directors’ Responsibilities

- **Policy on the Board of Directors’ Responsibilities**

The Board of Directors comprises directors who have been selected from qualified, knowledgeable, and capable candidates with various professions. These directors act as the Company’s representatives who monitor and maintain the shareholders’ interests. Their authorities are to supervise and manage the Company to be in conformity with the law, objectives, regulations, and policies of the Company, the Board’s and shareholders’ resolutions and shareholders’ resolutions, with integrity and independence from the Management, taking into account of maximum benefits of the Company, shareholders, and stakeholders.

The roles and authorities of the Chairman of the Board and the Managing Director have been clearly stipulated. At present, the Chairman of the Board does not hold a position of Managing Director and the Chairman of the Board has no relations whatsoever to the Management so that supervision and policy making are entirely separated from the routine management. Scope of duties and authorities of each level of the Management has been identified explicitly. Furthermore, the authorities and responsibilities on approvals, accounting transaction entries, and the administration of the Company’s assets are completely divided in order that no individual has unlimited authorities.

- **The Board’s Roles, Duties, and Responsibilities**

- The Board’s duties are in pursuance of the Company’s regulations and the supervision and management are in conformity with the law, objectives and regulations of the Company, as well as the resolutions of the Board meetings and shareholders’ meetings.

- The Board participates in regulating the Company's policies, business plans, and strategies.
- The Board takes part in the consideration and approval on pivotal operational issues, such as financial targets, policies, business plans, strategies, and budget. Additionally, the Board also supervises, controls, and manages to ensure that policies, business plans, and strategies are achieved efficiently.
- It is the Board's responsibility to make sure that the good corporate governance is complied. The Board also contributes to the setting of good behavior standards specified in the working regulations and punishment is imposed in case of violation. The Company's employees must acknowledge and follow these regulations. Moreover, integrity as well as morality are emphasized and individuals involved in the Company's business must not be taken advantage of. All these are implemented under the motto **"Integrity Quality Service"**.
- **Conflicts of Interest**
 - When the Company engages in any transactions with major shareholders, directors, executives, or any parties related to these individuals, measures and policies will be implemented by the Board to ensure that such transactions are in accordance with general business conditions and these individuals must get the same treatments as others, with maximum benefits of the Company as the main objective. Besides, approvals of the transactions must be obtained from those who have no stakes in the matters.
 - In the case where the Company approves any business transactions executed with related parties with long-term obligations such as purchases and sales of products, etc., the Company will follow-up to make sure that the agreed conditions are honored during the period when the obligation is in effect. Also, investments in concerned companies, affiliates, and subsidiaries will be regularly monitored.
- **The internal control and audit systems on operations, financial reports, and the compliance with the rules, regulations, and policies are implemented as follows :**
 - **Internal Audit** is independent in its performance and responsible for examining such control system. It reports directly to the Managing Director, Executive and Audit Committee and the internal control system is reviewed constantly on a yearly basis in addition to the review of such system of each division.
 - **Risk Management.** The company organized a Risk Management Committee, prepared risk management documents as well as ordered each sector to evaluate risk management through the meeting of the Risk Management Committee. The company's policies also monitor risk factors monthly and the sectors must report about the progress quarterly. For organization level, they must report twice a year.
- **The Board of Directors' Meeting**
 - The meeting schedule is organized one year in advance and each director is notified accordingly for time allocation and attendance.
 - The Board of Directors' Meeting is arranged on a monthly basis to report and follow-up on the Company's operations as well as to consider the quarterly financial reports and the disclosure of information in the Annual Registration Statement (Form 56-1) prior to submitting to the Stock Exchange of Thailand and the Securities and Exchange Commission.
 - The Company Secretary will prepare and submit the letter of invitation, agendas, and documents to the Board for 7 days in advance to provide the Board with sufficient time to study before attending the meeting.
 - The Chairman of the Board and Managing Director choose the topic to be included in the agenda.
 - The Chairman allocates adequate time for the directors to vigilantly discuss significant problems as well as encourages all directors to exercise prudent consideration and be attentive to every agenda including the corporate governance issue.
 - The Chairman, Managing Director and every director are required to attend every meeting with the exceptions of travelling, unavailability, or sickness.

- Executives are invited by the Managing Director to attend every meeting to supply additional accounting and financial information.

- The directors are encouraged to gain access to additional necessary information technology within the specified scope of policy from the Managing Director, the Corporate Secretary, or other assigned executives.

- **Self-Assessments of the Board of Directors and Executives**

This is organized once a year so that performances and problems are rectified.

- **Remunerations**

- The Company possesses a transparent remuneration process approved by the Nomination and Remuneration Committee as well as the shareholders.

- The directors' remunerations can be compared with those in the same level of the same industry. In addition, experience, duties, roles, responsibilities, and expected benefits derived from each director are taken into consideration.

- The Managing Director's and executives' remunerations are based on individual performance, the Company's operating results as well as economic situation.

- **Knowledge Development for Directors and Executives**

- **Knowledge Development for Directors**

- Knowledge Development for Director and The Audit Committee participated the following training programs;

No.	Name	Course	
		Business direction of Saha-Union Group / (hours)	Adaptation for the Change / (hours)
1.	Assoc. Prof. Dr. Pakpachong Vadhanasindhu	16	6
2.	Mr. Bancherd Tanglertpaibul	-	6
3.	Ms. Jutatip Arunanondchai	-	6
4.	Mr. Supod Kantavijit	16	-
Total (hours)		32	18

- **Knowledge Development for Executives**

- The Executives participated the following training programs;

No.	Course	hours
1.	The Challenge of the Audit Committee and the Sustainable Development of the Registered Company	4
2.	ISO/TS 16949 The Change of the New Regulation and Standard	6
3.	The Strategy for Modern Conflict Management against the Competitor	6
4.	FMEA 4 th Ed. Work Shop for Automotive Industry	6
5.	The High Technology for the Modern Product Design and Mold	6
6.	MSA 4 th Ed. Workshop and Implementation MA-62	12
7.	Enhancing Good Corporate Governance based on CGR Scorecard	6
8.	Updated Financial Statement Standard for the Year 2015, the Direction of Thai Accountant and AEC	6
9.	Finance For non-Finance Manager	24
10.	Strategic of Cost Accounting Preparation for Business Survival	6
Total (hours)		82

CONTROL ON USE OF INTERNAL INFORMATION

Control on Use of Internal Information

The company has an internal control regarding the disclosure of internal information to external parties by stipulating that all employees must comply with the internal information conduct, which has been described in the working regulations, failure to comply will be resulted in disciplinary actions according to the company's policy. Also, the company has determined that directors and managements have to sign the letter of stakeholder declaration of directors and/or management on a yearly basis in order to declare the absence of conflict of interest, which included whether or not the internal information has been used for personal gains or brought damages to the company, whether intentionally or unintentionally. Moreover, this includes the distribution of internal information to customers, vendors, service providers, competitors, or any other party.

Internal Control

As assigned by the Board of Directors, the Audit Committee's duties and responsibilities were to review the appropriateness and effectiveness of the internal control system set up by the management. This is to ensure that the internal control is efficient enough to mitigate reduce business risks and obviate protect the company's assets from losses or usage of unauthorized personnel. Furthermore, this is also to assist the Company's officers to comply with the law and concerned regulations as well as to create correct and reliable financial reports and help protecting shareholders' investments.

The Audit Committee and internal auditor reviewed the appropriateness and effectiveness of the internal control system as well as the internal audit and subsequently reported to the Board of Directors on a quarterly basis. Last year, the Audit Committee furnished its opinions on the essential issues to the management. In addition, in the meeting with EY Office Limited, the financial auditor who audited the 2014 financial report, it was stated that the Company's overall internal control system was satisfactory and no significant errors which would have adversely affected the financial auditor's opinions toward the company's financial report were found.

The 1/2558 Board of Directors Meeting on January 21st, 2015 reviewed the effectiveness of the internal control system by considering 5 main factors: organization and environment, risk management, the management's operation control, information technology and communication, and follow-up system. The Board is unanimous in its opinion that these factors were felicitously conformed all 5 main factors.

RISK FACTORS

The company has recognized the importance of risk management under the changing business environment for both internally and externally. The risk management is an essential part for every procedure in business operations and must be synchronized at all levels. Therefore, the company-wide risk management policy has been implemented and required all employees to comply with. The risk management committee has been established to manage overall risk exposures for maximize benefit. The company-wide risk management policy has been systematically organized under the managing director's supervision and the operational risks are under particular management for each business unit. All departments must responsible in managing and controlling risk to be within an acceptable range. The risk factors are as below:

Business risk

Revenues of the Company are derived from business sectors in the automotive industry, which are approximately 80% of its total revenue. This is considered to the major revenue group that encounters with uncertain political situations. The purchasing power of consumers decreases while the production cost increases due to constant increment of the energy value. As such, the revenues of the Company greatly decrease, comparing to the previous year. However, the Company attempts to reduce risks by earning more income from the business sectors mainly emphasizing on export in order to recover lost revenue. In the meantime, the performances of employees are improved by supporting trainings on modern production techniques for employees in supervisory level so that they can apply such knowledge to improve the production process.

Credit risk

The company has lending risk in relation to its account receivables and other receivables. The management team has mitigated this risk by defining policy and procedure to control lending, therefore the company expected no significant losses from lending. Moreover, the company's account receivables accounts were not concentrated thanks to various customer base and large number of customers. The maximum potential loss to the company from lending is the book value of account receivables and other receivables in the balance sheet.

Risk from raw materials that are essential to the production

The company has bought all plastic granules domestically and paid in baht. The global market price of plastic granules significantly affects the cost of plastic products as plastic granules are by-product of the crude oil refining. The rising crude oil price in the global market can be translated to higher plastic granules price and rising production costs. The volatility is attributed market condition and other factors such as demand and supply level, and foreign exchange rate for example. The rising plastic granule price in the global market will shift up the domestic price of plastic granules. The company has the following risk management policy:

1. Verify and compare the plastic granule price from more than one vendor before purchasing.
2. Follow the plastic granule price from either domestic or international vendors.
3. If the plastic granule price is rising, the company has not exposed to the risk from price volatility of plastic granules as the customers have agreed to take such risk by responsible for products price adjustment according to the change in raw material price.

Foreign exchange rate risk

The company's foreign exchange rate risk is low as the frequency of transaction in foreign currencies for each year is small and the amount of each transaction is quite low.

Interest rate risk

The company has exposed to the interest rate risk from bank deposits and government bond investment, however, most of assets and liabilities are interest-free or are having a floating-rate interest or are having a fixed-rate interest closed to the prevailing market interest rate, so the interest rate risk of the company is low.

Risk from flooding

In the previous year, there was no flood crisis. However, for the safety, the Company has improved the surroundings in the factory and regularly inspected the strength of the flood-prevention wall.

