

ท้าทายอนาคต
Challenge the Future

Integrity
Quality
Service



Annual Report
2015

Union Plastic Public Company Limited

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 in the application of technologies, experiences and expertise for the customers.
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 conservation 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.





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Board of Directors' Report

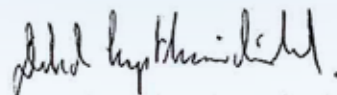


Domestic economic situation in 2015 had not recovered and the purchasing power of people had decreased. As a result, the stagnancy of domestic automotive and motorcycle markets had continued and the performance of the Company was directly affected, given that the main revenues of the Company were derived from the products in the business groups of automotive and motorcycle markets. In addition, the price competition for the goods in the manufacturing industry of plastic parts had been more intense; and this competition also affected the Company. The management team had been aware of these problems and the impacts; and put more efforts on the improvement of the production process in a way that it could produce plastic parts efficiently and meet the needs of customers in a timely manner with a competitive manufacturing cost against other manufacturers.

According to its consolidated financial statements of 2015 in which the equity method is applied, the Company had its incomes from sale and services amounted to 749 million Baht, which was increased by 0.64% or equal to 4.7 million Baht from those of 2014; had its total incomes of 795 million Baht, which was decreased by 0.38% or equal to 3 million Baht from those of 2014; had its net profit amounted to 28 million Baht, which was decreased by 40% or equal to 19 million Baht from that of 2014; and had its basic earning per share of 1.13 Baht.

For the situation of 2016, the Company foresees that automotive and motorcycle markets will continue to be as static as before because the stagnancy of domestic economy has not been resolved yet. Therefore, the Company has defined an expansion of its targets to cover the business groups in electric appliance markets and those in the markets of other products more extensively than before.

On behalf of the Board of Directors, I would like to thank the management team, the employees, shareholders, customers, business partners and all related parties for their continuous supports to the businesses of the Company; and I insist that the Company will continue to do its best to gain good operating results with transparent, honest, thorough and careful management, as well as the responsibilities for society and environment, as to deserve the long-lasting trust and confidence in the Company from all of you.



(Miss Dalad Saphthavichaikul)

Chairman

Union Plastic Public Company Limited

Major Financial and Information Summary

Unit : 1,000 (Baht)

	2015	2014	2013	2012	2011
Revenues				(Restated)	
Total Revenues	795,562	798,648	966,657	1,081,540	849,156
Sales	749,777	744,987	911,552	1,029,585	782,723
Interest income	-	-	-	-	-
Other income	45,786	53,661	55,106	51,954	66,433
Share of profit from investment in associate	1,380	1,361	1,736	860	679
Profit (Loss) before finance cost and income tax expenses	28,776	54,064	84,154	106,023	67,271
Finance cost	-	-	3	-	-
Income tax expenses	442	6,654	10,749	18,925	10,954
Profit for the year	28,333	47,410	73,402	87,194	57,657
Non-Controlling interests of subsidiary	-	-	-	(96)	(1,340)
Net Profit (Loss) Consolidated financial statements	28,333	47,410	73,402	87,098	56,318
Net Profit (Loss) (Separate financial statements)	27,779	46,798	72,166	86,820	56,467
Earning per share (Baht) (Consolidate financial statements)	1.13	1.90	2.94	3.49	2.31
Earning per share (Baht) (Separate financial statements)	1.11	1.87	2.89	3.47	2.26
Dividend					
Issued and fully paid-up shares (shares)	25,000	25,000	25,000	25,000	25,000
Dividend per share (Baht/share)	1.11	1.87	2.85	3.65	2.20
Total Dividend Payment (Baht)	27,750	46,750	71,250	91,250	55,000
Dividend Payment Ratio (%) (Separate financial statements)	99.90	99.90	98.73	99.04	97.40
Total Assets	700,520	735,090	763,512	810,587	740,041
Total Liabilities	147,100	158,007	162,592	191,825	145,353
Total Shareholders' equity	553,420	577,083	600,920	618,762	594,688
Major Financial Ratio Summary					
Liquidity Ratio (times)	3.46	3.24	3.22	2.85	3.36
Current Ratio (times)	1	1.02	0.91	1.39	0.93
Gross Profit (%)	7.82	10.37	13.04	13.94	9.77
Net Profit (%)	3.56	5.94	7.59	8.06	6.79
Return on Equity (%)	5.01	8.05	12.04	14.37	9.94
Return on Assets (%)	3.95	6.33	9.33	11.25	7.86
Debt to Equity Ratio (times)	0.27	0.27	0.27	0.31	0.25



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. Thitivat Suebsaeng
Director/Acting Managing Director



Mr. Rames Khempet
Director/Deputy Managing Director



Mrs. Chantorntree Darakananda
Director



Mr. Vacharaphong Darakananda
Director/Nomination and
Remuneration Committee



Mr. Nanthiya Darakananda
Director

Bio-data of Board of Directors and Company Secretary

Miss Dalad Saphthavichaikul

- Chairman

Age 59 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
- 1995 - May 2015 Director, Union Textile Industries Public Company Limited

Current Positions

Listed Companies

- 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
- May 2015 - Present Chairman, Union Textile Industries Public Company Limited

Other Positions

Saha-Union Group Companies

- 2012 - Present Chairman, Union Nifco Co., Ltd.
- 2012 - Present Chairman, Union Garment 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.
- May 2014 - Present Director, The Royal Hotel Ltd.
- 2014 - Present President, Computer Union Co., Ltd.
- August 2015 - Present Director, Sukhumvit 62 Medical Ltd.
- Chairman and Director, Other Companies in Saha-Union Group

Other Companies

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

Years of Directorship 5 years

Assoc. Prof. Pakpachong Vadhanasindhu

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

Age 65 years

Education

- B.A., M.A. in Commercial 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 7 years



Mr. Bancherd Tanglertpaibul

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

Age 57 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 7 years

Miss Jutatip Arunanondchai

- Audit Committee/Independent Director

Age 44 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, Rajburi 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, Rajburi Sugar Co., Ltd. And Group Companies
- Executive Director, Rajburi Ethanol Co., Ltd.
- Executive Director, Tipamas 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 7 years



Mr. Thitivat Suebsaeng

- Director/Acting Managing Director

Age 62 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
- 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.
- 2007 - April 2015 Director, Union Nifco 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.
- March 2013 - April 2015 Director, Union Zojirushi Co., Ltd.

Current Positions**Listed Companies**

- Director, Saha-Union Public Company Limited
- Director, Union Plastic Public Company Limited
- September 2015 - Present Acting Managing Director, Union Plastic Public Company Limited

Other Positions**Saha-Union Group Companies**

- Director, Union Stainless Steel Products Co., Ltd.
- Director, Union Rubber Products Corp., Ltd.
- Director, Yunnan Energy Luliang-Union Power Co., Ltd.
- Directors, Other Companies in Saha-Union Group.

Years of Directorship 23 years

Mr. Rames Khempet

- Director/Deputy Managing Director

Age 51 years

Education

- Bachelor's Degree in Engineering, King Mongkut's Institute of Technology Thonburi

IOD's Training

- Directors Accreditation Program (DAP) Class 123/2016

Experiences

- 1984 - 1984 Head of Production Department, Siam Cast Iron Works Co, Ltd.
- 1985 - 1985 Production Engineer, Seagate Co., Ltd.
- 1986 - 1990 Mechanical Parts Engineer, Minebea Co., Ltd.
- 1991 - 1992 Senior Engineer, Micropolis Corporation
- 1993 - 2010 Senior Production Manager/Senior Administration Manager/Quality Manager/Engineering Manager/Production Manager/Procurement Manager/Senior Engineer, Union Technology (2008) Public Company Limited.
- 2011 - 2011 Senior Planning Manager, Union Nifco Co., Ltd.

Current Positions**Listed Companies**

- October 2015 - Present Director/Deputy Managing Director, Union Plastic Public Company Limited.

Other Positions**Saha-Union Group Companies**

- 2012 - Present General Manager, Union-Thai Nichiban Co., Ltd.
- March 2014 - Present Director, Union-Thai Nichiban Co., Ltd.

Years of Directorship: 3 Months



Mrs. Chantorntree Darakananda

- Director

Age 52 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.
- 2002 - 2008 Deputy Managing Director, Union Thread Industries Co., Ltd.
- 2002 - 2008 Director, Saha-Union Public Company Limited
- 2002 - 2009 Director, Union Textile Industries Public Company Limited
- 2002 - 2011 Director, Professional Laboratory Management Corp. Co., Ltd.
- 2013 - September 2014 Director, Saha-Union Public Company Limited

Current Positions

Listed Companies

- September 2014 - Present Deputy Managing Director Saha-Union Public Company Limited
- June 2014 - Present Director, Union Plastic Public Company Limited.
- January 2015 - Present Director, Union Textile Industries Public Company Limited
- April 2015 - Present Director, Union Pioneer Public Company Limited.

Other Listed Companies

1990 - Present Director, Ladphrao Hospital Public Company Limited

Other Positions

Saha-Union Group Companies

- 2009 - Present Deputy Managing Director, Venus Thread Co., Ltd.
- 2009 - Present Deputy Managing Director, Union Zip Co., Ltd.
- May 2014 - Present Director, The Royal Hotel Co., Ltd.
- April 2015 - Present Director, Computer Union Co., Ltd.
- April 2015- Present Director, Union Zojirushi Co., Ltd.
- April 2015- Present Director, Union Nifco Co., Ltd.
- April 2015- Present Director, Union Rubber Products Corp., Ltd.
- April 2015 – Present Director, Thai Rubber Enterprise Co., Ltd.
- April 2015- Present Director, Union Stainless Steel Products Co., Ltd.
- Director, Other Companies in Saha-Union Group

Other Companies

- 2012 - Present Director, Union Sime Darby (Thailand) Ltd.

Years of Directorship 1 year 6 months

Mr. Vacharaphong Darakananda

- Director/Nomination and Remuneration Committee

Age 50 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.
- Acting Managing Director, Union Stainless Steel Products Co., Ltd.

Years of Directorship 15 years



Mr. Nanthiya Darakananda

- Director

Age 47 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
- Director Certification Program (DCP) Class 212-213/2015

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 17 years

Mr. Amarin Patranawik

- Company Secretary

Age 61 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 Rubber Products Corp., Ltd.
- Company Secretary, Thai Rubber Enterprise Co., Ltd.

Years of the Company Secretary 6 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 previous year, the Company procured new machines and equipment related to the production process to replace a number of old machines. The Company also maintained good condition of the machines used in the production process in order to improve efficiency and maintain a good standard of the products, reduce expenses and production costs. Moreover, the Company also improved work environment to ensure the safety at workplace for operating staff.

