

***TPCORP***  
***ANNUAL REPORT***  
**2015**



**การประชุมผู้ถือหุ้น *TPCORP* 2558** บริษัทจัดการประชุมสามัญผู้ถือหุ้น เมื่อวันอังคารที่ 28 เมษายน 2558 ณ โรงแรมมณเฑียร ริเวอร์ไซด์ และมีการจัดประชุมวิสามัญผู้ถือหุ้นครั้งที่ 1/2558 เมื่อวันจันทร์ที่ 12 ตุลาคม 2558 เพื่อขออนุมัติโอนขายกิจการด้านสิ่งทอ เฉพาะส่วนที่เกี่ยวข้องกับการผลิตชุดชั้นใน ซึ่งบริษัทเปิดโอกาสให้ผู้ถือหุ้นได้ซักถามอย่างเต็มที่ ในการนี้คณะกรรมการบริษัทขอขอบคุณท่านผู้ถือหุ้นที่ไว้วางใจและให้การสนับสนุนมาโดยตลอด



งาน “นักวิเคราะห์ นักลงทุน พบกลุ่มสหพัฒน์ ครั้งที่ 7”  
เมื่อวันศุกร์ที่ 26 มิถุนายน 2558 ณ ห้องบอลรูม ศูนย์การประชุมแห่งชาติสิริกิติ์  
ผู้บริหารของ *TPCORP* คุณอานันท์ รัตนปฏิมากร กรรมการรองผู้จัดการ  
ร่วมเสวนา โดยมีผู้สนใจเข้าร่วมรับฟังเป็นจำนวนมาก



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Investors may access further information details per the Annual Registration Statement (Form 56-1) displayed by the company at [www.sec.or.th](http://www.sec.or.th) or at the company website [www.tpcorp.co.th](http://www.tpcorp.co.th)

## **Report of the Directors**

In 2015, the domestic economic growth was only 2.8%, reported by Office of the National Economic and Social Development Board comparing with the year 2014(increased by 0.8 %) due to various factors that occurred in Thailand and overseas. The main factors such as the severe decline in the prices of oil and commodities, Terrorist attacks that occurred in various countries, including Thailand. Drought conditions that are affected by El Nino also contributed to the slowdown in the economy. The Company's total revenues in 2015 was 1,880.31 Million Baht, down by 0.48%. Gross Profit was accounted for 4.78%.

The sale of the company in 2015 can be classified into two main parts, the first part is the continuing operations (as reported in the company's financial report which was adjusted in compliance with the Accounting Standard) was 983.94 Million Baht (accounted for 52.3% of the total revenue). The second part is the discontinued operations which accounted for 896.37 Million Baht or 47.7% of the total revenue.

The important event that occurred in the year 2015 took place on October 12, 2015, when the Company held the Extraordinary General Meeting of Shareholders No. 1/2558, proposing the shareholders to approve the transfer of the business which relates to underwear of the Company, Subsidiaries and Affiliates, which its proportion of sales approximately equals to fifty percent compared with total sales each year. The Board of Directors had presented the results of studies and the opinion of the IFA to the Shareholders and received an approval by 99.96 % of the attending voting rights as the Shareholders are aware either by attending the meeting or by the Company's report to the Stock Exchange. The Board of Directors would like to thank our shareholders for their trust and agreeing with the Board of Director's policy and led to the decision to approve the transfer of the proposed business. The transfer will take place on February 1, 2016. Following the transfer the company aims to emphasize and concentrate in manufacturing products with involve synthetic fibers and also searching for more businesses opportunities. As carried out in the past, the company has developed into a business producing parts supply to the automotive industry over the past decade.

In 2016, the company has set goals to develop and improve the ongoing business, and new business initiatives, which normally would require a relatively high capital and cost for the beginning. The Company will utilize the funds received from the transfer of the business to develop such businesses. The company also aims to improve its governance and operations in accordance with the anti-corruption policy.

Finally, the Board of Directors would like to thank the shareholders for their trust and all the supports over the years with the company. And most importantly, thank you to all employees for their utmost cooperation and responsibility to overcome all obstacles in the past year. The Board of Directors hopes that the shareholders and stakeholders will continue to put their trust and support as ever.