Risk from dependency on major customers from 30% of the total sales

The Company has 2 major customer groups which are automotive group and motorcycle group. However, there are 3 key customers which the total purchase order is in an amount of 327 million Baht, approximately 40% of the total revenue. Previously, the Company had good relationship with these companies. Yet, the Company has many competitors, In this regard, if the Company loses such customers and cannot find other customers to substitute them, it will affect the revenues of the Company.

Risk from the Company consisting more than 25% of major shareholders

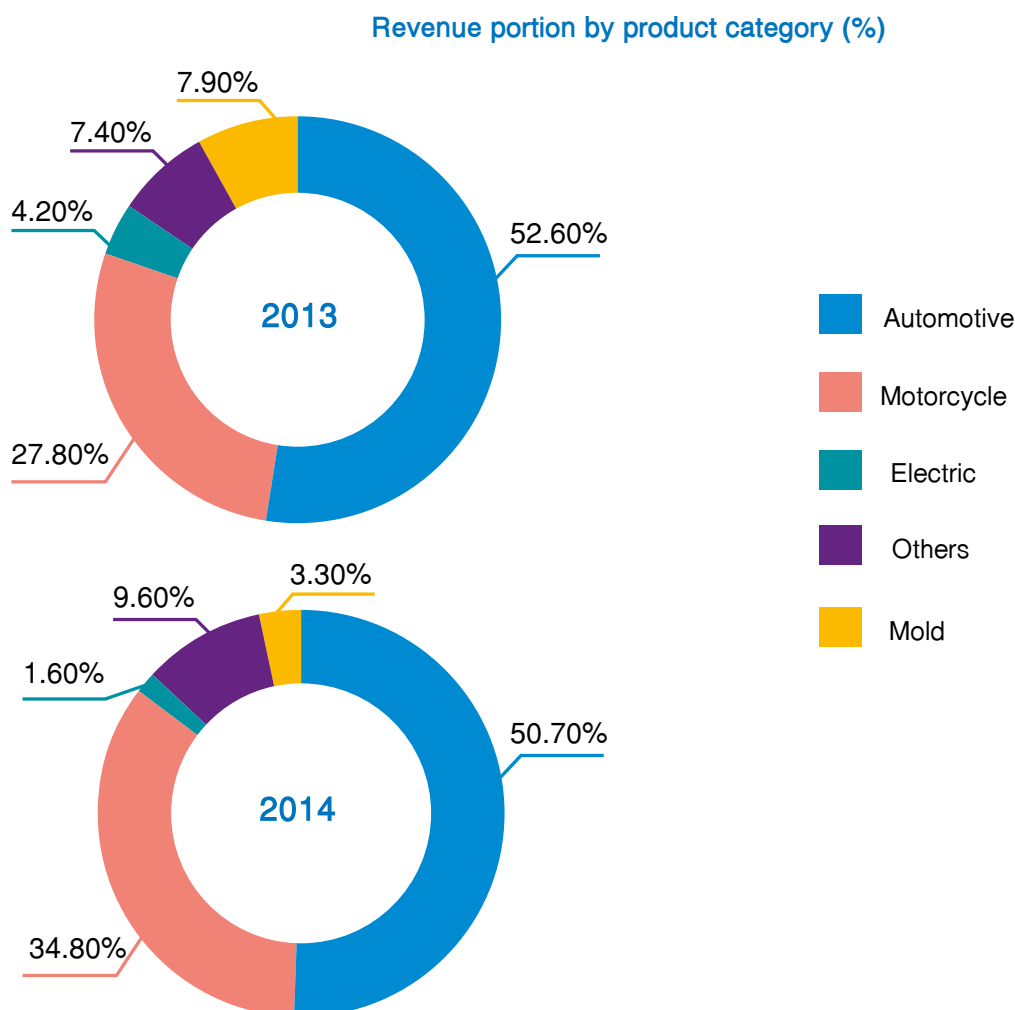
The Company is an affiliate in the group of Saha-Union Public Company Limited which holds 12,380,130 shares, equivalent to 49.52% of the total issued shares and not exceeding 50%, and the Company does not rely on the parent company, such as providing or receiving financial assistance, or supplying raw materials, using the same brand name, etc.

MANAGEMENT DISCUSSION AND ANALYSIS ON FINANCIAL STATUS AND OPERATION RESULTS

Recent Operating Performance Analysis

For the economic condition in 2014, the sales in automotive and motorcycle markets has been dropped in almost companies as a result of the expiration of the first-car scheme and the prevailing political situation has affected the economic sector in a certain degree. Labor shortage, higher production cost due to the minimum wage adjustment, and the increment of the energy expense that affects oil price and transportation fee cause the sales revenue of the company to decline approximately 167 million Baht in 2014 compared to the previous year. In 2014, the net profitability of the Company was decreased by 25.99 million Baht from 2013, which can be classified based on the product category as follows;

1. Revenue from Automotive decreased, equivalent to 20.90%
2. Revenue from Motorcycle increased, equivalent to 2.50%
3. Revenue from Electric decreased, equivalent to 68.80%
4. Revenue from Others increased, equivalent to 6.30%
5. Revenue from Mold decreased, equivalent to 66.00%



Factors or situations that affect financial performance

External Factors

The political instability affected the decreasing purchasing power of consumers. They became more careful in spending expenditures. The increment of the energy expense, especially electricity with the automatic energy adjustment charge (Ft), resulted to lower-than-expected revenue of the Company while the production costs were trending up.

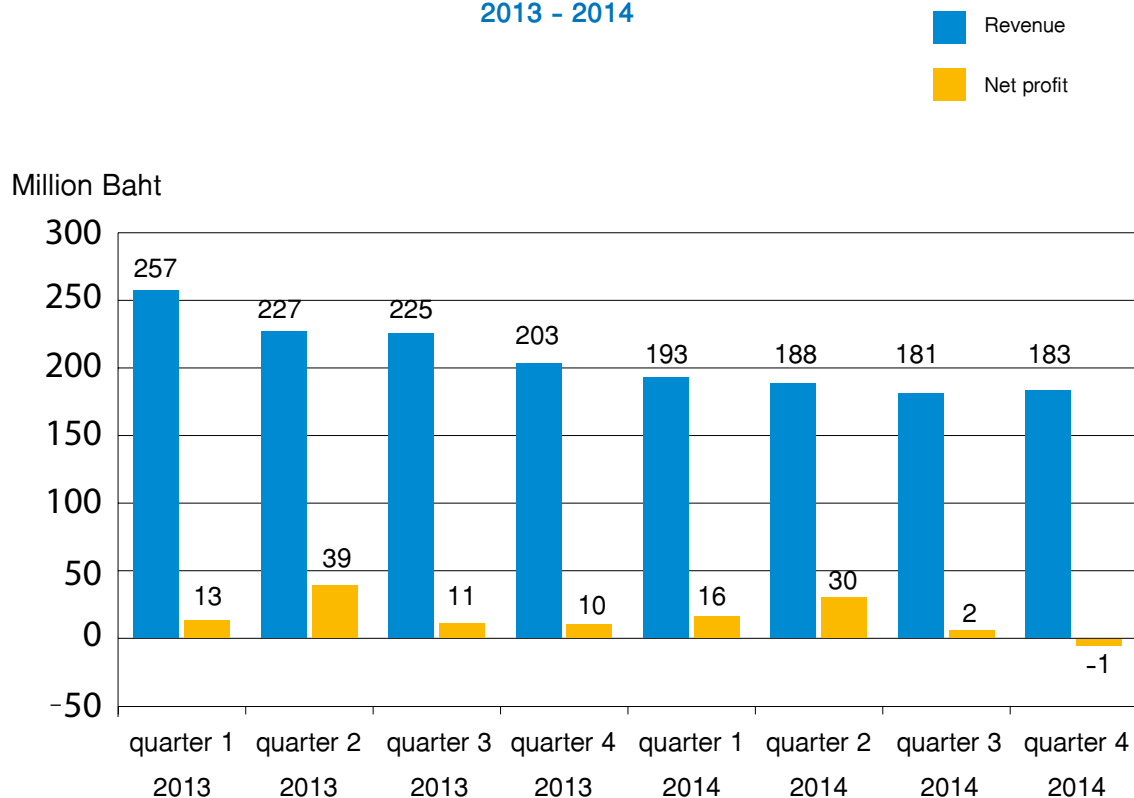
Internal Factors

Since most purchase orders of customers were not in accordance with the specified plans and there was uncertainty and instability which required greater adjustment of the production plans, the resource preparation supporting the production cannot be implemented efficiently, resulting to higher overheads.

Operating Results and Profitability

From the analysis on financial statements of Union Plastic Public Company Limited, the Company has shown a decreasing profitability in 2014 in comparison to 2013 as the Company's total revenue has declined from the year earlier. The reason is price competition of automotive product category of the Company, especially automotive, motorcycle, and electric. In addition, some customers invested in new injection machinery and injected some parts by themselves so the purchase order was declined.

Quarterly Revenue and net profit 2013 - 2014

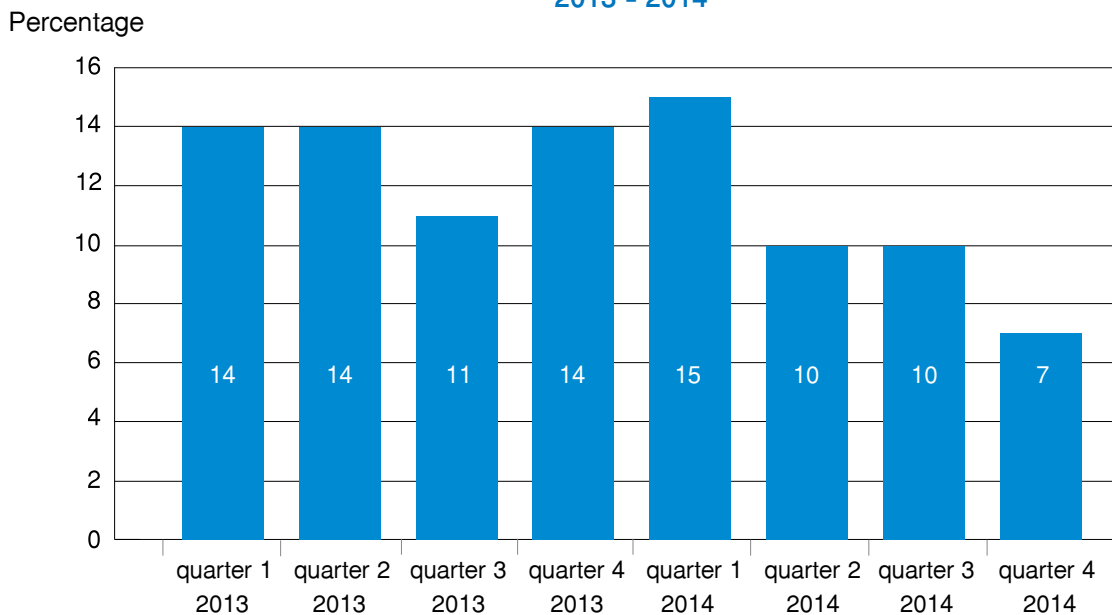


Profitability

The profitability of Union Plastic Public Company Limited decreased in 2014, compared to 2013 as follows: The earning per share was reduced from 2.89 Baht to 1.87 Baht. The operating profit margin was reduced from 8.71% to 6.77%. When considering the gross profit margin in 2014, it was decreased from 13.04% in 2013 to 10.37%. The net profit margin in 2014 was also decreased from the previous year 2013, equivalent to 5.94% and 7.59% respectively. However, in 2014 the Company's net profit was reduced by 35.41% compared to 2013.