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

Main revenues of the Company came from fulfilling the orders for injecting plastic parts, the production of molds, and the sales of the products obtained through the production process as follows.

Products/Services	2015 Revenues (Thousand Baht)	%	2014 Revenues (Thousand Baht)	%	2013 Revenues (Thousand Baht)	%
1. Plastic Parts	701,851	88.13	722,748	90.41	839,246	86.82
2. Molds	47,926	6.02	22,239	2.78	72,306	7.48
3. Other Revenues	46,610	5.85	54,411	6.81	55,106	5.70
Total Revenues	796,387	100	799,398	100	966,658	100



Corporate Social Responsibility



Thursday 28th May 2015

Representatives of employees of Union Plastic PCL and Saha-Union Group of Companies, Bang Chan Operation, participated in the Workplace Safety Project in Honour of HRH Princess Maha Chakri Sirindhorn giving a lecture on traffic rules to 150 students of Wat Bamphen Nuea School; and campaigning for wearing a helmet while riding.

Friday 5th June 2015

Representatives of management and employees participated in the project **“UP Restore Clear Water for Community”** under the collaboration with the Office of Bang Chan Industrial Estate to observe World Environment Day 2015 by releasing Bio-extracts into public irrigation ditch in front of the Company, so as to conserve and restore clean water in the ditch before flowing further to a canal or river.



Tuesday 28th July 2015

Representatives of management and employees of Union Plastic PCL and employees of Saha-Union Group of Companies in Bang Chan Operation, and other governmental and private offices, joined Buddhist Lent Candle Procession and Alms Giving at Wat Bamphen Nuea Temple, Minburi district, Bangkok.

Friday 14th August 2015

Representatives of management and employees joined the Voluntary Project **“Give Love to Children and Create Value for Community”** in collaboration with the Office of Bang Chan Industrial Estate, other public and private offices in contributing a fund for the maintenance of Early Childhood Development Center, Bang Chan Pattana Community; and painted the fence of the center together.





Respect for Human Rights and Fair Operating Practices



Employment for People with Disabilities

The Company had a policy to promote the employment for people with disabilities. They were not discriminated as a disabled person. The Company assigned a task for each them based on the appropriateness to the disability of each one.

Sunday 11st & 25th October 2015

The Company had focused its concerns about the pandemic of Dengue Hemorrhagic Fever (DHF). In order to address the problems and mitigate the troubles of employees, the government authorities were coordinated to come and conduct a mosquito spraying to destroy *Aedes aegypti* mosquitos.



Tuesday 13rd & Tuesday 20th October 2015

Recognizing the importance of well-being among employees, the Company provided annual health checkup for all employees every year to screen for the risks of any possible diseases.

On Friday 27th November 2015

The management of the Company joined together to extend gratitude toward the employees who had worked for the Company with outstanding perseverance until the time of their retirement.



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 3 rd , 2014	April 2 nd , 2015	April 3 rd , 2014	April 2 nd , 2015
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	707,200	707,200	2.83	2.83
5	Mrs. Kanjana Suwantavit	512,240	512,240	2.05	2.05
6	Mr. Krit Thongthai	494,120	494,120	1.98	1.98
7	Mr. Sumeth Darakananda	449,720	449,720	1.80	1.80
8	Wattana Soponpanich Company Limited	253,660	253,660	1.01	1.01
9	Ms. Sasipha Thongthai	249,600	249,600	1.00	1.00
10	Mr. Kongsak Wongsakvanich	219,800	219,800	0.88	0.88

(2) The directors' shareholdings are as follows :

No.	Names of Shareholders	Number or Shares Held		Percentage (%)	
		2014	2015	2014	2015
1	Ms. Dalad Saphthavichaikul	-	-	-	-
2	Assoc. Prof. Dr. Pakpachong Vadhanasindhu	-	-	-	-
3	Mr. Buncherd Tanglertpaibul	9,660	9,660	0.04	0.04
4	Ms. Jutatip Arunanondchai	-	-	-	-
5	Mr. Thitivat Suebsaeng	-	-	-	-
6	Mr. Rames Khempet	-	-	-	-
7	Mrs. Chantornree Darakananda	-	-	-	-
8	Mr. Vacharaphong Darakananda	-	-	-	-
9	Mr. Nanthiya Darakananda	-	-	-	-

Remark: 1. On August 31st, 2015, Mr. Thitivat Suebsaeng was appointed to take the position as Acting Managing Director replacing Mr. Supod Kantavijit who deceased on August 30th, 2015.

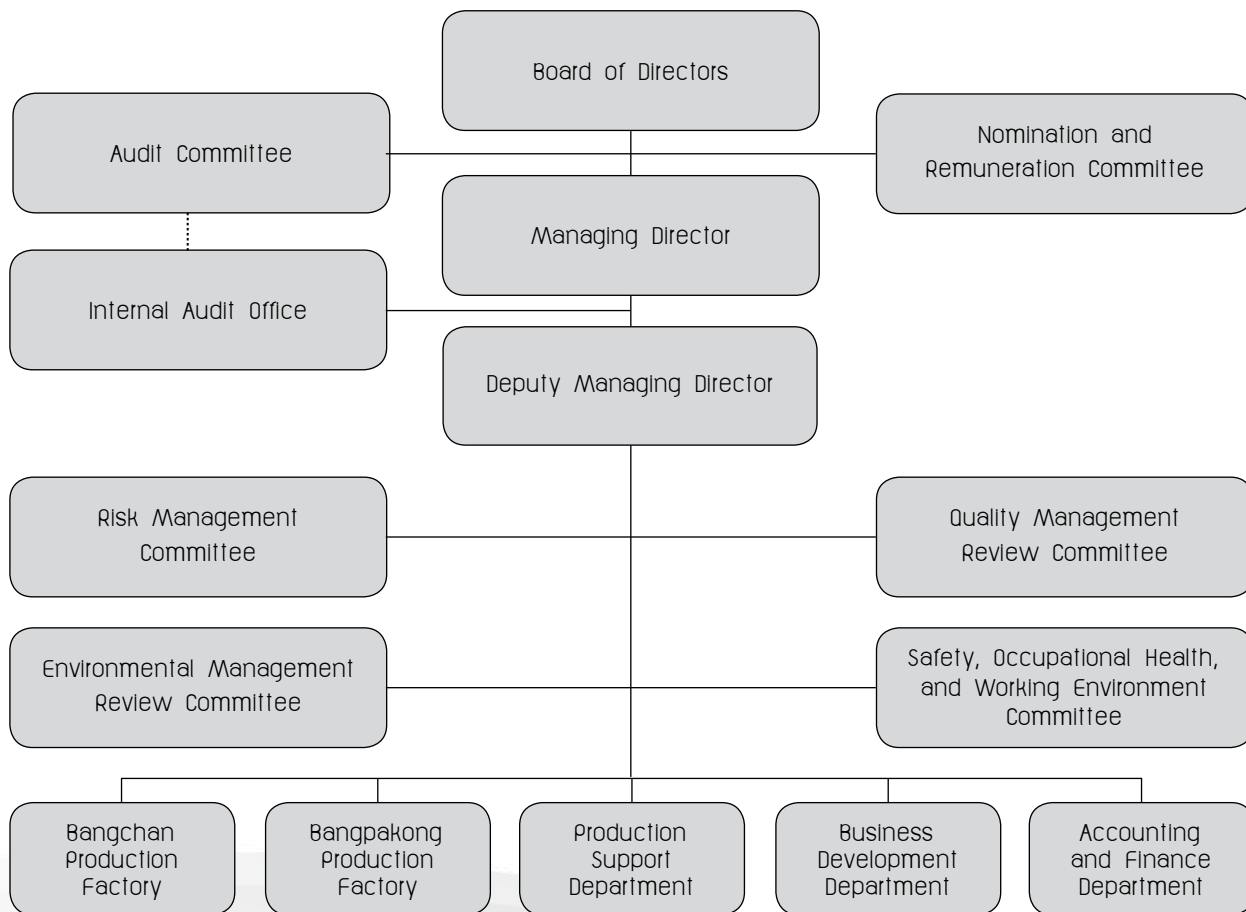
2. Mr. Rames Khempet took the position of a Director replacing Mr. Supod Kantavijit; and took the position of Deputy Managing Director according to the resolution from the Meeting No. 10/2015 of the Board of Directors organized on October 21st, 2015.

• 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 of the Company consists of 9 directors. At least half of the total number of the directors must have permanent residence in Thailand and at least three-fourth of the total number of the directors must hold Thai nationality. For the duration (or the term) of taking position as the directors, one-third of the directors shall be retired from the position by rotation in each year, as provided in the by-law of the Company.

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 consists of 9 directors as follows.

- 3 Independent Directors;
- 1 Executive Director; and
- 5 Non-executive Directors

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

No.	Name	Position	2014			2015		
			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 Vadhana-sindhu	Chairman of the Audit Committee/Independent Director/Nomination and Remuneration Committee	12/12	4/4	2/2	12/12	4/4	2/2
3	Mr. Bancherd Tanglerpaibul	Audit Committee/Independent Director/Chairman of Nomination and Remuneration Committee	12/12	4/4	2/2	12/12	4/4	2/2
4	Ms. Jutatip Arunanondchai	Audit Committee/Independent Director	11/12	4/4		9/12	4/4	
5	Mr. Thitivat Suebsaeng	Director/Acting Managing Director	12/12			12/12		
6	Mr. Rames Khempet	Director/Deputy Managing Director				2/2		
7	Mrs. Chantorn-tree Darakananda	Director	6/6			12/12		
8	Mr. Vacharaphong Darakananda	Director/Nomination and Remuneration Committee	12/12		2/2	12/12		2/2
9	Mr. Nanthiya Darakananda	Director	9/12			6/12		
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.