## **Audit Committee's Report**

### **To: The Shareholders**

The Audit Committee of the Textile Prestige Public Co., Ltd. (Public) consisting of 3 independent directors who are knowledgeable, experienced and qualified in accordance with the regulations stipulated by the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand and as stated in the Audit Committee's Charter. These comprised of Mr. Padoong Techasarintr as the chairman of the committee, Mr. Thanavat Pugavanaja and Mr. Krisada Visavateeranon as the committee members. They carried out their duties as assigned by the Company's Board of Directors and in compliance with the Audit Committee's Charter which were also in conformity with the resolution of the office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

During the year 2015 the Audit Committee had 13 meetings of which all the 3 committee members were present throughout the period. Additionally there were also meetings for consultation and exchange of ideas with the Management and the external auditors. All activities performed were regularly reported to the Board of Directors quarterly which covered the key points as follows:

#### **• Review Financial Statements**

Reviewed the quarterly and annually financial statements of the company and its subsidiaries for the year 2015 which were audited by the external auditors who carried out their duties with freedom. This was to ensure that the statements were prepared in conformity with the enforcement of the current accounting standards. The Audit Committee had the opinion that the mentioned statements correctly and duly presented the financial status and the operational results. They were reliable, with sufficient disclosure of information and the related transactions between the subsidiaries and the related companies for the benefit of the users of the financial statements.

#### **• Review Internal Control System**

Reviewed the internal control system by considering and assessing the internal audit reports and the external auditors' reports. The observations and suggestions have been provided to the Management. The implementation of remedial actions was also continuously monitored. The internal auditing works and the internal control systems were observed. The internal auditing plan for the year 2016 was approved. This plan was adjusted to be in compliance with the situation and to be used as a basis for the risk management and the anti-corruption works. This was to ensure that the internal control system and the internal auditing were thoroughly, sufficiently and appropriate to the business nature.

#### **• Risk Management**

The company properly managed risks according to its nature of business and in accordance with the policy in managing risks from doing business by considering and assessing the risk factors which might affect. Moreover the suggestions for improving the management for appropriateness and in conformity with the company's policy were also given.

#### **• Review the related transactions**

Reviewed the related transactions occurred during the year among the company, its subsidiaries or the related parties, the Audit Committee found that the transactions were conducted under their normal business and in accordance with the relevant regulations. The operation was carried out and the information was completely and sufficiently disclosed in the company's financial statements and in compliance with the regulations of the Stock Exchange of Thailand.

Moreover the related transactions in case of the selling of assets of the textile business only those that relevant to the company's lingerie production and including the transfer of the subsidiaries' and the relating companies' businesses to the company which the company's major shareholder had shares with were also reviewed. This mentioned transactions were considered as a selling of the assets of the registered company according to the Capital Market Supervisory Board's announcement. The Audit Committee had an opinion that the selling of a part of the company's assets and the transfer of the subsidiaries' and relating companies' businesses as mentioned were properly carried out with reasonable price and conditions. They were correctly conducted according to the regulations of the Stock Exchange of Thailand to the maximum benefits of the shareholders. Additionally same opinion was shared with the Management and the information was disclosed according to the announcement of the Securities Exchange Commission.

• **Good Corporate Governance**

Reviewed the operation according to the defined systems to ensure compliance with the Securities Exchange Act, the regulations of the Stock Exchange of Thailand and the laws which were relevant to the company's business. Furthermore the changes of all regulations were followed up to ascertain that the operations were correctly and effectively carried out. Additionally there was a process to observe the operations to ensure its conformity with the good corporate governance principles.

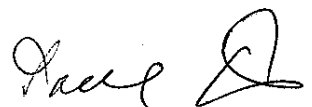
• **Appointment of the External Auditors**

Review together with the management the appointment of the external auditors for the year 2016 taking into account knowledge, capability, reliability, working independency and qualifications as stipulated by the Securities and Exchange Commission. It was mutually agreed that the current external auditors delivered good quality works and proposed a reasonable auditing fees. Therefore it was agreed to propose to the company's Board of Directors for further approval at the General Meeting of the shareholders appointment of Mrs. Kwunjai Kiatgungwalgri, a certified public accountant number 5875 or Mr. Anusorn Kiatgungwalgri, a certified public accountant number 2109 of the ASV & Associates Limited as the external auditors for the year 2016 at the fee of 690,000 baht which was decreased from last year as a result from the selling part of businesses that only relating to textile. However this did not include the auditing fees for endorsing the financial statements of the businesses which received the investment supports.