Quarterly Gross Profit Margin

2013 - 2014



Such decreasing gross profit margin was the result of the following factors.

1. **Sales of Plastic Parts** of the Company in 2014 were decreased by 116 million Baht compared to the previous year due to the following reasons;

- For the automotive parts, the sales were decreased by 97 million Baht compared to the previous year due to the automobile and motorcycle production in the automotive industry. It resulted to the constant decrease of customers' purchase orders. In addition, some customers requested for molds back so that they can make their own production
- For the electric parts, the sales in the current year were decreased by 19 million Baht compared to the previous year, similar to the automotive parts, due to the price competition. In addition, some customers invested in new injection machinery and injected some parts by themselves so the purchase order of the Company was declined.

2. **Mold Sales:** This year the sales were decreased from the previous year by 51 million Baht approximately. The key customers are the group manufacturing molds for automotive parts production.

3. **Dividend Received:** The Company received dividend amounting to 27 million Baht, derived from the investment in Union Nifco Company Limited, which slightly decreased from the previous year.

Corrective Measures: The Company increases the ratio of revenue by relying on customers in export group instead of automotive and electric group.

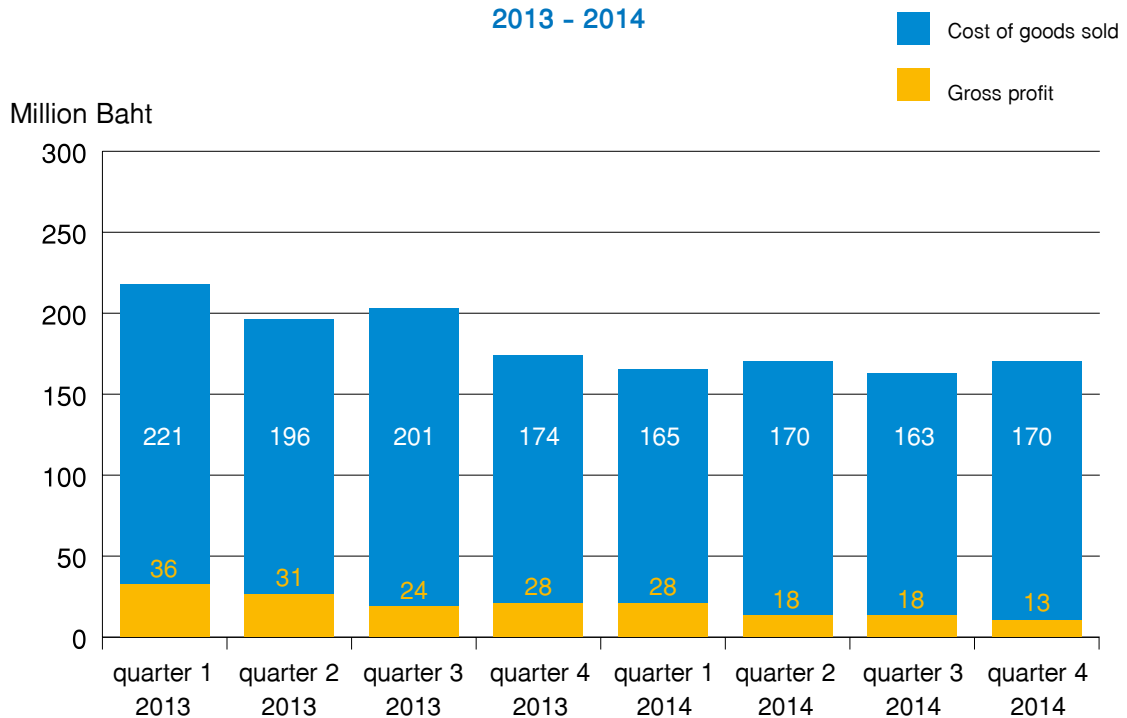
The return on assets (ROA) was reduced from 9.33% to 6.33% and the return on equity (ROE) was reduced from 12.04% to 8.05%. Meanwhile, the total assets turnover ratio was reduced from 1.23 times to 1.07 times and the return from net fixed assets was reduced from 47.23% to 36.84% respectively.

When considering the reasons attributed to the total assets turnover ratio stood at 1.07 times in 2014, it was found that the efficiency in managing most assets of the business was able to serve customers' needs sufficiently. The quick ratio increased from 3.22 times in the previous year to 3.24 times. The inventory turnover ratio increased from 12.79 times to 13.21 times due to the decrease of the total inventories for year ended 2014. The average debt collection period did not increase from the previous period of 56 days. Most of account receivables were not yet due for payment and there were no problems of debt collection as they were major account receivables which are well-known automotive manufacturing companies in Thailand. As a result, the Company did not reserve an allowance for doubtful account and the average selling period was 28 days.

The cost and the selling and administrative expenses in 2014 was decreased by 138 million Baht compared to 2013, which was mainly attributed to the reduction of raw material cost as a result of falling sales. In addition, the Company also improved the production process and machinery maintenance, resulting to the efficiency and quality of products for sale, and employee expenses, especially losses on actuarial estimates recorded in the account in the previous year.

Quarterly cost of goods sold and gross profit

2013 - 2014



Risk Analysis

Regarding to the short-term risk analysis or the Company's liquidity analysis for short-term debt repayment, it has shown that the company had a good liquidity position and there were no significant changes. The liquidity of the company in 2014 was slightly increased from 2013. The current ratio was at 3.24 times and 3.22 times, while the quick ratio was at 2.73 times and 2.69 times in 2014 and 2013 respectively.

Solvency

Overall, the company still has the competency in debt repayment without any risk impacts. When considering the cash flow from operating activities in 2014, it has shown that the Company had positive cash flow from operating activities, which was the supporting evidence of the company's solvency.

Asset Management Efficiency

Financial Position Analysis

The company's financial position which was analyzed by comparing changes of assets, liabilities, and shareholders' equity as of 31 December 2014 is described as follows:

(Unit: Million Baht)

Description	For the year ending 31 December			
	Year		Increase / (Decrease)	
	2014	2013	Amount	%
Total assets	735.09	763.51	(28.42)	(3.72)
Total liabilities	158.01	162.59	(4.58)	(2.82)
Total shareholders' equity	577.08	600.92	(23.84)	(3.97)

Asset Analysis

The company has assets in an amount of 735.09 million Baht as of 31 December 2014, reduced by 28.42 million Baht or equivalent to 3.72% from 2013. The major details are as follows;

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank deposits, and other short-term highly liquid investments with an original maturity of 3 months or less and not subject to withdrawal restrictions.

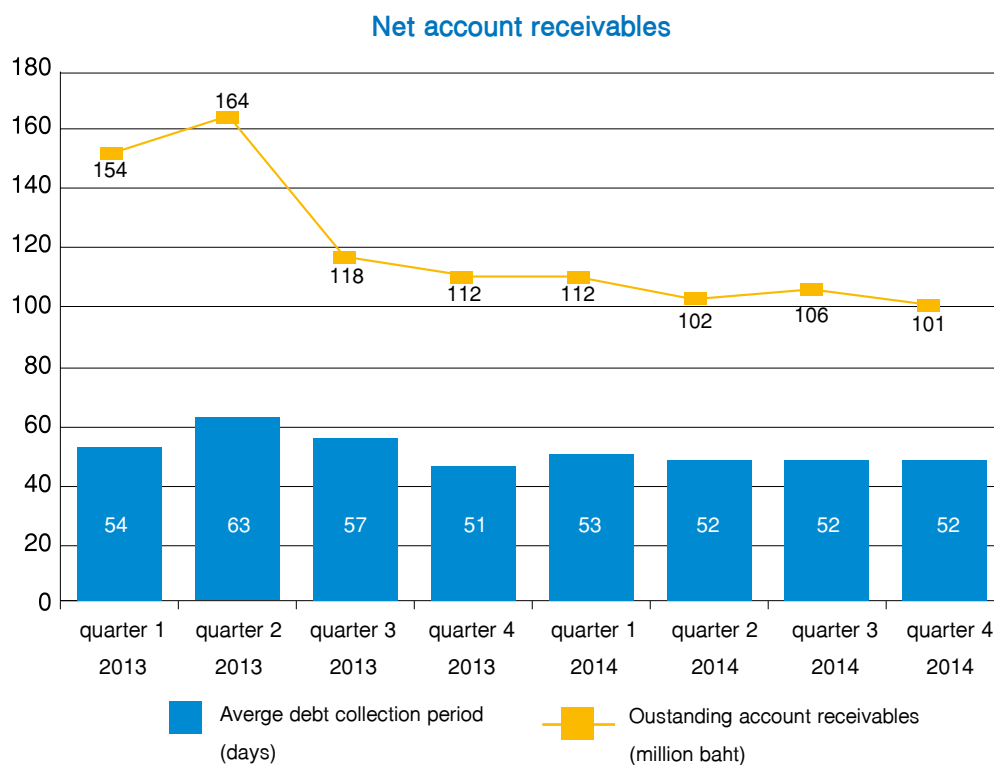
(Unit: Million Baht)

Cash flow	For the year ending 31 December	
	2014	2013
Balance forward at the beginning of the year	114	222
Cash flow from operation		
Profit from operation before operating assets and liabilities adjustment	80	111
Change in operating assets and liabilities	2	16
Cash from operation	82	127
Interest received	4	2
Withholding income tax paid	(23)	(30)
Withholding income tax received	15	15
Net cash flow from operation	78	114
Net cash flow from investment	1	(131)
Net cash flow from financing	(71)	(91)
Net cash and cash equivalent decrement	8	(108)
Cash balance at the end of the year	122	114

- In 2014, the Company has a cash inflow from operating activities in an amount of 78 million Baht from normal profitable business operations of the Company. Cash inflows from operation were decreased from the previous year, corresponding to the profits from decreasing operations and the change in net working capital of the business, which mostly derived from account receivables and inventories.
- The Company has a cash inflow from investment activities in the total amount of 1 million Baht. The major cash inflows derived from decreasing investments and dividend received. In the meantime, the cash flow was spent for purchasing building and equipment during the year.
- The Company has a cash outflow from funding activities in an amount of 71 million baht as an annual dividend payment, which was decreased from 2013 when the Company had paid the annual dividend in an amount of 91 million Baht.