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. Buncherd Tanglertpaibul	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 2015, 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. Buncherd Tanglertpaibul	Audit Committee
3	Ms. Jutatip Arunanondchai	Audit Committee

With Mrs. Achara Maneesawath/Internal Audit Manager as the Secretary

Scope of Duties and Authorities of the Audit Committee

1. Review the Company's financial reports to ensure that they are correct, sufficient, and in accordance with generally-accepted accounting standards.
2. 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.
3. 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.
4. 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.
5. 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.
6. 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:
 - (1) Opinions on the correctness, completeness, and reliability of the Company's financial reports.
 - (2) Opinions on the adequacy of the internal control system.
 - (3) Suggestions on the Company's operations in pursuance of the securities and stock exchange laws, the Stock of Exchange's regulations, and related laws.
 - (4) Recommendations on the auditor's felicitousness.
 - (5) Opinions on the transactions with possible conflict of interest.
 - (6) The number of meetings of the Audit Committee and attendances of each director.
 - (7) Overall suggestions or observations on the Audit Committee's performance carried out according to the charter or its regulations.
 - (8) Other transactions which shareholders and investors should be aware of within the scope of duties and responsibilities as assigned by the Board.
7. Make sure that problems are rectified by the Management in timely manner.
8. Follow-up and evaluate operating results which are regarded as crucial by the Audit Committee.
9. 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. Buncherd 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

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

4. The Company's Management comprises:

- (1) The Managing Director and Deputy Managing Director are recruited and appointed by the Board of Directors. Their authorities are assigned by the Board as appropriate. The person taking position as Managing Director must be knowledgeable and competent and posses appropriate experience; be able to oversee and maintain the benefits and interests of the Company; be able to perform the tasks 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 according to the current organizational structure consist of 5 work clusters. The work units within the line of command are as follows.
 - 2.1 The clusters under the supervision of Managing Director consist of Deputy Managing Director, 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 Administrative Division, Purchasing Division, and Mold Division.
 - 2.2 The cluster of production consists of Plastic Part Factory, Spray Painting and Assembly Factory.
 - 2.3 The cluster of production support consists of Engineering Division, Quality Assurance Division, Maintenance Division, Material Store Division, and Production Technical Support Division.
 - 2.4 The cluster for business development consists of Marketing Division and Sales Division.
 - 2.5 The cluster for accounting and finance consists of Accounting Division, Finance Division, and Information Technology Section.

The Company's Management consists of 8 executives are as follows:

No.	Name	Position	Education
1	Mr. Thitivat Suebsaeng	Acting Managing Director	Ph. D. in Chemistry, Marquette University, U.S.A.
2	Mr. Rames Khempet	Deputy Managing Director	Bachelor's Degree in Engineering (Mechanical Engineering), King Mongkut's Institute of Technology Thonburi
3	Mr. Wichit Amphaiwan	Bangchan Production Factory Manager	Junior High School
4	Mr. Wirat Uthaisang	Bangpakong Production Factory Manager	Bachelor's Degree in Engineering (Plastic Technology) Rajamangala Institute of Technology
5	Mr. Pruttipan Chayakul	Production Support Manager	Master Degree in Engineering (Mechanical Engineering) King Mongkut's University of Technology North Bangkok
6	Mr. Anupong Rengputipong	Business Development Manager	M.B.A., Ramkhamhaeng University
7	Mr. Khosit Thepchalem	Accounting & Financial Manager	B.A., in Accounting Dhurakig Pundit University
8	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 adopted a transparent process in defining the remuneration for the board of directors. Such process has gone through a review by the Nomination and Remuneration Committee and an approval by the shareholders.

The remunerations for directors are defined at a level comparable to that of the current practice in other entities of the same industry and based on the experiences, duties, roles, responsibility, and expected benefits that would be derived from each director. The directors who are assigned with more duties and a higher level of responsibility, such as the members of Audit Committee, will receive a high amount of meeting allowance.

The remunerations for managing director and executive directors are considered based on the performance results of the Company and the performance results of each executive director.

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.

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

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

Remark: According to the resolution of the General Meeting of Shareholders on April 22nd, 2015 approving an allowable amount not exceeding 1,500,000.- Baht (equal to that of 2014).

Remunerations and other monetary remunerations of Directors and Sub-Committees

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

No.	Name	Position	2014				2015			
			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 Saphavichai	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	12,000	240,000	96,000	132,000	12,000	240,000
3	Mr. Banched Tangletpaibul	Audit Committee/Independent Director/Chairman of Nomination and Remuneration Committee	96,000	120,000	12,000	228,000	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. Thitavat Suebsaeng	Director/Acting Managing Director	96,000			96,000	96,000			96,000
6	Mr. Rames Khempet	Director/Deputy Managing Director					16,000			16,000
7	Mrs. Chantontree Darakananda	Director	48,000			48,000	96,000			96,000
8	Mr. Vacharaphong Darakananda	Director/Nomination and Remuneration Committee	96,000		12,000	108,000	96,000		12,000	108,000
9	Mr. Nanthiya Darakananda	Director	96,000			96,000				
	Mr. Supod Kantavijit	Managing Director	96,000			96,000	64,000			64,000
	Ms. Sriwarin Jirapakkana	Director	48,000			48,000				
Total			864,000	372,000	36,000	1,272,000	752,000	372,000	36,000	1,160,000

Remark: Mr. Nanthiya Darakananda has expressed his intention not to receive any remuneration in 2015.

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

Remunerations of Executives

Remunerations of Executives are as follows:

Position	Salary and allowance per year (Million Baht)
Managing Director and Executives	9.39

Other remunerations of Executives

The Company contributed to the provident funds of Managing Director and 6 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 2015, 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 2015, the 22nd Annual Shareholders' Meeting took place on 22nd April, 2015 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, 2015) 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 2015, the 22nd Annual General Meeting of Shareholders was held on 22nd April, 2015 at the head office's auditorium of Saha-Union Public Company Limited 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 3 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 March 21nd, 2015) 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. 8 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 22nd 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 May 2nd, 2015).
- 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.
 - (4) In the case that the shareholders have authorized some other persons to attend the meeting and exercise their votes on their behalfs for the election of directors; the shareholders can either vote to elect one director individually at a time or elect several directors (the entire number of directors to be filled in) altogether at one time, depending on how the participants in the shareholders' meeting see fit. The information about independent directors such as first/last names, age,

address, and their possession/no possession of equity are available during any considerations about independent directors so that the shareholders can review and use this information.

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, 2014 - 31st December, 2014) 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, 2014).

- **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 (ก) 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 under the heading of discipline 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 January 18th, 2015 (the expiration date of which is January 17th, 2018).

- **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 switched the illuminating lamps in Production Factory 1 to energy-saving lamps that provided appropriate illumination for work environment.
- The Company had changed the belts of the exhaust fans in Production Factory 2 in order that the fans could function efficiently and help save the energy.
- The Company set an aim to reduce the value of "Demand Charge" of Production Factory 2 by scheduling to operate the machines in a suitable period.

- **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 21 - 22 of the Annual Report under the topic **"Remuneration 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 14 - 20 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 16 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 44 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 29 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 Reports was signed by the Chairman and Managing Director.
- Details of the above-mentioned reports are demonstrated on page 45 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 Directors and The Audit Committee participated the following training programs;

No.	Names of Directors	Courses		
		The Challenges of Audit Committee in Reviewing financial and non-financial information (No. of hours)	A Variety of Issues for Audit Committee (No. of hours)	Training on Director's Role, Duties and Skill arranged by IOD (No. of Hours)
1	Mr. Bancherd Tanglerpaibul	5	8	-
2	Miss Juthathip Arunanondchai	-	8	-
3	Mr. Rames Khempet	-	-	8
Total number of hours		5	16	8

Knowledge Development for Executives

The Executives participated the following training programs;

No.	Courses	No. of Hours
1	Direction of CSR Activities in 2015 and the Environmental, Social and Government (ESG) Workshop: The Factors of Sustainability	3
2	TCC Machine Safety Practical Training in Line	6
3	Explanation for New Safety Evaluation Criteria	3
4	CSR Management for Sustainable Development	12
5	20 Issues of Accounting Standards that Accountants Have to Adopt	6
6	Conclusions of the problems resulting from accounting practice that require solutions	6
7	Safety Officers at Executive Level	12
8	The problems regarding the different amounts of goods in stock and those recorded in the Report of Goods and Raw Materials; and how to solve problem when revenue officers come to inspect.	6
9	CSR Reporting	6
10	How to coach/OJT by Boss	6
11	Invitation to attend lecture session of Suppliers Financial Risk Assessment	3
12	The Importance of CFO to the Enterprise	3
13	Safety Committee	12
14	IT and Business Strategies: Advancing into the Era of Digital Economy	6
15	Molding Innovation Days 2015	6
16	Operational Efficiency Kaizen by utilization of Wi-Fi network	3
17	Smart IA in digital world	6
18	Criteria and Method for Withholding Taxes Across the Board at Source of Payment According to the Business Agreements / Contracts and as the Compliance with the General Command No. 4/2528 of Revenue Office	6
19	Financial Statements and How to Prepare Financial Statement Analysis Report that will be most useful to Executive Management	6
Total number of hours		117

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 2015 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 12/2558 Board of Directors Meeting on December 16th, 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 maximizing 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

The major group of the Company's revenues is derived from the business sectors in automotive industry and it shares approximately 82% of the total revenue. This major group of revenues has to encounter the situation of economic stagnancy due to drought and the price decline of agricultural products. As the purchasing power of consumers has decreased. Also, as the competition in the markets has been more intense, the revenue of the Company in 2015 is similar to that of the previous year. However, the Company attempts to reduce the risks by earning more income from the sectors of export-oriented business as a way to recover the lost revenue. And at the same time, the Company has improved the performance of machinery by replacing the old and outdated machines with the new ones and by improving the conditions of the machines to ensure the promptness of their full capacity.

Credit risk

With regard to the lending risk in relation to its account receivables and other receivables, the management team has mitigated this risk by defining appropriate 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 in one specific group of customers due to the fact that the Company had various customer bases and a large number of customers. The maximum potential loss to the company from lending is the book value of account receivables and other receivables as shown 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 Thai Baht. The global market price of crude oil significantly affects the cost of raw materials for plastic products, given that the plastic granules are the by-products of crude oil refining. If the price of crude oil in global market increased, the cost of plastic granules would be increased accordingly, and this would cause an increase in the production costs further. Therefore, the conditions of the markets and some other factors, such as the level of demand and supply as well as the foreign exchange rate, will be fluctuating. To address this, the Company has adopted 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 at a low level.

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, namely the automotive and motorcycle ones. Among these, there are 4 key customers whose collective purchasing orders constitute an amount equal to 58% of the Company's total revenue. However, none of these key customers has the total purchase order that reaches the level of 30% of the Company's total sales. The Company has maintained good relationship with these companies all along. However, there are many competitors of the Company. 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

Saha-Union Public Company Limited is the major shareholder of the Company and holds 12,380,130 shares, equivalent to 49.52% of the total sold-out shares. However, the operation of the Company does not significantly rely on the parent company except some occasional interactions for a specific transaction, such as the provision of a business consulting service.