The Audit Committee had independently carried out their duties according to the assigned scope of works. The correct preparation of the company's financial statements in accordance with the accounting standards were observed. The information was sufficiently disclosed. The internal control was effective and suitable for their current business conditions. The risk management was appropriate and sufficient. The related transactions were according to their normal business. Additionally works were executed according to the procedures, regulations and all laws which were relevant to the business. There were no irregularities and significant errors found.

February 29, 2016

On behalf of the Audit Committee



( Padoong Techasarintr )

Chairman of the Audit Committee

### **Nominating Committee's Report**

In 2015, the Nomination Committee Consist of

- |                 |                 |                                      |
|-----------------|-----------------|--------------------------------------|
| 1. Mr. Boosithi | Chokwatana      | Chairman of the Nominating Committee |
| 2. Mr. Manu     | Leelanuwatana   | Member of Nomination Committee.      |
| 3. Mr. Suchai   | Narongkananukul | Member of Nomination Committee.      |

The Nominating Committee held a meeting in February 2015. In the meeting, the committee has considered all agendas including the acknowledgement of the result of granting the shareholders to nominate directors to be elected in the Annual General Meeting of Shareholders in advance. The company had provided the opportunity to the shareholders during December 1 to December 30 of every year. In 2015, there was no nomination of any director was made.

Therefore, the Nominating Committee proceeded on considering the qualified candidates to replace the directors who retired by rotation in the Annual General Meeting of Shareholders (AGM) no. 40/2558. The AGM was held on April 28, 2015. There were 3 retiring directors consisted of Mr. Manu Leelanuwatana, Mr. Thanavat Pugavanaj and Mr. Atsushi Tabata. All three retiring directors were nominated to be directors of the company for another term and were unanimously approved by the shareholders in the AGM.

The Nominating Committee had performed its duties as assigned by the Board of Directors in compliance with the Charter of the Nominating Committee. The Nominating Committee is responsible for the recruitment of qualified candidates, taking into account the knowledge, skills, experience and expertise from various professions. The Nominating Committee also consider their leaderships, visions, ethics, transparency, and must not prohibited by laws and regulations of the company for their nominations. The Nominating Committee has performed its duties as assigned discreetly and reasonably.

### **Remuneration Committee's Report**

In 2015, the Compensation Committee. Consist of

- |                 |                 |   |
|-----------------|-----------------|---|
| 1. Ms. Sirikul  | Dhanasarnsilp   | Chairman of the Remuneration Committee. |
| 2. Mr. Suchai   | Narongkaranukul | Member of the Remuneration Committee.   |
| 3. Mr. Thanavat | Pugavanaja      | Member of the Remuneration Committee.   |

The Remuneration Committee held two meetings in February 2015. The committee had considered the allocation rules and amount for the directors of the Board and all Sub-Committees set by the Board of Directors by referring to the company's performance, economic condition including their duties and responsibilities as assigned. The compensation was considered suitable to propose to the Board of Directors and to the Shareholders for approval.

In 2015, the Remuneration Committee had determined the amount of the Directors' annual compensation for their performance, contribution and responsibilities to the company throughout the year 2017 in the amount of 5.5 Million Baht, which was within the Shareholders' approval of 8.1 Million Baht. Furthermore, the Remuneration Committee had considered and proposed the compensation for the Directors' performance, contribution and responsibilities for the year 2015 in the amount of 8.1 Million Baht to the Board of Directors, and later approved by the Shareholders in the Annual General Meeting of Shareholders No. 40 (held on the April 28, 2015)

The Remuneration Committee had performed its duties as assigned by the Board of Directors in compliance with the Charter of the Remuneration Committee. The Remuneration Committee is responsible for defining and setting compensation criteria by referring to directors' authorities, experience, roles, responsibilities, performance, including the company's liquidity and overall economic condition. The Remuneration Committee has performed its duties as assigned discreetly and reasonably.