Account receivables and other receivables

As of 31 December 2014, the Company had 109 million Baht of net account receivables and other receivables, which was a reduction of 10 million Baht from 2013. When considering the reasons attributed to the reduction of receivables, it was found that the sales decreased, most of account receivables were not yet due for payment and there were no problems of debt collection. Therefore, the Company did not reserve an allowance for doubtful accounts.



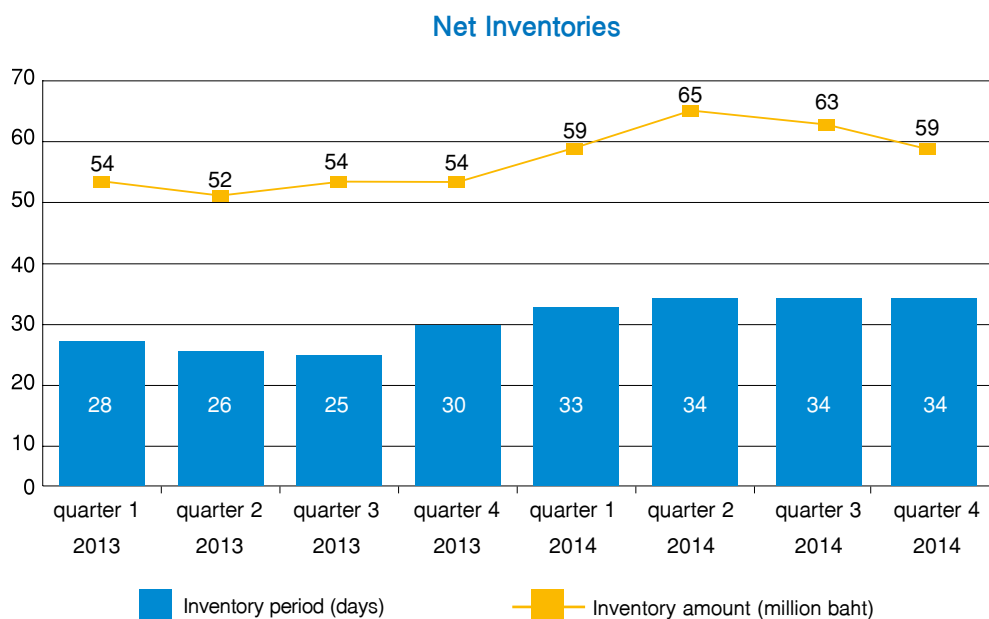
Inventories

According to the number of days holding inventory, report on slow-moving inventories and profitability of products sold in the future, it was found that the Company has recorded the allowance for diminution in the value of inventories in an sufficient amount according to the current situations. However, the Company provides the approach for managing obsolete and defective inventories. If there are slow-moving inventories, the Company will release such items according to the agreement with customers accepting the buyback based on aging profile of inventories and the prevailing economic condition.

Inventory value as of 31 December 2014 and 2013 is summarized as follows;

(Unit: Million Baht)

Decription	At cost		Impairment to net liquidation value		Net inventory	
	2014	2013	2014	2013	2014	2013
Finished goods	12,767	12,589	(998)	(958)	11,769	11,631
Work-in-process	27,591	21,661	(187)	(219)	27,404	21,442
Raw materials	11,909	14,124	(1,645)	(729)	10,264	13,395
Spare parts and plant equipment	9,679	8,105	(330)	(384)	9,349	7,721
Total	61,946	56,479	(3,160)	(2,290)	58,786	54,189



Real-estate for investment

As of 31 December 2014, the Company had a land located in Bangchan valued at 3.7 million Baht, where the Company offered the lease to associated companies for the purpose of operations. The fair value of such land is approximately 36 million Baht which is appraised by the independent appraiser in 2011.

Land, buildings, equipment, and intangible assets

In 2014 and 2013, they amounted to 260.07 million Baht and 271.07 million Baht, respectively, decreased by 11 million Baht or equivalent to 4.06% due to assets depreciation according to the principles. Land, buildings, and equipment are written off the assets account by the Company when assets are sold or it is expected the economic benefits will not be received in the future from the usage or sale of assets. The profits or losses from the sale of assets will be recognized as profits or losses and the Company will write off such assets on the account. The intangible asset is computer software with finite useful lives of more than 1 year. The Company reviews the impairment of such assets at least at each financial year end. In 2014, the Company's return on fixed assets had been reduced from 47.23% in 2013 to 36.84%.

(Unit: Million Baht)

Description	For the year ending 31 December			
	Year		Increase / (Decrease)	
	2014	2013	Amount	%
Land	76,474	76,474	-	-
Building	78,702	82,619	(3,917)	(4.74)
Equipment	89,058	80,863	8,195	10.13
Furniture and Equipment	1,233	1,458	(225)	(15.43)
Intangible assets	1,265	2,177	(912)	(41.89)
Motor vehicles	1,615	2,386	(771)	(32.31)
Assets under construction	11,720	25,090	(13,370)	(53.29)
Total	260,067	271,067	(11,000)	(4.059)

Regarding to machinery and equipment, it was increased by 8.19 million Baht. It mostly is the mold used for injection according to customers' requirements. Other assets were decreased as a result of the depreciation according to the principles and the transfer of assets during installation which were implemented completely to the machinery and equipment asset.

Liabilities

The company had the total liabilities as of 31 December 2014 and 2013 at 158.01 million Baht and 162.59 million Baht, respectively which decreased from the previous year by 4.58 million Baht, equivalent to 2.82%. The details are as follows;

Account payables and other payables

The Company had the total account payables and other payables of 119.73 million Baht and 125.58 million Baht in 2014 and 2013, respectively which decreased by 5.85 million Baht, equivalent to 4.66% as the declining in purchasing orders from customers resulted in declining raw material purchase order. Most account payables made the purchase order for raw materials.

Reserve for long-term employee benefits

The Company had the reserve of 38.28 million Baht and 37.01 million Baht in 2014 and 2013, respectively, which increased by 1.27 million Baht, equivalent to 3.43% as the Company had to pay compensation to resigning employees according to the labor law and contribution scheme for resigning employees. The Company considers that such compensation is the project providing benefits to post-employment employees.

Shareholders' equity

The shareholders' equity of the Company as of 31 December 2014 and 2013 was 577.08 million Baht and 600.92 million Baht, respectively which decreased by 23.84 million Baht, equivalent to 3.97%, because the amount of dividend payment was higher than the annual net profit.

Liquidity and sufficiency of Company's capital

In conclusion, the Company had the net cash flow increased by 8 million Baht. Such increment of cash flow derived from the operating activities in an amount of 78 million Baht and the investment activities in an amount of 1 million Baht. The cash spent on funding activities was 71 million Baht as the dividend payment. As a result, for the operation in 2014, the Company estimated that risk from default was at the low level as the Company had no obligation and potential liabilities.

Regarding to the financial structure of the Company for investment and operation improvement, most cash came from operating activities during the year. The Company's liquidity was good and most current liabilities were attributed to raw material purchase and investment in machinery and manufacturing equipment of the Company's products.

For the capital management, the main objective of the capital management was to provide the optimal capital structure to support business operations and increase value of shareholding to shareholders. The Company's debt-to-equity ratio was at 0.27:1 (2013: 0.27:1) as of 31 December 2014 and only parent company had the debt-to-equity ratio at 0.28:1 (2013: 0.27:1).

Liabilities Obligation

As of 31 December 2014, the Company had no liability obligation relating to capital expenditure (2013: 4 million Baht).

The Company has entered into the operating lease agreement in respect of the lease of office supplies. The average term of such agreement is between 1 to 4 years.

The Company has the future minimum amount payable under the operating lease agreement as follows;

(Unit: Million Baht)		
Term	As of 31 December	
	2014	2013
In up to 1 year	3	2
In over 1 year and up to 4 years	-	-

However, the Company provides new financial reporting standard which is effective in the current year and in the future. Improved financial reporting standard is provided in accordance with the international financial reporting standard. Most improvements involve the wording and terms and interpretation and provision of guideline on accounting to users. Therefore, they will not have any significant impact on the financial statements of the Company, except for some financial reporting standards which its major principles are adjusted as follows;

Accounting Standard No. 19 (Revised 2014) on Employee Benefits

This revised standard establishes the company to recognize all actuarial gains and losses arising under immediately in Other Comprehensive Income, while the previous standard allows the company to recognize such gains and losses immediately in the profit and loss or Other Comprehensive Income or gradually recognize in the profit and Loss Statement. Currently, profits and losses of the Company are recognized all actuarial gains and losses arising under immediately in profit or loss in the period in which they are occurred. The Company estimates that this revised standard will not have any impact on liability reserves for employees' long-term benefits and accumulated profits brought forward in the financial statement when it is initially applied in 2015 and changed to the immediate recognition of gains and losses in Other Comprehensive Income.

Factors affecting future operations

The assembly of ASEAN nations for the mutual economic benefits around the year ended 2015 possibly affects the businesses of the Company because such assembly causes the tax rate go down to zero in all regions.

As a result, any products similar to those of the Company will be imported or customers will refer to the prices of these products for bargaining. In such case, it may cause positive and negative impacts on revenue.

AUDIT COMMITTEE'S REPORT

Dear Shareholders of Union Plastic Public Company Limited,

The Audit Committee comprises Assoc. Prof. Dr. Pakpachong Vadhanasindhu as Chairman, Mr. Bancherd Tanglerpaibul and Ms. Jutatip Arunanondchai as Audit Committee. The Audit Committee performed its duties under the scope and responsibilities as assigned by the Board of Directors in accordance with the charter and the regulations of the Stock Exchange of Thailand.

In 2014, 4 Audit Committee Meetings were held with full attendance of all Audit Committee. Senior Executives, Internal Audit Manager, and auditor also participated in the meetings with the relevant agendas and for separate discussion with the Auditor without the Senior Executives's attendance as per the Code of Conduct of the Audit Committee. The Audit Committee's reports were submitted to the Board of Directors on a quarterly basis. The summary of its main operations is as follows :

1) Review of the Financial Statements

The Audit Committee reviewed the quarterly financial statements as well as 2014 financial reports in collaboration with the auditor and concerned executives. This was to ensure that the Company's and subsidiaries' financial reports had been prepared correctly according to the generally-accepted accounting standards. Additionally, the information disclosure must be sufficient, complete, and reliable with remarks and suggestions for the Company's benefits.

2) Review of Internal Control System and Internal Audit

The adequacy and efficiency of the Company's internal control systems has been evaluated by the Board of Directors and the Audit Committee; whereas, the Board of Directors has commented that the Company has duly complied with the components of the Internal Control System; moreover, the Audit Committee has considered the independence of the Internal Audit Office and has approved the operation plans and workforce and has also reviewed the audit result and followed up the results of developments in significant issues for adequacy and suitability of the internal control system of the Company.

3) Conformity with Relevant Laws, Rules and Regulations

The Audit Committee has considered and reviewed the conformity with the relevant laws with the Company's businesses quarterly so that the Company's business operations shall be in accordance with the prescribed regulations.