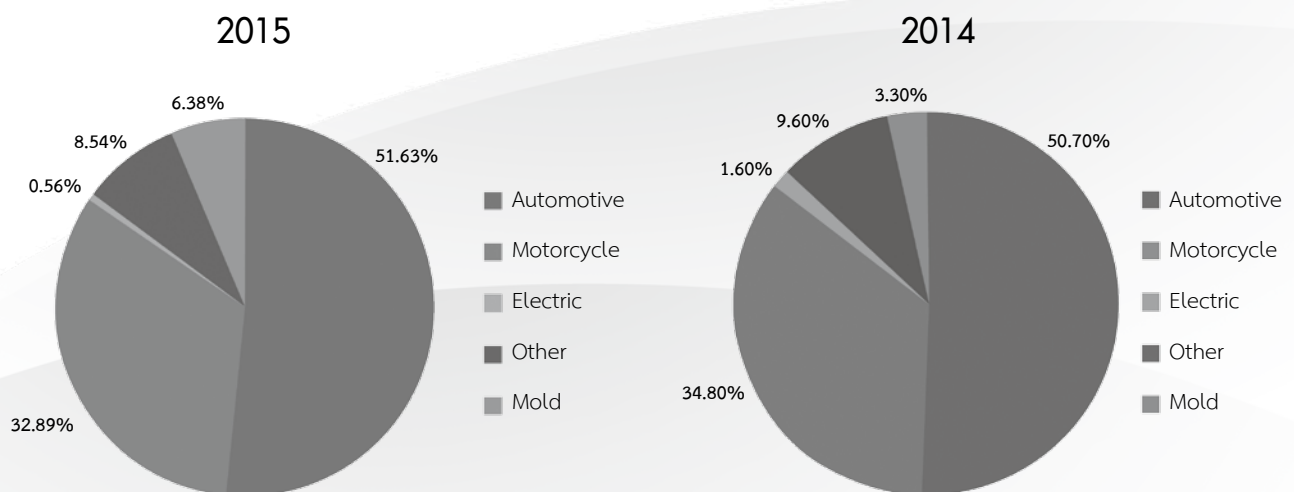
Management Discussion and Analysis

Recent Operating Performance Analysis

For the economic condition in 2015, the sales in automotive and motorcycle markets, which are the main categories of the company's business, the manufacturing and sale targets have not been met due to the impacts from global economic recession, such as those in the United States of America, Europe and China as the examples, that has been persistent still. At the same time, domestic markets have also been stagnant given that the economic condition has not recovered yet from export-related problems. Another contributing factor for economic deceleration is the drought that has caused direct impacts on the harvests of agricultural sector and has caused the selling price of agricultural products to become lowered. As such, the main purchasing power of domestic markets has been reduced, and the consumption has been decelerated. The sale revenue of the Company for 2015 increased slightly by about 5 million Baht compared to that of the previous year, which can be classified based on the product category as follows.

1. Revenue from Automotive increased by 2.00%
2. Revenue from Motorcycle decreased by 5.00%
3. Revenue from Electric decreased by 65.00%
4. Revenue from Others decreased by 11.00%
5. Revenue from Mold increased by 94.00%

Revenue portion by product category (%)

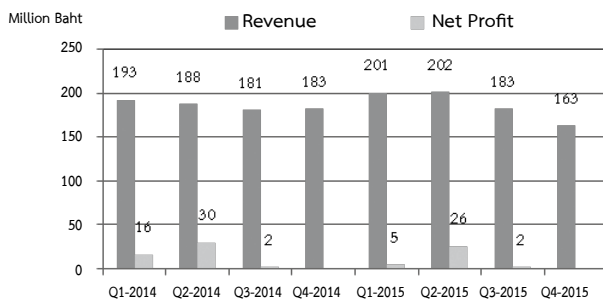


Operating Results and Profitability

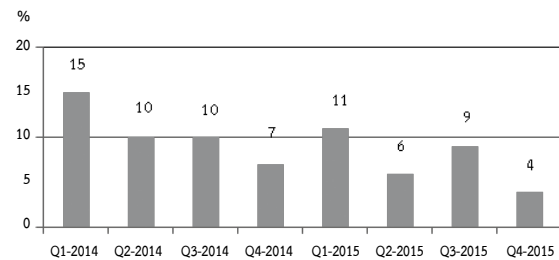
The profitability of the Company in 2015 declined from that of 2014 because the revenue from the orders of plastic injection work declined approximately by 21 million Baht due to the decrease in the demand of the market, which had caused the competition in the market to become more intense. Also, some customers invested in their new injection machinery and took back some pieces of their works from us to inject themselves. And this resulted in a reduced number of purchasing orders.



Quarterly Revenue and net profit
2014 - 2015



Quarterly Gross Profit Margin
2014 - 2015



The profitability of Union Plastic Company Limited decreased in 2015, compared to 2014 as follows: The earning per share was reduced from 1.87 Baht to 1.11 Baht. The operating profit margin was reduced from 6.77% to 3.56%. When considering the gross profit in 2015, it was decreased from 10.37% in 2014 to 7.82%. The net profit margin in 2015 was also decreased from the previous year 2014, equivalent to 3.56% and 5.94% respectively. However, in 2015 the Company's net profit was reduced by 40.64% compared to 2014, due to the following reasons.

1. **Sales of Plastic Parts** of the Company were decreased approximately by 21 million Baht from the previous year due to the following reasons;

- **Sales of Plastic Parts** of the company decreased by 5 million Baht compared to previous year, which can be detailed as follows;
 - **For the automotive parts**, the sales increased approximately by 8 million Baht rolling with the increase in the total sales and total amount of automobiles manufactured. As the excise tax for new automobiles will be increased in 2016, the number of purchasing orders and the amount of automobiles manufactured toward the end of 2015 had increased. Also, the total sales in foreign countries increased approximately by 5 million Baht. The increase of sales was contributed by the fact that during the third quarter of the year, the automobile manufacturing companies expedited their production to complete everything before moving their production sites to relocate in India; and that in December, the Company received an order from India for injecting some plastic parts using the same set of molds and injection machinery that we already had.
 - **The sale of motorcycle parts** decreased approximately by 13 million Baht. Despite the fact that the total sales and the scale of production in automobile industry were similar to those of previous year; however in 2015 there was a flood in Myanmar (which is the main destination market for the export of motorcycles from Thailand). The motorcycle manufacturing companies, which were the main customers of the Company, were affected by such problem. Therefore, the decrease in the amount of purchase was remarkable.
- **Plastic parts for electric appliance**: the sales decreased by approximately 8 million Baht. The sale of this category had decreased all along due to the intense of price competition, and due to the fact that some customers took the molds back to produce the parts themselves as a way to reduce their production costs.
- **Plastic parts for vacuum flask**: the sales dropped by 8 million Baht compared to previous year. The sales of plastic parts for water canteen decreased due to the intense of price competition. The

sales of the molds for producing these parts also decreased. The number of such molds was lesser than previous year.

2. Molds sales of the current year increased from previous year by 25 million Baht. Most of the increment in this sale in the current quarter was contributed by the purchase from motor vehicle manufacturing companies, totally 33 million Baht (given that they launched a new model of motor vehicles, so they needed new molds for producing the parts of the vehicles of the new models). However, the molds sales to other groups of customers decreased approximately by 8 million Baht.

3. Dividend Received: The Company received dividend amounting to 26 million Baht, derived from the investment in Union Nifco Company Limited, which slightly decreased from the previous year.

4. The gross profit margin was lower than that of previous year because in this current year the Company had a high proportion of molds sales compared to that of other products. Normally, the gross profit margin from the sale of molds would be lower than the margin derived from the sale of plastic parts. And this made the overall gross profit margin to become lowered. Also, as the sale amounts decreased, the production would also be decreased accordingly. And this situation caused the fixed cost per unit to become higher.

5. Other income in the current year decreased by 7 million Baht from previous year because last year the Company received compensation amounts from vehicle manufacturing companies for the costs of the molds given that they did not order the plastic parts up to an agreed amounts specified in the contract.

6. Sale and Service Expenditure of the current year decreased by 1 million Baht from previous year mainly due to the decrease of sale amounts.

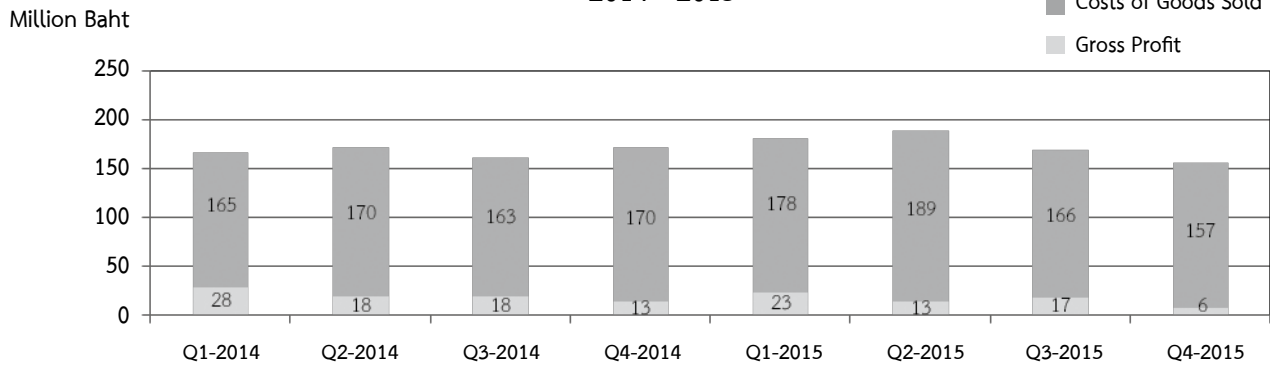
The Company has adopted an approach to maintain the loyalty of current customers by significantly improving the quality of the plastic parts, delivering them to the customers on time, and trying to increase the sale volume by taking part with customers in developing a product. This is to make the customers feel confident in doing the business with the Company.

The return on assets (ROA) was reduced from 6.33% to 3.95% and the return on equity (ROE) was reduced from 8.05% to 5.01%. At the same time, the total assets turnover ratio was reduced from 1.07 times to 1.11 times; and the return from net fixed assets was reduced from 36.84% to 30.95%.

When considering the reasons attributing to the total assets turnover ratio stood at 1.11 times in 2015, 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 3.24 times in the previous year to 3.46 times. The inventory turnover ratio increased from 13.21 rounds to 15.89 rounds due to the decrease in total inventories at the yearend of 2015. The average debt collection period decreased from 56 days to 49 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 23 days.

The cost and the selling and administrative expense in 2015 was increased by 22 million Baht compared to 2014, which was mainly attributed to an increase in the costs of raw material and the maintenance cost of machines for improving the efficiency of the production.

Quarterly Costs of Goods Sold and Gross Profit 2014 - 2015



Risk Analysis: With regard to 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 2015 was slightly increased from 2014. The current ratios were at 3.46 times and 3.24 times, while the quick ratios were at 3.09 times and 2.73 times (in 2015 and 2014) 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 2015, it has shown that the Company had the cash flow from operating activities equivalent to 69 million Baht, which was the supporting evidence of the Company's solvency.