## **Anti-Corruption Policy**

The Board of Directors of Textile Prestige Public Company Limited has approved the resolution to sign a Declaration of Intent of Collective Action Coalition Against Corruption enacted by Thai Private Sector on February 27, 2014. In order to be in compliance with the company's Corporate Governance as well as corroborate its aims and Corporate Social Responsibility as a whole, the company follows the policy relevant to laws countering corruption by prohibiting the company directors, executives and employees from accepting or supporting every type of corruption both in direct and indirect manner, which is written for exercising it as follows;

1. The company will not be a party to pay bribes. In case of contributions to charity, to political parties as well as offering gifts in a business manner, this must be transparent, explainable and audited.
2. Supporting enhancement of awareness and value for anti-corruption among the company directors, executives and employees to perform duties in accordance with relevant laws, notifications and regulations by preparing such manual for guidelines.
3. The company directors, executives and employees must not act as an intermediary in demanding and accepting gifts or benefits from government sectors or private sector, which induces to violate the laws. Moreover, it is illegal to use positions and/or duties to use the company's data to seek benefits for oneself or others.
4. Setting the system to report financial status transparently and accurately, providing an efficient and effective internal control system, and controlling check-and-balance system to be appropriate in order to prevent conducting any fraud or taking part in any fraud and corruption.
5. Monitoring and reviewing the anti-corruption policy, guidelines and regulations consistently for operation in order to adjust with business changes, laws and regulations.
6. Opening channel for reporting any suspected activity and ensuring that such reporters receive protection.

This anti-corruption policy is approved by the Board of Directors' Meeting No. 1/2558 and effective since February 24, 2015.

-----Manu Leelanuwatana-----  
(Mr. Manu Leelanuwatana)  
Chairman

### **Corporate Social Responsibility Policy**

One of Textile Prestige Public Company Limited's management policies is to pursue international standard to bring about sustainability development. The company intends to manufacture quality and safe products to comply with her responsibility toward society and environment. Manufacturing processes are carried out in a minimal impact to the environment. Furthermore, the company intends to comply with business ethics and transparency. The company is concerning stakeholders' benefit by strictly complying with laws and regulations. The company is supporting business partners who commit to society, against corruption, respect to human right and are transparently operating their businesses.

## **Policy and Business Overview**

### **1. Vision Mission Value**

The Board of Directors have considered and reviewed the vision and missions of the company in the past year to comply with the company's operations in the future. In 2016, the Board of Directors have resolution to add one more mission making them 6 missions in order to support the anti-corruption policy as follows.

#### **Vision**

To be the leader in textile manufacturing and distributing by producing high quality products with social and environmental responsibilities.

#### **Mission**

1. Aim to produce and distribute high quality products in order to achieve highest customer satisfaction
2. Do business by considering social and environmental impact and build good relationship with the community
3. Provide reasonable benefits to shareholders, and treat them fairly and equitable Treatment of Shareholders
4. Maintain Good Corporate Governance practices in the organization for sustainable business growth
5. Encourage and Improve employee's capability to build up their career stability and encourage their involvement in company's development.
6. Adhere to and promote transparent business and Anti-corruption all forms.

### **2. COMPANY HISTORICAL BACKGROUND & DEVELOPMENT**

Textile Prestige Public Co., Ltd. was established on July 7<sup>th</sup> 1976, in the name of "Thai Powernet Co., Ltd." initial registered capital one million baht. Since the manufacturer of raw-material for underwear at that time could not produce the product matching to market demand, compiling with our strong purpose develop underwear raw-material market to be compatible for oversea market, We accordingly established our company in order to serve the niche market at that moment.

At the beginning, The main objective was to manufacture quality raw material to serve Domestic Lingerie market comparable to those that imported. The company started its production with Ground Fabric; the Powernet Fabric, then expanded to Hooks and Eyes, Embroidery, Elastic Tape and Non-Woven Fabric. The company became a manufacturer of variety of product and almost cover all material required to make intimate apparel. With its production capability, the company diversified its customer base to include Sportswear later on.

For over two decades, the company has expanded its business into technical textiles, which focuses on the production of automotive parts and has steadily increased its capacity by a joint venture with a Japanese partner to establish a new factory in Indonesia.