4) Review of the Transactions with Potential Conflicts of Interest

The Audit Committee considered and reviewed related transactions of the Company, associated company, and joint ventures to make sure that transactions with possible conflicts of interest with the Company conformed with the general commercial conditions with the main objective of maintaining maximum benefits for the Company.

5) Risk Management

The Audit Committee has reviewed the Risk Management Report and has also given its additional recommendations so that the risk management thereof shall cover major risks of the Company.

6) Self-Evaluation

The Audit Committee has provided the self-evaluation relating to its performances of duties according to the Regulations and the Code of Conduct of the Audit Committee; provided that, according to the evaluation results, it indicated that the majority of its performances of duties have been in accordance with the Regulations and the Code of Conduct of the Audit Committee by the Stock Exchange of Thailand.

7) Consideration of the Auditor's Appointment and Audit Fee

The auditor and audit fee were proposed to the Board for approval in the Annual General Meeting of Shareholders. EY Office Limited, an international company with branches in many countries, was appointed as the Auditor of Union Plastic Public Company Limited for the year 2015.

On Behalf of the Audit Committee



(Assoc. Prof. Dr. Pakpachong Vadhanasindhu)

Chairman of the Audit Committee

Union Plastic Public Company Limited

February 23rd, 2015

BOARD OF DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL REPORT

The Board of Directors shall be responsible for financial statements, which showed the investments under the equity method and separate statements of financial position of the Company and the financial information as appeared in the Annual Report. Such financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) by using and regularly adhering to proper accounting policies, as well as using careful discretion and best estimation in preparation thereof and adequately disclosing significant data in the Notes to Financial Statements.

The Board of Directors shall be responsible for providing effective internal control system, supervising the compliance therewith and reporting the data relating to the appraisal of the internal control system, on a yearly basis, to the auditor and to members of the Audit Committee of the Company, covering errors and significant changes of the internal control system, including unlawful actions which may affect the preparation of correct and complete reports of the Company, thus, in conformity with the legal provisions.

The Board of Directors has appointed the Audit Committee, consisting of independent directors and non-executive directors, to be responsible for quality of financial reports and the internal control system; meanwhile, the opinions of the Audit Committee relating to this matter appeared in the report of the Audit Committee as shown in the Annual Report.

Therefore, the Board of Directors had its opinions that the internal control system of the Company was at a satisfactory level and was able to create reasonable confidence and assurance that the Company has disclosed significant data of the financial statements of the Company as of December 31st, 2014 correctly and completely.

On behalf of the Board of Directors



(Miss Dalad Sapthavichaikul)

Chairman

February 25th, 2015



(Mr. Supod Kantavijit)

Managing Director

February 25th, 2015

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Union Plastic Public Company Limited

I have audited the accompanying financial statements, in which the equity method is applied, of Union Plastic Public Company Limited, which comprise the statements of financial position as at 31 December 2014, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Union Plastic 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 judgement, 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 Union Plastic Public Company Limited as at 31 December 2014 and its financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 25 February 2015

STATEMENT OF FINANCIAL POSITION

Union Plastic Public Company Limited

As at 31 December 2014

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2014	2013	2014	2013
Assets					
Current assets					
Cash and cash equivalents	7	122,287,296	113,941,414	122,287,296	113,941,414
Current investments	8	95,000,000	105,000,000	95,000,000	105,000,000
Trade and other receivables	9	109,118,970	119,361,417	109,118,970	119,361,417
Inventories	10	58,785,894	54,188,958	58,785,894	54,188,958
Other current assets		2,719,817	11,624,656	2,719,817	11,624,656
Total current assets		387,911,977	404,116,445	387,911,977	404,116,445
Non-current assets					
Restricted investments	11	11,500,000	14,485,418	11,500,000	14,485,418
Investment in associate	12	11,676,481	11,065,283	2,499,990	2,499,990
Other long-term investment	13	20,002,200	20,002,200	20,002,200	20,002,200
Investment properties	14	3,738,143	3,738,143	3,738,143	3,738,143
Property, plant and equipment	15	258,802,113	268,889,868	258,802,113	268,889,868
Intangible assets	16	1,264,943	2,177,046	1,264,943	2,177,046
Deferred tax assets	22	7,280,806	7,027,981	7,280,806	7,027,981
Withholding income tax	17	32,912,875	32,009,438	32,912,875	32,009,438
Total non-current assets		347,177,561	359,395,377	338,001,070	350,830,084
Total assets		735,089,538	763,511,822	725,913,047	754,946,529

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

Union Plastic Public Company Limited

As at 31 December 2014

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2014	2013	2014	2013
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	18	116,737,494	124,483,075	116,737,494	124,483,075
Other current liabilities		2,991,000	1,095,000	2,991,000	1,095,000
Total current liabilities		119,728,494	125,578,075	119,728,494	125,578,075
Non-current liabilities					
Provision for long-term employee benefits	19	38,278,367	37,014,244	38,278,367	37,014,244
Total non-current liabilities		38,278,367	37,014,244	38,278,367	37,014,244
Total liabilities		158,006,861	162,592,319	158,006,861	162,592,319
Shareholders' equity					
Share capital					
Registered					
25,000,000 ordinary shares of Baht 10 each		250,000,000	250,000,000	250,000,000	250,000,000
Issued and fully paid-up					
25,000,000 ordinary shares of Baht 10 each		250,000,000	250,000,000	250,000,000	250,000,000
Share premium		167,200,000	167,200,000	167,200,000	167,200,000
Retained earnings					
Appropriated - statutory reserve	20	62,500,000	62,500,000	62,500,000	62,500,000
Unappropriated		97,382,677	121,219,503	88,206,186	112,654,210
Total shareholders' equity		577,082,677	600,919,503	567,906,186	592,354,210
Total liabilities and shareholders' equity		735,089,538	763,511,822	725,913,047	754,946,529

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

STATEMENT OF COMPREHENSIVE INCOME

Union Plastic Public Company Limited

For the year ended 31 December 2014

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2014	2013	2014	2013
Profit and loss					
Revenues					
Sales		744,987,224	911,552,013	744,987,224	911,552,013
Other income					
Scrap sales		6,605,985	12,241,102	6,605,985	12,241,102
Dividend income	12, 13	26,996,760	29,196,496	27,746,757	29,696,494
Others		20,058,356	13,667,929	20,058,356	13,667,929
Total revenues		798,648,325	966,657,540	799,398,322	967,157,538
Expenses					
Cost of sales		667,737,412	792,663,551	667,737,412	792,663,551
Selling expenses		33,911,743	40,969,238	33,911,743	40,969,238
Administrative expenses		44,296,859	50,606,750	44,296,859	50,606,750
Total expenses		745,946,014	884,239,539	745,946,014	884,239,539
Profit before share of profit from investment in associate, finance cost and income tax expenses		52,702,311	82,418,001	53,452,308	82,917,999
Share of profit from investment in associate	12	1,361,195	1,736,268	-	-
Profit before finance cost and income tax expenses		54,063,506	84,154,269	53,452,308	82,917,999
Finance cost		-	(2,538)	-	(2,538)
Profit before income tax expenses		54,063,506	84,151,731	53,452,308	82,915,461
Income tax expenses	22	(6,654,037)	(10,749,068)	(6,654,037)	(10,749,068)
Profit for the year		47,409,469	73,402,663	46,798,271	72,166,393
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		47,409,469	73,402,663	46,798,271	72,166,393
Basic earnings per share	23				
Profit for the year		1.90	2.94	1.87	2.89

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Union Plastic Public Company Limited

For the year ended 31 December 2014

(Unit: Baht)

	Financial statements in which the equity method is applied				
	Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	
Balance as at 31 December 2012	250,000,000	167,200,000	62,500,000	139,062,095	618,762,095
Dividend paid (Note 26)	-	-	-	(91,245,255)	(91,245,255)
Total comprehensive income for the year	-	-	-	73,402,663	73,402,663
Balance as at 31 December 2013	250,000,000	167,200,000	62,500,000	121,219,503	600,919,503
Balance as at 31 December 2013	250,000,000	167,200,000	62,500,000	121,219,503	600,919,503
Dividend paid (Note 26)	-	-	-	(71,246,295)	(71,246,295)
Total comprehensive income for the year	-	-	-	47,409,469	47,409,469
Balance as at 31 December 2014	250,000,000	167,200,000	62,500,000	97,382,677	577,082,677

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

Union Plastic Public Company Limited

For the year ended 31 December 2014

(Unit: Baht)

	Separate financial statements				
	Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	
Balance as at 31 December 2012	250,000,000	167,200,000	62,500,000	131,733,072	611,433,072
Dividend paid (Note 26)	-	-	-	(91,245,255)	(91,245,255)
Total comprehensive income for the year	-	-	-	72,166,393	72,166,393
Balance as at 31 December 2013	250,000,000	167,200,000	62,500,000	112,654,210	592,354,210
Balance as at 31 December 2013	250,000,000	167,200,000	62,500,000	112,654,210	592,354,210
Dividend paid (Note 26)	-	-	-	(71,246,295)	(71,246,295)
Total comprehensive income for the year	-	-	-	46,798,271	46,798,271
Balance as at 31 December 2014	250,000,000	167,200,000	62,500,000	88,206,186	567,906,186

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

CASH FLOW STATEMENT

Union Plastic Public Company Limited

For the year ended 31 December 2014

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2014	2013	2014	2013
Cash flows from operating activities					
Profit before tax		54,063,506	84,151,731	53,452,308	82,915,461
Adjustments to reconcile profit before tax to net cash provided by (used in) operating activities:					
Depreciation and amortisation	15, 16	51,157,730	56,428,918	51,157,730	56,428,918
Reduction of inventory to net realisable value	10	869,695	435,171	869,695	435,171
Gains on sales/write-off of equipment	15	(510,212)	(268,133)	(510,212)	(268,133)
Share of profit from investment in associate	12	(1,361,195)	(1,736,268)	-	-
Unrealised losses on exchange		170,787	48,193	170,787	48,193
Dividend income	12, 13	(26,996,760)	(29,196,496)	(27,746,757)	(29,696,494)
Provision for long-term employee benefits		5,286,178	10,270,196	5,286,178	10,270,196
Interest expenses		-	2,538	-	2,538
Interest income		(3,428,654)	(4,634,325)	(3,428,654)	(4,634,325)
Income from operating activities before changes in operating assets and liabilities		79,251,075	115,501,525	79,251,075	115,501,525
Operating assets (increase) decrease					
Trade and other receivables		8,749,619	41,215,778	8,749,619	41,215,778
Inventories		(5,466,631)	15,107,037	(5,466,631)	15,107,037
Other current assets		8,904,839	(6,634,389)	8,904,839	(6,634,389)
Operating liabilities increase (decrease)					
Trade and other payables		(7,260,938)	(29,339,463)	(7,260,938)	(29,339,463)
Other current liabilities		1,896,000	(3,228,000)	1,896,000	(3,228,000)
Other non-current liabilities		(4,022,055)	(5,601,547)	(4,022,055)	(5,601,547)
Cash flows from operating activities		82,051,909	127,020,941	82,051,909	127,020,941
Cash receipt from interest income		4,750,695	2,547,939	4,750,695	2,547,939
Cash paid for interest expenses		-	(2,538)	-	(2,538)
Cash paid for withholding income tax		(22,886,923)	(28,586,760)	(22,886,923)	(28,586,760)
Cash receipt from withholding income tax		15,076,624	13,292,593	15,076,624	13,292,593
Net cash flows from operating activities		78,992,305	114,272,175	78,992,305	114,272,175