Asset Management Efficiency

Financial Position

The Company's financial position which was analyzed by comparing the changes of assets, liabilities, and shareholders' equity as of 31 December 2015 is described as follows.

Description	For the year ending 31 December (Unit : Million Baht)			
	Year		Increase / (Decrease)	
	2015	2014	Amount	%
Total assets	700.52	735.09	(34.57)	(4.71)
Total liabilities	147.10	158.01	(10.91)	(6.91)
Total shareholders' equity	553.42	577.08	(23.66)	(4.10)

Asset

The Company has assets in an amount of 700.52 million Baht as of 31 December 2015, reduced by 34.57 million Baht or equivalent to 4.71% from 2014. 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.

Cash Flow	For the year ending 31 December (Unit : Million Baht)	
	2015	2014
Balance forward at the beginning of the year	122	114
Cash flow from operation		
Profit from operation before assets and liabilities adjustment	54	80
Change in operating assets and liabilities	20	2
Cash from Operation	74	82
Interest received	2	4
Withholding income tax paid	(24)	(23)
Withholding income tax received	17	15
Net cash flow from operation	69	78
Net cash flow from investment	(40)	(1)
Net cash flow from financing	(46)	(71)
Net cash and cash equivalent decrement	(17)	(8)
Cash balance at the end of the year	105	122

- In 2015, the company has a cash inflow from operating activities in an amount of 69 million Baht, reduced from the previous year by 9 million Baht due to the reduction in the profit from operation and the lowered gross profit margin.
- The Company has the cash outflow for the investment equivalent to 40 million Baht which included more investments in 7-month and 12-month fixed deposit, totally 35 million Baht; and the investment in term of purchasing equipment and paying the debt for the purchase of equipment, totally 32 million Baht. And during this given year, the Company received the earnings from some other long-term investments and those from the investments within the Chain of the Company, totally 27 million Baht.
- The Company has a cash outflow for financing activity which included an amount for seeking 47 million Baht for payment of annual dividend of the Company.

- Temporary Cash Investment

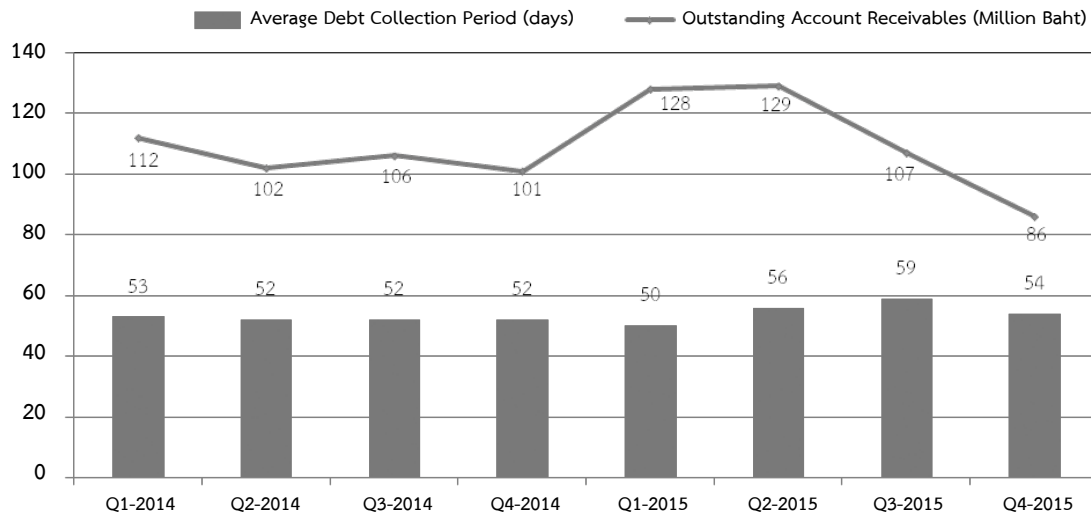
As of 31 December 2015, the temporary cash investment consisted of the amount in 7-month and 12-month fixed deposits, 80 million Baht and 50 million Baht respectively, with the interest rates of 1.625 – 1.90% per year (In 2014: invested in 6-month fixed deposit account with the interest rate of 2.60 – 3.00% per year).

- Account receivables and other receivables

As of 31 December 2015, the Company had 90 million Baht of net account receivable and other receivables, which was reduced from 2014 by 19 million Baht. The reason for the decrease in total sale was that most of account receivables were not yet due for payment; and as there were no problems of debt collection, therefore the Company did not reserve an allowance for doubtful accounts.



Net Account Receivables/Average Debt Collection Period



- Inventories

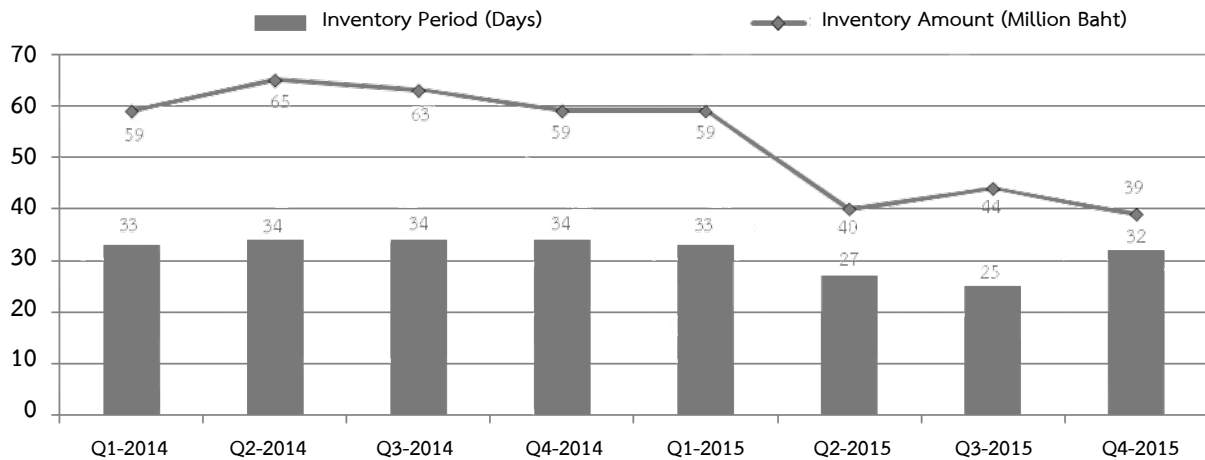
According to the number of days of holding inventories, report on slow-moving inventories, and profitability of products sold in the future, it was found that the Company has recorded the allowance for diminution in the value of inventories in a sufficient amount according to the current situations. 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. In this given year, the Company recorded the impairment to net liquidation value of inventories as a receivable amount of 1.8 million Baht (2014: 2.2 million Baht), which was shown as a part of the costs of goods sold; and the Company adjusted the value of inventories down by an amount of 2.3 million Baht (2014: 1.3 million Baht) by deducting this amount from the value of inventories that had been recognized as the expenditure during the given year.

Inventory value as of 31 December 2015 and 2014 is summarized as follows.

(Unit : Thousand Baht)

Description	At cost		Impairment to net liquidation value		Net Inventory	
	2015	2014	2015	2014	2015	2014
Finished goods	12,432	12,767	(938)	(998)	11,494	11,769
Work-in-process	10,799	27,591	(320)	(187)	10,479	27,404
Raw materials	8,258	11,909	(1,019)	(1,645)	7,239	10,264
Spare parts and supplies	9,083	9,679	(387)	(330)	8,696	9,349
Total	40,572	61,946	(2,664)	(3,160)	37,908	58,786

Net Inventories



- Real-estate for investment

As of 31 December 2015, 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 76.9 million Baht as appraised by the independent appraiser on 10 February 2016.

- Land, building, equipment, and intangible assets

In 2015 and 2014, they amounted to 241.44 million Baht and 260.07 million Baht respectively, decreased by 18 million Baht or equivalent to 7.16%, mostly due to assets depreciation according to the principles. However, land, buildings, and equipment are written off the asset 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 sales of assets. The profits or losses from the sale of assets will be recognized as profits or losses when the Company writes 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 2015, the Company's return of fixed assets had been reduced from 36.84% in 2014 to 30.95%.

(Unit : Thousand Baht)

Description	For the year ending 31 December			
	Year		Increase / (Decrease)	
	2015	2014	Amount	%
Land	76,474	76,474	-	-
Building	69,475	78,702	(9,227)	(11.73)
Equipment	90,677	89,058	1,619	1.82
Furniture and Equipment	1,137	1,233	(96)	(7.79)
Intangible assets	646	1,265	(619)	(48.94)
Motor vehicles	937	1,615	(678)	(41.99)
Assets under construction	2,096	11,720	(9,624)	(82.12)
Total	241,442	260,067	(18,625)	(7.17)

Regarding the machinery and equipment, it was increased by 1.6 million Baht due to the purchase of machines. Other assets were decreased as a result of the depreciation according to the principles and the transfer of assets during installation. The assets which have been adjusted completely were those in the category of machinery and equipment.

Liabilities

The Company had the total liabilities as of 31 December 2015 and 2014 at 147.10 million Baht and 158.01 million Baht respectively, which decreased from the previous years by 10.91 million Baht, or equivalent to 6.91%. The details are as follows.

- **Account payables and other payables** was totaled as 105.39 million Baht (2014: 119.73 million Baht), decreased by 14.34 million Baht equivalent to 11.98% due to the decrease in the amount of purchase orders for the goods manufactured by our customers, which resulted further in the decrease in their demand for raw materials. Most account payables were the ones for the purchase order of raw materials.
- **Reserve for long-term employee benefits** in 2015 was 41.71 million Baht (2014: 38.28 million Baht), increased by 3.43 million equivalent to 8.96% as the Company would have 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 for providing benefits to post-employment employees.

Shareholders' equity

The shareholders' equity of the Company as of 31 December 2015 was 543.69 million Baht (2014: 567.91 million Baht), decreased by 24.22 million Baht equivalent to 4.27% due to the decrease in the net profit of the given year.

Liquidity and sufficiency of Company's capital

In conclusion, the Company had the net cash flow decreased by 9 million Baht. Such decrement of cash flow derived from the operating activities in an amount of 69 million Baht, and from the investment activities in an amount of 40 million Baht. The cash spent on financing activities was 46 million Baht for the dividend payment. As a result, for the operation in 2015, the Company estimated that the risk from default was at a low level given that the Company had no obligation and potential liabilities.

With regard to the financial structure of the Company for investment and operation improvement, most of the 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 for the production of the Company.

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. As of 31 December 2015, the debt-to-equity ratio of the Chain of the Company was at 0.27:1 (2014 = 0.27:1); and the debt-to-equity of the Company alone was at 0.27:1 (2014 = 0.28:1).