- 1984 : Changed the name of the company from “Thai Powernet Co., Ltd.” to “Textile Prestige Co., Ltd.” being the first company in Thailand which manufactures of an encompassing range of ladies underwear raw-material.
- 1987 : Increased registered Capital to 36 million baht and listed in the Stock Exchange of Thailand.
- 1988 : Increased registered Capital to 72 million baht.
- 1994 : Transferred its identity to Public Company Limited.
- 1996 : Increased registered Capital to 108 million baht. To expand capacity and develop of product to meet market need.
- 1997: Joined the first “Saha Group Export”, later changed to “Saha Group Export & Trade Exhibition”.
- 1998 Introduced the ISO 9002 initiative under the quality assurance firm, “Bureau Veritas Quality International (BVQI).). Subsequently, it was awarded the ISO 9000 certificates by TUV Rhienland and complete all factories.
- 1999: Received an Environmental - friendly and skin-safety Certificate from Oeko-Tex, Switzerland on June 18, 1999., and continuing to the present.
- 2002: Joined “Interfilere”, the largest lingerie exhibition in Europe, for the first time. TPCORP continues to join international exhibition, such as in Hong Kong and Shanghai to promote her success and products.
- 2003: Reduced Company’s Par Value from 10 Baht to 1 Baht, thus increase the shares from 10,800,000 shares to 108,000,000 shares to increase liquidity.
- 2005: Started Company’s first “Energy Conservation Together Project” to save operating cost and has continued ever since.
- 2006: Selected by “Material ConneXion Library” to exhibit the company’s Nano Fresh, Jacquard and Spun Silk in 4 Fashion cities; New York, Milan, Cologne and Bangkok.
- 2007: - Prestige Plus Company Limited, a subsidiary specializing in bleaching, received an ISO 14001 from the quality assurance institute, “ TUV Rhienland (TUV)”.
- Invited by Wacoal - Japan to exhibit the company’s products in Tokyo.
- 2010: TPCORP and its subsidiaries received ISO 9001:2000 certificate, the present day ISO 9001:2008
- Mr. Suchai Narongkananukul, MD of T.U.C. Elastic Co.,Ltd. received ESCO Project Award 2010 ; which efficiency to reduced its Electricity consumption for 26%. from Dr. Wannarat Channukul, minister of Industry.
- Prestige Plus Co.,Ltd. won the first place in “Lean Production, Best Practice 2010” in Textile Industry Category which organized by Department of Industrial Promotion and Technology Promotion Association ( Thailand-Japan )
- 2011: - Received a “Carbon Footprint” certificate from Thailand Greenhouse Gas Management Organization (Public Organization) that carbon dioxide can be produced by natural occurrences. It was a first and big step toward a social responsibility.
- T.U.C. Elastic Co.,Ltd. received its second “ESCO Project Award” from its success in Heat Exchange Project from Mr. Pramoul Chanpong Deputy Director General of Department of Alternative Energy Development and Efficiency in “Thailand ESCO Fair 2011” .
- 2013: TPCORP and Dynic Corporation entered into an agreement to carry out the establishment of 2 following Joint Venture companies:



1. TPCNIC Co., Ltd., the office located in Bangkok and Sriracha to perform manufacturer and distributor of Cabin Filter and
  2. PT. DYNIC TEXTILE PRESTIGE, the office located in Indonesia to perform production and distribution of Non-woven fabrics supplied to Automotive Industry. This is one of important steps to AEC proactive strategies and readiness to approaching other ASEAN countries.
- 2014: The Company announced its intention to participate in The Private Sector Collective Action Coalition against Corruption (CAC) and has been studying to improve on all related processes and aim to be certified on time.
- 2015: On October 12, 2015, the Shareholders passed a special resolution to transfer the underwear-related business of Textile Prestige PLC., and entire business transfer of 3 subsidiaries (T.U.C.Elastic Co., Ltd., Prestige Plus Co., Ltd., Prestige Embroidery Co., Ltd.) and 1 affiliate (Value Added Textile Co., Ltd.)

Therefore, after the transfer, the company will be focusing on producing and selling Non-Woven fabrics, and other related products such as Parts that are used in automobiles, Head Liners, Automobile Mats, Air Filters, Masks, including other raw materials for all kinds of industrial products, or Contract Manufacturing.