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

CASH FLOW STATEMENT (CONTINUED)

Union Plastic Public Company Limited

For the year ended 31 December 2014

(Unit: Baht)

		Financial statements in which the equity method is applied		Separate financial statements	
	Note	2014	2013	2014	2013
Cash flows from investing activities					
Acquisition of plant and equipment	15	(40,104,545)	(47,496,465)	(40,104,545)	(47,496,465)
Repayment of equipment creditor		(2,339,683)	(3,673,689)	(2,339,683)	(3,673,689)
Cash received from disposal of equipment		2,810,119	636,825	2,810,119	636,825
Acquisition of intangible assets	16	(498,194)	(2,311,733)	(498,194)	(2,311,733)
Decrease (increase) in current investments	8	10,000,000	(105,000,000)	10,000,000	(105,000,000)
Decrease (increase) in restricted investments		2,985,418	(2,985,418)	2,985,418	(2,985,418)
Dividend received from investments	12, 13	27,746,757	29,696,494	27,746,757	29,696,494
Net cash flows from (used in) investing activities		599,872	(131,133,986)	599,872	(131,133,986)
Cash flows from financing activities					
Dividend paid	26	(71,246,295)	(91,245,255)	(71,246,295)	(91,245,255)
Net cash flows used in financing activities		(71,246,295)	(91,245,255)	(71,246,295)	(91,245,255)
Net increase (decrease) in cash and cash equivalents		8,345,882	(108,107,066)	8,345,882	(108,107,066)
Cash and cash equivalents at beginning of year		113,941,414	222,048,480	113,941,414	222,048,480
Cash and cash equivalents at end of year		122,287,296	113,941,414	122,287,296	113,941,414
Supplemental cash flows information					
Non-cash transaction					
Purchase of equipment for which no cash has been paid		1,855,040	2,339,683	1,855,040	2,339,683

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

NOTES TO FINANCIAL STATEMENTS

Union Plastic Public Company Limited

For the year ended 31 December 2014

1. General information

Corporate information

Union Plastic Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Saha-Union Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the contract manufacture of thermoplastics. The Company is also engaged in the contract manufacture and repair of molds, but revenue from related services are not material. The registered office of the Company is at 11/1 Moo 14, Bangchan Industrial Estate, Serithai Road, Minburi, 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 The separate financial statements, which present investment in associate under the cost method, have been prepared solely for the benefit of the public.

3. New financial reporting standards

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

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

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

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

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

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

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease

TFRIC 5 Rights to Interests arising from Decommissioning,
Restoration and Environmental Rehabilitation Funds

TFRIC 7 Applying the Restatement Approach under TAS 29
Financial Reporting in Hyperinflationary Economies

TFRIC 10 Interim Financial Reporting and Impairment

TFRIC 12 Service Concession Arrangements

TFRIC 13 Customer Loyalty Programmes

TFRIC 17 Distributions of Non-cash Assets to Owners

TFRIC 18 Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements.

(b) Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognises actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

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

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 Consolidated and Separate Financial Statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company has control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company believes that this standard will not have any significant impact on the Company's financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity to account for an investment in a jointly controlled entity that meets the definition of a joint venture using the equity method, while TAS 31 allows the entity to apply either the proportionate consolidation method or the equity method to account for such an investment.

The management of the Company believes that this standard will not have any impact on the Company's financial statements as the Company does not have an investment in a jointly controlled entity.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company believes that this standard will not have any significant impact on the Company's financial statements.

4. Significant accounting policies

4.1 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.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Dividends

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

4.2 Cash and cash equivalents

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

4.3 Trade accounts receivable

Trade accounts receivable 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 experiences and analysis of debt aging.

4.4 Inventories

Finished goods and work in process are valued at the lower of cost under the first-in, first-out method and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of cost under the first-in, first-out method and net realisable value and are charged to production costs whenever consumed.

4.5 Investments

- a) Investments in debt securities, both due within one year and 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 classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- c) Investment in associate is accounted for in the financial statements in which the equity method is applied using the equity method.
- d) Investment in associate is accounted for in the separate financial statements using the cost method.

4.6 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).

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 period when the asset is derecognised.

4.7 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 and building improvement	-	5, 10, 20 years
Machinery and equipment	-	5, 10 years
Furniture, fixtures and office equipment	-	3, 5 years
Motor vehicles	-	5 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 when the asset is derecognised.

4.8 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The intangible asset is computer software with finite useful lives of 3 and 5 years.

4.9 Related party transactions

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

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

4.10 Long-term leases

Leases of property, plant or 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 asset acquired under finance leases is depreciated over the useful life of the asset.

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.11 Foreign currencies

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.

4.12 Impairment of assets

At the end of each reporting period, the Company performs an impairment reviews in respect of the property, plant and equipment and other intangible assets 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.

An impairment loss is recognised in profit or loss.

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

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law and resignation fund plans. The Company treats these severance payment obligations as defined benefit plans.

The obligation under the defined benefit plans is determined based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in profit or loss.

Defined benefit liability (asset) is the present value of the defined benefit obligation less the fair value of plan assets which are payable to pay employee benefits obligation directly.

Plan assets are assets held by a long-term employee benefit fund. They are not available to the Company's creditors and cannot be returned to the Company. The Company measures the fair value of plan assets by using market price and; in case that plan assets are debt instruments in active market, the Company measures them by using quoted price.

For the first-time adoption of TAS 19 Employee Benefits in 2011, the Company elected to recognise the transitional liability, which is lower than the liability previously recognised at the same date under the previous accounting policy, retrospectively as though the Company initially recorded these employee benefit expenses.

4.14 Provisions

Provisions are recognised when the Company has 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.

4.15 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 recognises deferred tax liabilities for all taxable temporary differences while it recognises 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 reviews and reduces 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 records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements 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 judgement regarding whether significant risks 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 judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance of diminution in value of inventory

In determining an allowance of diminution in value of inventory, the management makes judgement and estimates net realisable value of inventory based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period. Also, the management makes judgement and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

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 the Company's 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 record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements 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.

6. Related party transactions

During the years, the Company 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 and those related parties.

(Unit: Million Baht)

	Financial statements in which the equity method is applied/ Separate financial statements		Transfer Pricing Policy
	2014	2013	
<u>Transactions with related companies</u>			
(related by common shareholders)			
Sales of merchandise and services	83	110	Cost plus margin
Other income	7	7	Cost plus margin
Purchases of merchandise	14	19	Cost plus margin of related companies

As at 31 December 2014 and 2013, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
<u>Trade and other receivables - related parties (Note 9)</u>		
Related companies (related by common shareholders)	17,202	15,599
Total trade and others receivables - related parties	17,202	15,599
<u>Trade and other payables - related parties (Note 18)</u>		
Related companies (related by common shareholders)	1,654	1,984
Total trade and other payables - related parties	1,654	1,984

Directors and management's benefits

During the years ended 31 December 2014 and 2013, the Company had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
Short-term employee benefits	7,348	10,223
Post-employment benefits	582	943
Total	7,930	11,166

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
Cash	50	50
Bank deposits	122,237	53,955
Short-term bonds	-	59,936
Total	122,287	113,941

As at 31 December 2014, bank deposits in saving accounts carried interest at a rate of 0.50 percent per annum (2013: between 0.25 and 2.44 percent per annum).

8. Current investments

This represents fixed deposits with original maturities of 6 months amounting to Baht 95 million, carried interests between 2.60 and 3.00 percent per annum.

9. Trade and other receivables

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	17,114	15,472
Total trade receivables - related parties	17,114	15,472
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	83,644	96,402
Past due less than 3 months	-	330
Total trade receivables - unrelated parties	83,644	96,732
Total trade receivables	100,758	112,204
<u>Other receivables</u>		
Amounts due from related parties	88	127
Advance for goods payment	7,400	4,843
Others	873	2,187
Total other receivables	8,361	7,157
Total trade and other receivables	109,119	119,361

10. Inventories

(Unit: Thousand Baht)

Financial statements in which the equity method is applied/

Separate financial statements

	Cost		Reduce cost to net realisable value		Inventories-net	
	2014	2013	2014	2013	2014	2013
Finished goods	12,767	12,589	(998)	(958)	11,769	11,631
Work in process	27,591	21,661	(187)	(219)	27,404	21,442
Raw materials	11,909	14,124	(1,645)	(729)	10,264	13,395
Spare parts and factory supplies	9,679	8,105	(330)	(384)	9,349	7,721
Total	61,946	56,479	(3,160)	(2,290)	58,786	54,189

During the current year, the Company reduced cost of inventories by Baht 2.2 million (2013: Baht 1.6 million) to reflect the net realisable value. This was included in cost of sales. In addition, the Company reversed the write-down of cost of inventories by Baht 1.3 million (2013: Baht 1.2 million) and reduced the amount of inventories recognised as expenses during the year.

11. Restricted investment

This represents investments in government bonds which are pledged as collateral to secure electricity use.

12. Investment in associate

12.1 details of associate:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Financial statements in which the equity method is applied		Separate financial statements	
					Carrying amounts based on equity method		Carrying amount based on cost method	
			2014	2013	2014	2013	2014	2013
			%	%				
P.S.V. Mould Co., Ltd.	Contract manufacture and sales of molds	Thailand	25	25	11,676	11,065	2,500	2,500
Total					11,676	11,065	2,500	2,500

12.2 Share of profit and dividend received

During the years, the Company has recognised its share of profit from investment in associate in the financial statements as follows:

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied	
	2014	2013
P.S.V. Mould Co., Ltd.	1,361	1,736
Total	1,361	1,736

The Company received dividend from its associate amounting to Baht 749,997 during 2014 (2013: Baht 499,998).

12.3 Summarised financial information of associate

Financial information of the associate is summarised below:

(Unit: Million Baht)

Company's name	Paid-up capital		Total assets		Total liabilities		Total revenues for		Profit for the	
	as at		as at		as at		the years ended		years ended	
	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
P.S.V. Mould Co., Ltd.	10	10	60	54	14	9	43	37	7	7

13. Other long-term investment

(Unit: Thousand Baht)

Financial statements in which the equity method is applied/

Separate financial statements

Company's name	Shareholding percentage		Investment value		Dividend received during the years	
	2014	2013	2014	2013	2014	2013
	(%)	(%)				
Union Nifco Co., Ltd.	19.99	19.99	20,002	20,002	26,997	29,196
Total			20,002	20,002	26,997	29,196

14. Investment properties

Investment property as at 31 December 2014 and 2013 represents land for rental. There was no movement in net book value during the year.