Liability obligation

As of December 31, 2015, the Company had no liability obligation relating to capital expenditure, (2014: None).

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	
	2015	2014
In up to 1 year	0.2	0.3
In over 1 year but not exceeding 4 years	0.5	0.1

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 accosting 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.

The Company has changed the recognition of actuarial gains and losses of the current year, from recognizing them immediately in profits or losses to recognizing them immediately in Other Comprehensive Income. However, this change has no effects on profits and losses and on Other Comprehensive Income that have been shown in the comparison figures.

Financial reporting standards that will be effective in the future, during the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

Factors affecting future operations

Most of key automotive and motorcycle manufacturers have shifted their strategies to adopt a Global Model. That is, they would use the production base for each model of the vehicles in one specific location in ASEAN countries. They would ask these countries to compete with each other in offering the best prices; and they would use the Economy of Scale as the criterion for choosing and determining the country of choice. This situation can be considered as both the opportunity and the threat to the operation of Company's business. Therefore, the Company must adjust itself and improve its capability to be better than other companies inside and outside ASEAN region.



Audit Committee's Report

Dear Shareholders of Union Plastic Public Company Limited,

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

In 2015, four Audit Committee Meetings were held with full attendance of all members of the Committee. Senior Executives, Internal Audit Manager, and the Auditor also attended some sessions of the meetings in which there were some agendas relevant to them. The Committee also had some separate discussions with the Auditor without the presence of the Executives, which ensured the compliance with Best Practice Guidelines for Audit Committee. The Audit Committee's reports were submitted to the Board of Directors on a quarterly basis and the summary of its main operation results is as follows.

1) Review of Financial Statements

The Audit Committee reviewed the quarterly financial statements and financial reports for the year 2015 in collaboration with the auditor and the executives concerned in order to ensure that financial reports of the Company had been prepared correctly and fulfilled the substantial requirements defined in the accounting standards for interim financial reporting, as well as the generally-accepted standards for financial reporting; and that the reported information would be sufficient, complete and reliable. The Committee made itself available to listen to comments from the Auditor, Finance and Accounting Manager, and other executives concerned on financial information presented in the financial reports; and the auditor has already issued an unqualified opinion for the financial reports of the Company. The committee also had a meeting with the auditor without the presence of any executives in order to listen to comments from the auditor freely about the audit of financial reports. The auditor reported that no significant issues were detected and the auditor had received good cooperation from the management in the facilitation for the audit.

2) Review of Internal Control and Internal Audit

The Board of Directors, with the joint effort from the Audit Committee, conducted an annual review on the adequacy of the internal control system of the Company in order to re-evaluate the appropriateness and adequacy of the system. The Board of Directors made a comment that the Company had duly complied with the components of the Internal Control System. Furthermore, the Audit Committee had reviewed the audit results and followed up the developments in improving and solving significant issues, in order to ensure the adequacy and suitability of the Internal Control System of the Company. The Committee also had considered the independency of the Internal Audit Office and approved its operation plans and the scale of its workforce.

3) Review of the Conformity to Relevant Laws

Every quarter, the Audit Committee reviewed the conformity with the Securities and Exchange Act, tax laws, environmental laws and any other laws relevant to the business of the Company; and gave additional recommendations on operation control, so that the operation shall be in accordance with the prescribed regulations.

4) Review of the Transactions with Potential Conflicts of Interests

The Audit Committee considered and reviewed the inter-related transactions between the Company and associated companies, as well as the transactions with potential conflict of interest, to make sure that such transactions would conform to general commercial conditions and could still maintain maximum benefits for the Company.

5) Review of Risk Management

The Audit Committee has reviewed the Risk Management Plan and monitored the performance results of risk management activities of the Company. In 2015, the main concern of risk management was shifted to focus on "the risk from dependency on major customers in automotive markets" and "production-related risk" in order that the operations would be in line with the aims and objectives of the Company.

6) Self-Evaluation

The Audit Committee already conducted the annual self-evaluation for the year 2015 with regard to its performance of duties in line with the regulations and the best practice guidelines for audit committee. The results of self-evaluation indicated that majority of its performance of duties had been in accordance with the regulations and the best practice guidelines for audit committee as defined by the Stock Exchange of Thailand.

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

The Audit Committee had considered the qualifications, previous performance and the proposed amount of audit fee of the current auditor, and reached a conclusion that all of these were appropriate. Therefore, the Audit Committee had a resolution approving the appointment of EY Office Limited as the Auditor of Union Plastic Company Limited for the 2016; and had submitted this approval to the Board of Directors for consideration before forwarding further to seek approval from shareholders.

On Behalf of the Audit Committee

(Assoc. Prof. Dr. Pakpachong Vadhanasindhu)

Chairman of the Audit Committee

Union Plastic Public Company Limited

February 18th, 2016



Board of Directors' Responsibility for the Financial Report

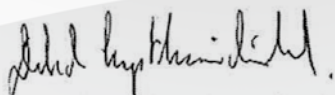
The Board of Directors shall be responsible for financial statements, which showed the investments under the equity method and separate statements of financial position of the Company and the financial information as appeared in the Annual Report. Such financial statements have been prepared in accordance 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, 2015 correctly and completely.

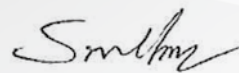
On behalf of the Board of Directors



(Miss Dalad Sapthavichaikul)

Chairman

February 24th, 2016



(Mr. Rames Khempet)

Managing Director

February 24th, 2016

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 2015, 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 2015 and its financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



Poonard Paocharoen

Certified Public Accountant (Thailand) No. 5238

EY Office Limited

Bangkok: 24 February 2016



Statement of financial position

Union Plastic Public Company Limited

As at 31 December 2015

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2015	2014	2015	2014
Assets					
Current assets					
Cash and cash equivalents	7	105,154,224	122,287,296	105,154,224	122,287,296
Current investments	8	130,000,000	95,000,000	130,000,000	95,000,000
Trade and other receivables	9	90,243,563	109,118,970	90,243,563	109,118,970
Inventories	10	37,907,885	58,785,894	37,907,885	58,785,894
Other current assets		1,335,989	2,719,817	1,335,989	2,719,817
Total current assets		364,641,661	387,911,977	364,641,661	387,911,977
Non-current assets					
Restricted investments	11	11,500,000	11,500,000	11,500,000	11,500,000
Investment in associate	12	12,231,303	11,676,481	2,499,990	2,499,990
Other long-term investment	13	20,002,200	20,002,200	20,002,200	20,002,200
Investment property	14	3,738,143	3,738,143	3,738,143	3,738,143
Property, plant and equipment	15	240,796,382	258,802,113	240,796,382	258,802,113
Intangible assets	16	645,622	1,264,943	645,622	1,264,943
Deferred tax assets	22	8,569,708	7,280,806	8,569,708	7,280,806
Withholding income tax	17	38,395,661	32,912,875	38,395,661	32,912,875
Total non-current assets		335,879,019	347,177,561	326,147,706	338,001,070
Total assets		700,520,680	735,089,538	690,789,367	725,913,047

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 2015

(Unit: Baht)

		Financial statements in which the equity method is applied		Separate financial statements	
	Note	2015	2014	2015	2014
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	18	104,357,273	116,737,494	104,357,273	116,737,494
Other current liabilities		1,035,000	2,991,000	1,035,000	2,991,000
Total current liabilities		105,392,273	119,728,494	105,392,273	119,728,494
Non-current liabilities					
Provision for long-term employee benefits	19	41,707,487	38,278,367	41,707,487	38,278,367
Total non-current liabilities		41,707,487	38,278,367	41,707,487	38,278,367
Total liabilities		147,099,760	158,006,861	147,099,760	158,006,861
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		73,720,920	97,382,677	63,989,607	88,206,186
Total shareholders' equity		553,420,920	577,082,677	543,689,607	567,906,186
Total liabilities and shareholders' equity		700,520,680	735,089,538	690,789,367	725,913,047

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 2015

(Unit: Baht)

Note	Financial statements in which the equity method is applied Separate financial statements			
	2015	2014	2015	2014
Profit and loss				
Revenues				
Sales	749,776,979	744,987,224	749,776,979	744,987,224
Other income				
Scrap sales	6,425,548	6,605,985	6,425,548	6,605,985
Dividend income	12, 13	25,996,880	26,821,877	27,746,757
Others		13,363,074	13,363,074	20,058,356
Total revenues		795,562,481	796,387,478	799,398,322
Expenses				
Cost of sales		691,174,945	691,174,945	667,737,412
Selling expenses		33,119,390	33,119,390	33,911,743
Administrative expenses		43,872,812	43,872,812	44,296,859
Total expenses		768,167,147	768,167,147	745,946,014
Profit before share of profit from investment in associate and income tax expenses		27,395,334	28,220,331	53,452,308
Share of profit from investment in associate	12	1,379,819	1,361,195	
Profit before income tax expenses		28,775,153	28,220,331	53,452,308
Income tax expenses	22	(441,745)	(441,745)	(6,654,037)
Profit for the year		28,333,408	27,778,586	46,798,271
Other comprehensive income:				
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial loss, net of income tax		(5,250,588)	(5,250,588)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(5,250,588)	(5,250,588)	-
Other comprehensive income for the year		(5,250,588)	(5,250,588)	-
Total comprehensive income for the year		23,082,820	22,527,998	46,798,271
Basic earnings per share	23			
Profit for the year		1.13	1.90	1.11

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 2015

(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 1 January 2014	250,000,000	167,200,000	62,500,000	121,219,503	600,919,503
Profit for the year	-	-	-	47,409,469	47,409,469
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	47,409,469	47,409,469
Dividend paid (Note 26)	-	-	-	(71,246,295)	(71,246,295)
Balance as at 31 December 2014	250,000,000	167,200,000	62,500,000	97,382,677	577,082,677
Balance as at 1 January 2015	250,000,000	167,200,000	62,500,000	97,382,677	577,082,677
Profit for the year	-	-	-	28,333,408	28,333,408
Other comprehensive income for the year	-	-	-	(5,250,588)	(5,250,588)
Total comprehensive income for the year	-	-	-	23,082,820	23,082,820
Dividend paid (Note 26)	-	-	-	(46,744,577)	(46,744,577)
Balance as at 31 December 2015	250,000,000	167,200,000	62,500,000	73,720,920	553,420,920

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 2015

(Unit: Baht)

	Separate financial statements				Total shareholders' equity
	Issued and fully paid-up share capital	Share premium	Retained earnings		
			Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2014	250,000,000	167,200,000	62,500,000	112,654,210	592,354,210
Profit for the year	-	-	-	46,798,271	46,798,271
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	46,798,271	46,798,271
Dividend paid (Note 26)	-	-	-	(71,246,295)	(71,246,295)
Balance as at 31 December 2014	250,000,000	167,200,000	62,500,000	88,206,186	567,906,186
Balance as at 1 January 2015	250,000,000	167,200,000	62,500,000	88,206,186	567,906,186
Profit for the year	-	-	-	27,778,586	27,778,586
Other comprehensive income for the year	-	-	-	(5,250,588)	(5,250,588)
Total comprehensive income for the year	-	-	-	22,527,998	22,527,998
Dividend paid (Note 26)	-	-	-	(46,744,577)	(46,744,577)
Balance as at 31 December 2015	250,000,000	167,200,000	62,500,000	63,989,607	543,689,607

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

Union Plastic Public Company Limited
For the year ended 31 December 2015

(Unit: Baht)

	Note	Financial statements in which the equity method is applied				Separate financial statements	
		2015	2014	2015	2014	2015	2014
Cash flows from operating activities							
Profit before tax		28,775,153	54,063,506	28,220,331	53,452,308		
Adjustments to reconcile profit before tax to net cash provided by (used in) operating activities:							
Depreciation and amortisation	15, 16	50,125,528	51,157,730	50,125,528	51,157,730		
Reduction of inventory to net realisable value (reversal)	10	(496,167)	869,695	(496,167)	869,695		
Gains on sales/write-off of equipment	15	(748,332)	(510,212)	(748,332)	(510,212)		
Share of profit from investment in associate	12	(1,379,819)	(1,361,195)	-	-		
Unrealised (gains) losses on exchange		(922)	170,787	(922)	170,787		
Dividend income	12, 13	(25,996,880)	(26,996,760)	(26,821,877)	(27,746,757)		
Provision for long-term employee benefits		7,211,982	5,286,178	7,211,982	5,286,178		
Interest income		(2,886,528)	(3,428,654)	(2,886,528)	(3,428,654)		
Income from operating activities before changes in operating assets and liabilities		54,604,015	79,251,075	54,604,015	79,251,075		
Operating assets (increase) decrease							
Trade and other receivables		18,906,931	8,749,619	18,906,931	8,749,619		
Inventories		21,374,176	(5,466,631)	21,374,176	(5,466,631)		
Other current assets		1,383,828	8,904,839	1,383,828	8,904,839		
Operating liabilities increase (decrease)							
Trade and other payables		(11,513,123)	(7,260,938)	(11,513,123)	(7,260,938)		
Other current liabilities		(1,956,000)	1,896,000	(1,956,000)	1,896,000		
Other non-current liabilities		(9,033,450)	(4,022,055)	(9,033,450)	(4,022,055)		
Cash flows from operating activities		73,766,377	82,051,909	73,766,377	82,051,909		
Cash receipt from interest income		2,855,926	4,750,695	2,855,926	4,750,695		
Cash paid for withholding income tax		(24,146,248)	(22,886,923)	(24,146,248)	(22,886,923)		
Cash receipt from withholding income tax		16,932,815	15,076,624	16,932,815	15,076,624		
Net cash flows from operating activities		69,408,870	78,992,305	69,408,870	78,992,305		

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 2015

(Unit: Baht)

		Financial statements in which the equity method is applied		Separate financial statements	
	Note	2015	2014	2015	2014
Cash flows from investing activities					
Acquisition of plant and equipment		(30,039,404)	(40,104,545)	(30,039,404)	(40,104,545)
Repayment of equipment creditor		(1,855,040)	(2,339,683)	(1,855,040)	(2,339,683)
Proceeds from disposals of equipment		754,100	2,810,119	754,100	2,810,119
Acquisition of intangible assets	16	(478,898)	(498,194)	(478,898)	(498,194)
Decrease (increase) in current investments	8	(35,000,000)	10,000,000	(35,000,000)	10,000,000
Decrease in restricted investments		-	2,985,418	-	2,985,418
Dividend received from investments	12, 13	26,821,877	27,746,757	26,821,877	27,746,757
Net cash flows from (used in) investing activities		(39,797,365)	599,872	(39,797,365)	599,872
Cash flows from financing activities					
Dividend paid	26	(46,744,577)	(71,246,295)	(46,744,577)	(71,246,295)
Net cash flows used in financing activities		(46,744,577)	(71,246,295)	(46,744,577)	(71,246,295)
Net increase (decrease) in cash and cash equivalents		(17,133,072)	8,345,882	(17,133,072)	8,345,882
Cash and cash equivalents at beginning of year		122,287,296	113,941,414	122,287,296	113,941,414
Cash and cash equivalents at end of year		105,154,224	122,287,296	105,154,224	122,287,296
Supplemental cash flows information					
Non-cash transaction					
Purchase of equipment for which no cash has been paid		987,942	1,855,040	987,942	1,855,040

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 2015

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 these services are not material. The registered office of the Company is at 11/1 Soi Serithai 62, Minburi Sub-district, Minburi District, 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 present investment in associate under the cost method.

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 year

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which 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 standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

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

The Company has changed the recognition of actuarial gains and losses in the current period from an immediate recognition in profit or loss to an immediate recognition in other comprehensive income which has no impact to profit or loss and other comprehensive income, presented as comparative information.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated 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 investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any 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 investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

This standard does not have any impact on the financial statements since 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 on 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 measurement. 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 effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's financial statements.

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

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

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 average 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 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 of molds acquired before 2015 is calculated by reference to their costs on the straight-line basis over the 5 years useful live while depreciation of molds acquired since 2015 is calculated by unit of sold.

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

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 other comprehensive income.

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.

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.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

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.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

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	
2015	2014		
<u>Transactions with related companies</u> (related by common shareholders)			
Sales of merchandise and services	78	83	Cost plus margin
Other income	7	7	Cost plus margin
Purchases of merchandise	12	14	Cost plus margin of related companies

As at 31 December 2015 and 2014, 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	
	2015	2014
Trade and other receivables - related parties (Note 9)		
Related companies (related by common shareholders)	11,169	17,202
Total trade and others receivables - related parties	11,169	17,202
Trade and other payables - related parties (Note 18)		
Related companies (related by common shareholders)	1,677	1,654
Total trade and other payables - related parties	1,677	1,654

Directors and management's benefits

During the years ended 31 December 2015 and 2014, 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	
	2015	2014
Short-term employee benefits	9,715	7,348
Post-employment benefits	(325)	582
Total	9,390	7,930

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
Cash	50	50
Bank deposits	105,104	122,237
Total	105,154	122,287

As at 31 December 2015, bank deposits in saving accounts carried interest at a rate of 0.5 - 0.625 percent per annum (2014: 0.5 percent per annum).

8. Current investments

As at 31 December 2015, this represents fixed deposits with original maturities of 7 and 12 months amounting to Baht 80 million and Baht 50 million, respectively, carried interests between 1.625 and 1.9 percent per annum (2014: fixed deposits with original maturity of 6 months amounting to Baht 95 million carried interests between 2.6 and 3.0 percent per annum).

9. Trade and other receivables

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	11,005	17,114
Total trade receivables - related parties	11,005	17,114
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	75,272	83,644
Total trade receivables - unrelated parties	75,272	83,644
Total trade receivables	86,277	100,758
<u>Other receivables</u>		
Amounts due from related parties	164	88
Advance for goods payment	2,903	7,400
Others	900	873
Total other receivables	3,967	8,361
Total trade and other receivables	90,244	109,119

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	
	2015	2014	2015	2014	2015	2014
Finished goods	12,432	12,767	(938)	(998)	11,494	11,769
Work in process	10,799	27,591	(320)	(187)	10,479	27,404
Raw materials	8,258	11,909	(1,019)	(1,645)	7,239	10,264
Spare parts and factory supplies	9,083	9,679	(387)	(330)	8,696	9,349
Total	40,572	61,946	(2,664)	(3,160)	37,908	58,786

During the current year, the Company reduced cost of inventories by Baht 1.8 million (2014: Baht 2.2 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 2.3 million (2014: Baht 1.3 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	Financial statements in which the equity method is applied					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2015 (%)	2014 (%)	2015	2014	2015	2014
P.S.V. Mould Co., Ltd.	Contract manufacture and sales of molds	Thailand	25	25	2,500	2,500	12,231	11,676
Total					2,500	2,500	12,231	11,676

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements					
			Shareholding percentage		Cost		Carrying amounts based on cost method	
			2015 (%)	2014 (%)	2015	2014	2015	2014
P.S.V. Mould Co., Ltd.	Contract manufacture and sales of molds	Thailand	25	25	2,500	2,500	2,500	2,500
Total					2,500	2,500	2,500	2,500

12.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of comprehensive income from investment in associate company in the financial statements in which the equity method is applied and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Associate	Financial statements in which the equity method is applied		Separate financial statements	
	Share of profit from investment in associate during the year		Dividend received during the year	
	2015	2014	2015	2014
P.S.V. Mould Co., Ltd.	1,380	1,361	825	750
Total	1,380	1,361	825	750

12.3 Summarised financial information about associate

Summarised information about financial position as at 31 December

(Unit: Million Baht)

	P.S.V. Mould Co., Ltd.	
	2015	2014
Current assets	27.5	23.6
Non-current assets	32.1	37.1
Current liabilities	5.8	7.0
Non-current liabilities	4.9	7.0
Net assets	48.9	46.7
Shareholding percentage	25%	25%
Carrying amounts of associate based on equity method	12.2	11.7

Summarised information about comprehensive income for the years ended 31 December

(Unit: Million Baht)

	P.S.V. Mould Co., Ltd.	
	2015	2014
Revenue	43.0	43.2
Profit	5.5	6.7
Other comprehensive income	-	-
Total comprehensive income	5.5	6.7

13. Other long-term investment

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied/ Separate financial statements					
	Shareholding percentage		Investment value		Dividend received during the year	
	2015	2014	2015	2014	2015	2014
	(%)	(%)				
Union Nifco Co., Ltd.	19.99	19.99	20,002	20,002	25,997	26,997
Total			20,002	20,002	25,997	26,997

14. Investment property

Investment property as at 31 December 2015 and 2014 represents land for rental. There was no movement in net book value during the year.

The fair value of the investment property as at December 31st, 2015 amounted to Baht 76.9 million, as determined by an accredited independent valuer based on market price with reference to trading information of nearby land, which coincided with the appraisal.