The fair value of the investment property as at 31 December 2014 amounted to Baht 36 million, as determined by an accredited independent valuer using the income approach. Key assumptions used in the valuation were yield rate, inflation rate, long-term vacancy rate, rate of growth of rental charges.

15. Property, plant and equipment

(Unit: Thousand Baht)

Financial statements in which the equity method is applied/
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							
As at 1 January 2013	76,474	211,361	825,027	14,034	5,283	16,917	1,149,096
Additions	-	1,322	10,280	518	1,624	36,092	49,836
Disposals/write-off	-	(249)	(1,921)	(475)	(522)	-	(3,167)
Transfers	-	16,044	11,875	-	-	(27,919)	-
As at 31 December 2013	76,474	228,478	845,261	14,077	6,385	25,090	1,195,765
Additions	-	-	5,455	699	-	35,805	41,959
Disposals/write-off	-	(378)	(59,553)	(1,618)	-	-	(61,549)
Transfers	-	5,542	43,633	-	-	(49,175)	-
As at 31 December 2014	76,474	233,642	834,796	13,158	6,385	11,720	1,176,175
Accumulated depreciation							
As at 1 January 2013	-	135,240	724,368	12,577	3,462	-	875,647
Depreciation for the year	-	10,867	41,682	711	704	-	53,964
Depreciation on disposals/write-off	-	(248)	(1,908)	(475)	(167)	-	(2,798)
As at 31 December 2013	-	145,859	764,142	12,813	3,999	-	926,813
Depreciation for the year	-	9,460	38,793	723	771	-	49,747
Depreciation on disposals/write-off	-	(379)	(57,258)	(1,612)	-	-	(59,249)
As at 31 December 2014	-	154,940	745,677	11,924	4,770	-	917,311
Allowance for impairment loss							
As at 1 January 2013	-	-	62	-	-	-	62
As at 31 December 2013	-	-	62	-	-	-	62
As at 31 December 2014	-	-	62	-	-	-	62
Net book value							
31 December 2013	76,474	82,619	81,057	1,264	2,386	25,090	268,890
31 December 2014	76,474	78,702	89,057	1,234	1,615	11,720	258,802
Depreciation for the year							
2013 (Baht 51 million included in manufacturing cost, and the balance in administrative expenses)							53,964
2014 (Baht 48 million included in manufacturing cost, and the balance in administrative expenses)							49,747

As at 31 December 2014, certain plant and equipment items have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 745 million (2013: Baht 649 million).

16. Intangible assets

The net book value of intangible assets which is computer software as at 31 December 2014 and 2013 is presented below:

(Unit: Thousand Baht)		
	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
Cost	13,413	12,915
Less Accumulated amortisation	(12,148)	(10,738)
Net book value	1,265	2,177

A reconciliation of the net book value of intangible assets for the years 2014 and 2013 is presented below:

(Unit: Thousand Baht)		
	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
Net book value at beginning of year	2,177	2,330
Acquisition	498	2,312
Amortisation	(1,410)	(2,465)
Net book value at end of year	1,265	2,177

17. Withholding income tax

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
Year 2012	-	15,077
Year 2013	16,932	16,932
Year 2014	15,981	-
Total	32,913	32,009

The Company has requested for a refund of this withholding income tax from the Revenue Department. However, its net realisable value is subject to the result of a tax audit by the Revenue officials. The management believes that the Company will receive the refund of the full amount in future.

18. Trade and other payables

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
Trade payables - related parties	505	1,136
Trade payables - unrelated parties	85,945	90,376
Other payables - related parties	1,149	848
Other payables - unrelated parties	1,855	2,709
Accrued expenses	24,917	26,327
Others	2,366	3,087
Total trade and other payables	116,737	124,483

19. Provision for long-term employee benefits

Provision for long-term employee benefits which represents compensation payable to employees after they retire from the Company, was as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
Present value of defined benefit obligation	60,754	56,564
Fair value of plan assets	(22,476)	(19,550)
Net defined benefit liability	38,278	37,014

Changes in present value of defined benefit obligation and fair value of plan assets are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
Defined benefit obligation at beginning of year	56,564	49,063
Current service cost	4,409	4,327
Interest cost	1,966	1,897
Transferred employees from related companies	-	144
Actuarial loss	-	4,046
Benefits paid during the year	(2,185)	(2,913)
Defined benefit obligation at end of year	60,754	56,564
Fair value of plan assets at beginning of year	19,550	16,717
Change in fair value	1,089	(479)
Contribution by the Company	3,803	3,838
Paid during the year	(1,966)	(526)
Fair value of plan assets at end of year	22,476	19,550

Plant assets comprise bank deposits, government bonds, and equity and debt instruments in active market.

Long-term employee benefit expenses included in the profit or loss consist of the following:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
Current service cost	4,409	4,327
Interest cost	1,966	1,897
Change in fair value of plan assets	(1,089)	479
Actuarial loss	-	4,046
Total expense recognised in profit or loss	5,286	10,749
Line items under which such expenses are included in profit or loss		
Cost of sales	3,428	4,541
Selling and administrative expenses	1,858	6,208

Key actuarial assumptions used for the valuation are as follows:

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
	(%)	(%)
Discount rate	3.7	3.7
Future salary increase rate (depending on age of employee)	3.5 - 6.5	3.5 - 6.5
Staff turnover rate (depending on age of employee)	0 - 30	0 - 30

The amounts of defined benefit obligations for the current year and the past four years are as follows:

(Unit: Thousand Baht)

Defined benefit obligation	
Year 2014	38,278
Year 2013	37,014
Year 2012	32,346
Year 2011	33,691
Year 2010	32,336

20. Statutory reserve

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

However, the Company's regulations require the Company to set aside to a statutory reserve at least 10 percent of its net income after deducting accumulated deficit brought forward (if any) until such reserve reaches 25 percent of its registered share capital.

As at 31 December 2014 and 2013, the statutory reserve was Baht 62.5 million (equivalent to 25 percent of its registered share capital) had reached the minimum amounts as stipulated in the Company's regulations.

21. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2014	2013
Salaries and wages and other employee benefits	198,761	204,730
Depreciation and amortisation expenses	51,157	56,429
Repair and maintenance expenses	12,384	14,485
Transportation expenses	26,432	30,421
Raw materials and consumables used	385,769	483,592
Changes in inventories of finished goods and work in process	(6,108)	10,733

22. Income tax

Income tax expenses for the years ended 31 December 2014 and 2013 are made up as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2014	2013	2014	2013
Current income tax:				
Current income tax charge	6,907	11,654	6,907	11,654
Deferred tax:				
Relating to origination and reversal of temporary differences	(253)	(905)	(253)	(905)
Income tax expense reported in the statement of comprehensive income	6,654	10,749	6,654	10,749

The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2014	2013	2014	2013
Accounting profit before tax	54,064	84,152	53,452	82,915
Applicable tax rate	% 20	% 20	% 20	% 20
Accounting profit before tax multiplied by income tax rate	10,813	16,830	10,690	16,583
Effects of:				
Non-deductible expenses	1,386	818	1,386	818
Tax-exempt dividend income	(5,399)	(5,839)	(5,548)	(5,939)
Share of profit from investment in associate	(272)	(347)	-	-
Additional expense deductions allowed	(253)	(224)	(253)	(224)
Others	379	(489)	379	(489)
Total	(4,159)	(6,081)	(4,036)	(5,834)
Income tax expenses reported in the statement of comprehensive income	6,654	10,749	6,654	10,749

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Statements of financial position Financial statements in which the equity method is applied/ Separate financial statements	
	As at 31 December 2014	As at 31 December 2013
Deferred tax assets		
Provision for long-term employee benefits	7,281	7,028
Total	7,281	7,028

23. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year (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 Company is principally engaged in the contract manufacture of thermoplastics. It also engages in the contract manufacture and repair of molds, but revenue from this business is not material. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

Geographic information

The Company is operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customers

For the year 2014, the Company has revenue from three major customers in amount of Baht 162 million, Baht 83 million and Baht 82 million (2013: revenue from two major customers in amount of Baht 237 million and Baht 104 million).

25. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the employees and the Company contributed to the fund monthly at a rate of 3 percent of basic salary. The fund, which is managed by Bangkok Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund's rules. During the year 2014, the Company contributed Baht 4 million (2013: Baht 4 million) to the fund.

26. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht per share)
Final dividends for 2012	Annual General Meeting of the Shareholders on 24 April 2013	91,250	3.65
Less: Dividend that some shareholders are not entitles to received		(5)	
Net dividend paid		91,245	
Final dividends for 2013	Annual General Meeting of the Shareholders on 23 April 2014	71,250	2.85
Less: Dividend that some shareholders are not entitles to received		(4)	
Net dividend paid		71,246	

27. Credit facilities

The Company's credit facilities (bank overdraft and short-term loan) are unsecured; however, the Company undertook not to dispose of or transfer or create any obligations to its assets as stipulated in loan agreements, unless prior written consent has been obtained from the banks.

28. Commitments and contingent liabilities

28.1 Capital commitments

As at 31 December 2014, the Company did not have capital commitments (2013: Baht 4 million).

28.2 Operating lease commitments

The Company has entered into several lease agreements in respect of the lease of office equipment. The terms of the agreements are generally between 1 and 4 years.

Future minimum lease payments required under these non-cancellable operating leases contracts which were payable within 1 year are amounting to Baht 3 million (2013: Baht 2 million).

29. Financial instruments

29.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, trade and other payables and investments. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable and other receivables as stated in the statement of financial position.

Interest rate risk

The Company is exposed to interest rate risk relating primarily to their cash at banks and government bonds. However, since most of the financial assets and liabilities bear non-interest, floating interest rate or fixed which are close to the market rate, the interest rate risk of the Company is expected to be minimal.

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

(Unit: Million Baht)

As at 31 December 2014

	Financial statements in which the equity method is applied					
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
Financial assets						
Cash and cash equivalents	-	-	122	-	122	0.50
Current investments	95	-	-	-	95	2.60 - 3.00
Trade and other receivables	-	-	-	109	109	-
Restricted investment	-	12	-	-	12	3.25 - 5.00
Investment in associate	-	-	-	12	12	-
Other long-term investment	-	-	-	20	20	-
	95	12	122	141	370	
Financial liabilities						
Trade and other payables	-	-	-	117	117	-
	-	-	-	117	117	

(Unit: Million Baht)

As at 31 December 2013

	Financial statements in which the equity method is applied					
	Fixed interest rates					
	Within	1-5	Floating	Non-interest		Effective
	1 year	years	interest rate	bearing	Total	interest rate
						(% per annum)
Financial assets						
Cash and cash equivalents	60	-	53	1	114	0.50 - 2.44
Current investments	105	-	-	-	105	3.03 - 3.40
Trade and other receivables	-	-	-	119	119	-
Restricted investment	-	14	-	-	14	2.60 - 5.25
Investment in associate	-	-	-	11	11	-
Other long-term investment	-	-	-	20	20	-
	165	14	53	151	383	
Financial liabilities						
Trade and other payables	-	-	-	124	124	-
	-	-	-	124	124	

(Unit: Million Baht)

As at 31 December 2014						
Separate financial statements						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1-5 years				
						(% per annum)
Financial assets						
Cash and cash equivalents	-	-	122	-	122	0.50
Current investments	95	-	-	-	95	2.60 - 3.00
Trade and other receivables	-	-	-	109	109	-
Restricted investment	-	12	-	-	12	3.25 - 5.00
Investment in associate	-	-	-	2	2	-
Other long-term investment	-	-	-	20	20	-
	95	12	122	131	360	
Financial liabilities						
Trade and other payables	-	-	-	117	117	-
	-	-	-	117	117	

(Unit: Million Baht)

As at 31 December 2013						
Separate financial statements						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1-5 years				
						(% per annum)
Financial assets						
Cash and cash equivalents	60	-	53	1	114	0.50 - 2.44
Current investments	105	-	-	-	105	3.03 - 3.40
Trade and other receivables	-	-	-	119	119	-
Restricted investment	-	14	-	-	14	2.60 - 5.25
Investment in associate	-	-	-	2	2	-
Other long-term investment	-	-	-	20	20	-
	165	14	53	142	374	
Financial liabilities						
Trade and other payables	-	-	-	124	124	-
	-	-	-	124	124	

Foreign currency risk

The Company believes that its exposure to foreign currency risk is low since there were few foreign currency transactions during the year and the amount of each individual transaction was quite low.

29.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature, their fair value is not expected to be materially different from the amounts presented in statement 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.

30. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2014, the Group's debt-to-equity ratio was 0.27:1 (2013: 0.27:1) and the Company's was 0.28:1 (2013: 0.27:1).

31. Approval of financial statements

These financial statements were authorised for issue by the Company's board of directors on 25 February 2015.

Audit Fee

No.	Name of Company	2014		2013	
		Name of Auditor	Audit Fee (Baht)	Name of Auditor	Audit Fee (Baht)
1	Union Plastic PCL.	EY Office Limited	920,000	Ernst & Young Office Limited	880,000

[illegible]

RELATED PARTY TRANSACTIONS

People with Common Interests and Related Party Transactions

Company Name	Saha-Union Public Company Limited
Address	1828 Sukhumvit Road, Bangchak, Phraknong, Bangkok 10260
Type of Business	Plastic Industry Group, Electronics and Information Technology Group, Energy Group, Trading & Investment Group and Services
Registered Capital	Baht 3,000,000,000
Relationship	Major shareholder and common Directors
Shareholding (%)	Hold 49.521% shares in Union Plastic Public Company Limited (12,380,130 shares) (as of April 3 rd , 2014)

Board of Directors of Saha-Union Public Company Limited

No.	Name/Surname
1	Ms. Sriwarin Jirapakkana
2	Mr. Chutindhon Darakananda
3	Mrs. Achara Chandrachai
4	Mr. Chivin Chaipanich
5	Ms. Pakinee Prettitumrong
6	Mr. Yanyong Tangchitkul
7	Mrs. Busarakham Nilavajara
8	Ms. Dalad Sapthavichaikul
9	Mr. Thitivat Suebsaeng
10	Mr. Preecha Shunhavanich
11	Mrs. Chantornree Darakananda
12	Mrs. Pinijporn Darakananda Kasemsup
13	Mr. Bovornrat Darakananda
14	Mr. Vacharaphong Darakananda
15	Mr. Nanthiya Darakananda

Related Transactions between the Subsidiary and Associated Companies

Related Transactions between the Subsidiary and Associated Companies were implemented according to normal trading practice and are as follows :

Company Name	PSV Mould Co., Ltd.
Address	46/36 Moo 9 Bangpla, Bangplee, Samutprakarn 10540
Type of Business	Manufacturing Service, Manufacture & sales of Molds for equipment and tools manufacturing
Registered Capital	Baht 10,000,000 : 1,000,000 ordinary shares, par value of Baht 10 per share
Relationship	Shareholder
Shareholding (%)	25.00% (249,999 shares)
Major Shareholder	Mr. Varapong Jaisin

Board of Directors of PSV Mould Co., Ltd.

No	Name/Surname
1	Mr. Varapong Jaisin
2	Mr. Prasit Teetakeaw
3	Mr. Chaiving Sriprasert
4	Mr. Monrit Komen-eak
5	Mr. Supod Kantavijit

Remark : The former name of this company is Union Prospack Co., Ltd. It registered the name change on December 20th, 2005 and the shareholding structure has been changed after the capital increase according to the resolution of the Extraordinary Shareholders' Meeting No. 3/2005 on December 19th, 2005.

Company Name	Union Nifco Co., Ltd.
Address	99/11 Moo 5 Bangna-Trad Road. (km.38), Bangsamak, Bangpakong, Chachoengsao 24180
Type of Business	Plastic part manufacturing
Registered Capital	Baht 100,000,000 : 1,000,000 ordinary shares, par value of Baht 100 per share
Relationship	Shareholder and common Directors
Shareholding (%)	19.9976% (199,976 shares)
Major Shareholder	Nifco Inc. Co., Ltd. (Japan).

Board of Directors of Union Nifco Co., Ltd.

No.	Name/Surname
1	Ms. Dalad Saphavichaikul
2	Ms. Sriwarin Jirapakkana
3	Mr. Thitivat Suebsaeng
4	Mr. Supakit Puangbua
5	Mr. Vacharaphong Darakananda
6	Mr. Takashi Ukai
7	Mr. Koji Watanabe
8	Mr. Yoshiaki Notaya
9	Mr. Hiroshi Osada
10	Mr. Toshiyuki Yamamoto

Nature of Related Party Transactions and Policy on Related Party Transactions :

1. The Company has important business transactions with related companies (related by having common shareholders and/or common Directors). Such business transactions are, in most cases, sales and purchases of goods at the market price.
2. Measures and steps of approval of the related party transactions are implemented the same as the sales and purchases of other unrelated business. No executive or shareholders that have conflicts of interest are involved in the approval.
3. Pricing policy for the purchases and sales of related party transactions is implemented the same as the sales and purchases of other unrelated businesses, which is in accordance with the market price.

Related Party Transactions

During the years, the Company 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 and those related parties.

(Unit: Million Baht)

	Financial statements		Transfer Pricing Policy
	in which the equity method is applied/		
	Separate financial statements		
	2014	2013	
<u>Transactions with related companies</u>			
(related by common shareholders)			
Sales of merchandise and services	83	110	Cost plus margin
Other income	7	7	Cost plus margin
Purchases of merchandise	14	19	Cost plus margin of related companies

GENERAL INFORMATION

General Information of Union Plastic Public Company Limited

Type of Business	Provide manufacturing services and manufacturing plastic parts and molds
Head Office	11/1 Moo 14, Bangchan Industrial Estate, Serithai Road, Minburi, Bangkok 10510 Tel. 0 2517 0109 -14 Fax 0 2517 0529 Website : http://www.unionplastic.co.th
Branch No.1	99/8 Moo 5, Bangna-Trad Road (km.38), Bangsamak, Bangpakong, Chachoengsao 24180 Tel. (038) 571 741- 5 Fax (038) 842 418
Registered Capital	Fully paid-up 25,000,000 ordinary shares at par value of Baht 10 per share

Legal entities, which the Company holds 10% shares or more

Associated Company PSV Mould Co., Ltd.

Type of Business	Manufacturing service, manufacture & sales of molds for equipment and tools manufacturing
Head Office	46/36 Moo 9, Bangpla, Bangplee, Samutprakarn 10540 Tel. 0 2315 5161-3
Registered Capital	Fully paid-up 1,000,000 ordinary shares at par value of Baht 10 per share
Shareholding	249,999 shares, 25% of total shares

Related Company Union Nifco Co., Ltd.

Type of Business	Plastic parts manufacturing
Head Office	99/11 Moo 5 Bangna-Trad Road (km.38), Bangsamak, Bangpakong, Chachoengsao 24180 Tel. (038) 842 130 - 5 Fax (038) 842 129
Registered Capital	Fully paid-up 1,000,000 ordinary shares at par value of Baht 100 per share
Shareholding	199,976 shares, 19.9976% of total shares

Other References

Securities Register

Head Office

Thailand Securities Depository Co., Ltd.

62 The Stock Exchange of Thailand Building, Radchadapisek Road,
Klong Toey, Bangkok 10110

Tel. 0 2359 1200 - 1 Fax 0 2359 1259

Securities Registrar Office

Capital Market Academy

2/7 Moo 4 (North Park), Vibhavadee Rangsit Road, Toongsonghong, Laksi,
Bangkok 10210

Tel. 0 2596 9000 Fax 0 2832 4994 - 6

Auditor

EY Office Limited

Mr. Khitsada Lerdwana and/or Mr. Termphong Opanaphan and/or
Miss. Thipawan Nananuwat, Certified Public Accountant No. 4958, 4501
and 3459 consecutively

Head Office

Lake Rachada Office Complex Building, 33rd Floor,
193/136-137, Rachadapisek Road, Klong Toey, Bangkok 10110

Tel. 0 2264 0777 Fax 0 2264 0789, 0 2264 0790

Other Information affecting the decision of investors

- The Company did not disclose other important information on the analyst or other investors.

SET INFORMATION REFERENCES GUIDE

UNDER FORM 56-2

Good Corporate Governance

1. Shareholders' Rights	21 - 22
2. Equitable Treatment to Shareholders	22 - 23
3. Stakeholders' Roles	23 - 25
4. Information Disclosure and Transparency	25 - 26
5. The Board of Directors' Responsibilities	26 - 28

Index of Form 56-2

1. General Information	86 - 87
2. Major Financial and Information Summary	03
3. Company's Business Overview	10
4. Risk Factors	30 - 31
5. Shareholding Structure and Management	13
5.1 Shareholders	13
5.2 Management	14 - 19
5.3 Remunerations of the Directors and Executives	19 - 20
5.4 Good Corporate Governance	21 - 28
5.5 Control on Use of Internal Information	29
5.6 Internal Control	29
6. Related Party Transactions	83 - 85
7. Management Discussion and Analysis on Financial Status and Operation Results	32 - 41
8. Financial Statements	46 - 52



Union Plastic Public Company Limited

11/1 Moo 14, Bangchan Industrial Estate,
Serithai Road, Minburi, Bangkok 10510

Tel. 0 2517 0109 - 14 Fax. 0 2517 0529

Website : <http://www.unionplastic.co.th>