15. Property, plant and equipment

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements						Total
	Land	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	
Cost							
As at 1 January 2014	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
Additions	-	420	27,964	547	-	2,096	31,027
Disposals/write-off	-	-	(21,504)	(269)	-	(1)	(21,774)
Transfers	-	-	11,706	-	-	(11,719)	(13)
As at 31 December 2015	76,474	234,062	852,962	13,436	6,385	2,096	1,185,415
Accumulated depreciation							
As at 1 January 2014	-	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
Depreciation for the year	-	9,647	38,047	642	678	-	49,014
Depreciation on disposals/write-off	-	-	(21,501)	(267)	-	-	(21,768)
As at 31 December 2015	-	164,587	762,223	12,299	5,448	-	944,557

(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
Allowance for impairment loss						
As at 1 January 2014	-	-	62	-	-	62
As at 31 December 2014	-	-	62	-	-	62
As at 31 December 2015	-	-	62	-	-	62
Net book value						
31 December 2014	76,474	78,702	89,057	1,234	1,615	258,802
31 December 2015	76,474	69,475	90,677	1,137	937	240,796
Depreciation for the year						
2014 (Baht 48 million included in manufacturing cost, and the balance in administrative expenses)						49,747
2015 (Baht 47 million included in manufacturing cost, and the balance in administrative expenses)						49,014

As at 31 December 2015, 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 788 million (2014: Baht 745 million).

16. Intangible assets

The net book value of intangible assets which is computer software as at 31 December 2015 and 2014 is presented below:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
Cost	13,905	13,413
Less Accumulated amortisation	(13,259)	(12,148)
Net book value	646	1,265

A reconciliation of the net book value of intangible assets for the years 2015 and 2014 is presented below.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
Net book value at beginning of year	1,265	2,177
Acquisition	479	498
Transfer from equipment	13	-
Amortisation	(1,111)	(1,410)
Net book value at end of year	646	1,265

17. Withholding income tax

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
Year 2013	-	16,932
Year 2014	15,981	15,981
Year 2015	22,415	-
Total	38,396	32,913

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	
	2015	2014
Trade payables - related parties	746	505
Trade payables - unrelated parties	72,785	85,945
Other payables - related parties	931	1,149
Other payables - unrelated parties	988	1,855
Accrued expenses	26,414	24,917
Others	2,493	2,366
Total trade and other payables	104,357	116,737

19. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/Separate financial statements	
	2015	2014
Present value of defined benefit obligation	66,913	60,754
Fair value of plan assets	(25,206)	(22,476)
Net defined benefit liability	41,707	38,278

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	
	2015	2014
Defined benefit obligation at beginning of year	60,754	56,564
Included in profit or loss:		
Current service cost	4,501	4,409
Interest cost	2,086	1,966
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	(194)	-
Financial assumptions changes	4,863	-
Experience adjustments	1,895	-
Transferred employees from related companies	316	-
Benefits paid during the year	(7,308)	(2,185)
Defined benefit obligation at end of year	66,913	60,754
Fair value of plan assets at beginning of year	22,476	19,550
Included in profit or loss:		
Change in fair value	(625)	1,089
Transferred employees from related companies	246	-
Contribution by the Company	3,983	3,803
Paid during the year	(874)	(1,966)
Fair value of plan assets at end of year	25,206	22,476

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

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/Separate financial statements	
	2015	2014
Cost of sales	4,771	3,428
Selling and administrative expenses	2,441	1,858
Total expenses recognised in profit or loss	7,212	5,286

As at 31 December 2015, the Company expects to pay Baht 4.3 million of long-term employee benefits during the next year (2014: Baht 7.3 million).

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 12 years (2014: 12 years).

Key actuarial assumptions used for the valuation are as follows:

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
	(%)	(%)
Discount rate	2.8	3.7
Future salary increase rate	3.5 - 6.5	3.5 - 6.5

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below:

(Unit: Million Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	Increase 1%	Decrease 1%
Discount rate	(5.4)	6.2
Future salary increase rate	6.1	(5.4)

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 2015 and 2014, 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	
	2015	2014
Salaries and wages and other employee benefits	207,342	198,761
Depreciation and amortisation expenses	50,125	51,157
Repair and maintenance expenses	9,308	12,384
Transportation expenses	26,002	26,432
Raw materials and consumables used	383,991	385,769
Changes in inventories of finished goods and work in process	16,337	(6,108)

22. Income tax

Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
Current income tax:		
Current income tax charge	418	6,907
Deferred tax:		
Relating to origination and reversal of temporary differences	24	(253)
Income tax expense reported in the statement of comprehensive income	442	6,654

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2015	2014
Deferred tax on actuarial loss	(1,313)	-

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	
	2015	2014	2015	2014
Accounting profit before tax	28,775	54,064	28,220	53,452
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	5,755	10,813	5,644	10,690
Effects of:				
Non-deductible expenses	771	1,386	771	1,386
Tax-exempt dividend income	(5,199)	(5,399)	(5,364)	(5,548)
Share of profit from investment in associate	(276)	(272)	-	-
Additional expense deductions allowed	(218)	(253)	(218)	(253)
Others	(391)	379	(391)	379
Total	(5,313)	(4,159)	(5,202)	(4,036)
Income tax expenses reported in the statement of comprehensive income	442	6,654	442	6,654

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	
	2015	2014
Deferred tax assets		
Provision for long-term employee benefits	8,276	7,281
Accumulated depreciation - equipment	294	-
Total	8,570	7,281

A reconciliation of deferred tax assets is presented below.

(Unit: Thousand Baht)

	Statements of financial position	
	Financial statements in which the equity method is applied/Separate financial statements	
	2015	2014
As at 1 January	7,281	7,028
Deferred tax income (expense) recognised in profit or loss	(24)	253
Deferred tax income recognised in other comprehensive income	1,313	-
As at 31 December	8,570	7,281

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 2015, the Company has revenue from three major customers in amount of Baht 145 million, Baht 88 million and Baht 70 million (2014: revenue from three major customers in amount of Baht 162 million, Baht 83 million and Baht 82 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 contribute 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 rules. The contributions for the year 2015 amounting to approximately Baht 4 million (2014: Baht 4 million) were recognised as expenses.

26. Dividends

Dividends	Approved by	Total dividends	Dividend per share
		(Thousand Baht)	(Baht per share)
Final dividends for 2013	Annual General Meeting of the Shareholders on 23 April 2014	71,250	2.85
<u>Less:</u> Dividend that some shareholders are not entitles to received		(4)	
Net dividend paid		71,246	
Final dividends for 2014	Annual General Meeting of the Shareholders on 22 April 2015	46,750	1.87
<u>Less:</u> Dividend that some shareholders are not entitles to received		(5)	
Net dividend paid		46,745	

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

28.1 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 were as follows:

(Unit: Million Baht)

	As at 31 December	
	2015	2014
Payable:		
In up to 1 year	0.2	0.3
In over 1 and up to 4 years	0.5	0.1

28.2 Service commitments

The Company has entered into vehicle services, equipment maintenance services, and other service agreements. As at 31 December 2015, future minimum lease payments required under those service agreements were amounting to Baht 1.6 million (2014: Baht 2.2 million).

29. Fair value hierarchy

As at 31 December 2015, the Company had the assets that were disclosed at fair value of which fair value hierarchy is level 3 as follow:

(Unit: Million Baht)

Financial statements in which the
equity method is applied/
Separate financial statements

Assets for which fair value are disclosed

Investment property 76.9

30. Financial instruments

30.1 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, current investments, trade and other receivables, restricted investments, and trade and other payables. The financial current investments, 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 2015						
Financial statements in which the equity method is applied/ 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	-	-	105	-	105	0.5 - 0.625
Current investments	130	-	-	-	130	1.625 - 1.9
Trade and other receivables	-	-	-	90	90	-
Restricted investments	-	12	-	-	12	3.25 - 5.0
	130	12	105	90	337	
Financial liabilities						
Trade and other payables	-	-	-	104	104	-
	-	-	-	104	104	

(Unit: Million Baht)

As at 31 December 2014										
Financial statements in which the equity method is applied/ Separate financial statements										
Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)				
Within 1 year	1-5 years									
Financial assets										
Cash and cash equivalents	-	-	122	-	122	0.5				
Current investments	95	-	-	-	95	2.6 - 3.0				
Trade and other receivables	-	-	-	109	109	-				
Restricted investments	-	12	-	-	12	3.25 - 5.0				
	95	12	122	109	338					
Financial liabilities										
Trade and other payables	-	-	-	117	117	-				
	-	-	-	117	117					

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.

30.2 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.

31. 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 2015, the Group's debt-to-equity ratio was 0.27:1 (2014: 0.27:1) and the Company's was 0.27:1 (2014: 0.28:1).

32. Approval of financial statements

These financial statements were authorised for issue by the Company's board of directors on 24 February 2016.

Audit Fee

Audit Fee

No.	Name of Company	2015		2014	
		Name of Auditor	Audit Fee (Baht)	Name of Auditor	Audit Fee (Baht)
1	Union Plastic PCL.	EY Office Limited	920,000	EY Office Limited	920,000

Other Fee

No.	Name of Company	2015				2014			
		Service Provider	Types of Other Services	Other Services Fee		Service Provider	Type of Other Services	Other Services Fee	
				Amount Paid during the Year	Amount Paid in the Future			Amount Paid during the Year	Amount paid in the Future
1	Union Plastic PCL.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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 2 nd , 2015)

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 Saphthavichaikul
9	Mr. Thitivat Suebsaeng
10	Mr. Preecha Shunhavanich
11	Mrs. Chantorntree 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

- Remark :** 1. 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.
2. The Meeting No. 12/2015 of the Board of Directors, Union Plastic Public Company Limited, on December 16th, 2015, reached the resolution proposing Mr. Rames Khempet to take the position as the director of PSV Mould Co., Ltd., replacing Mr. Supod Kantavijit who had deceased.

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. Supakit Puangbua
4	Mrs. Chantornree Darakananda
5	Mr. Vacharaphong Darakananda
6	Mr. Toshiyuki Yamamoto
7	Mr. Shinsuke Oki
8	Mr. Koji Watanabe
9	Mr. Takashi Ukai
10	Mr. Hiroshi Osada

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 in which the equity method is applied/ Separate financial statements		Transfer Pricing Policy
	2015	2014	
<u>Transactions with related companies</u>			
(related by common shareholders)			
Sales of merchandise and services	78	83	Cost plus margin
Other income	7	7	Cost plus margin
Purchases of merchandise	12	14	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 Soi Serithai 62, Minburi, 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** **Thailand Securities Depository Co., Ltd.**
Head Office 62 The Stock Exchange of Thailand Building, Radchadapisek Road,
Klong Toey, Bangkok 10110
Tel. 0 2359 1200-1 Fax 0 2359 1259

Securities Registrar Capital Market Academy
Office 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**
Mrs. Poonnard Paocharoen or Mr. Termphong Opanaphan or
Ms. Vissuta Jariyathanakorn or Ms. Thipawan Nananuwat
Certified Public Accountant No. 5238, 4501, 3853 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

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