Gaining experience accumulation, TPCORP could further its business extension from Textile Production and Distribution specialist to cover a variety of industries. Our main targets are lingerie and automotive part manufacturers both in domestic and abroad. TPCORP has joined yearly exhibitions around the world to be a global leader in fabric innovation and show our potential through quality products under TPCORP umbrella brand to meet customer satisfaction. TPCORP is dedicated to producing quality products to ensure maximum customer satisfaction to take the most business competitive advantage.

### **3. The shareholding structure of the company group**

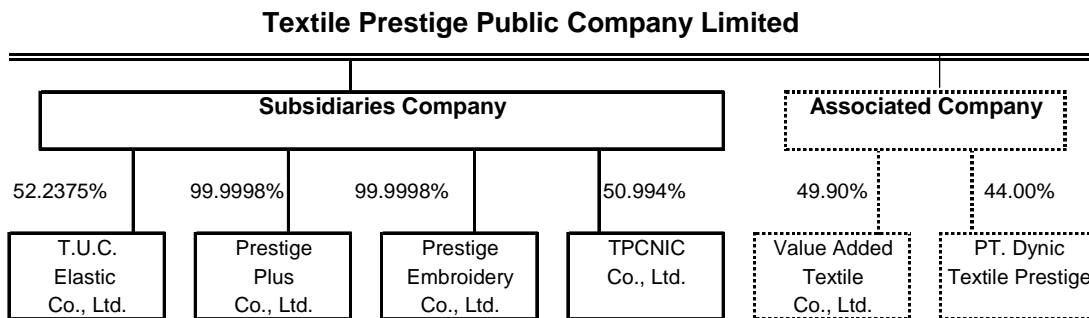
#### **Business allotment policy for the company group**

##### **The company**

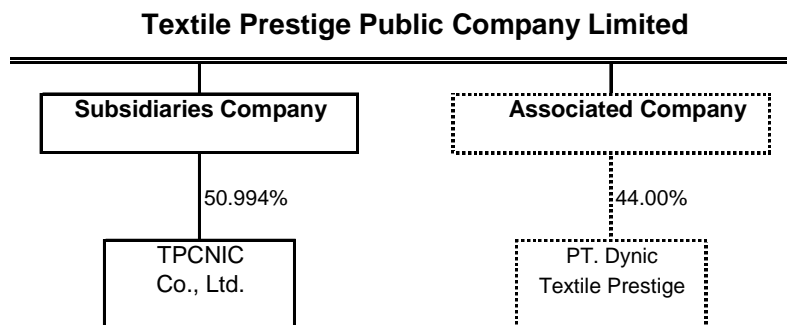
The Company being responsible for key operational areas of production planning orders to its subsidiaries of each plant, as well as control the administration, the procurement of raw materials, information technology, accounting & finance., personnel management, marketing as well as supervision over products distribution of its subsidiaries company.

##### **Subsidiary and Associated Company** serving as the shareholding structure

Before the transfer of a specific transaction involving the production of underwear as follow;



After the transfer of specific activities related to the production of underwear as follows:



**T.U.C. ELASTIC CO., LTD.\***

- Operating the business of elastic straps, elastic woven fabrics, round knitted fabrics for the manufacture of underwear and swimming suits,
- With its factory located in Industrial Promotion Zone 3, Amphoe Kabinburi, Prachinburi Province,
- Has been granted investment promotion under the Investment Promotion Act B.E. 2520, Business Category 3.2 : fabric weaving or knitting,
- With Textile Prestige Public Company Limited as distributor.

**PRESTIGE PLUS CO., LTD.\***

- Operating the business of cloth bleaching, dyeing and finishing,
- With its factory located in Industrial Promotion Zone 3, Amphoe Kabinburi, Prachinburi Province,
- Has been granted investment promotion under the Investment Promotion Act B.E. 2520 in Business Category 3.1.4 : bleaching, dyeing, printing and finishing,
- With Textile Prestige Public Company Limited being in charge of sales activities.

**PRESTIGE EMBROIDERY CO., LTD.\***

- Operating the business of manufacturing embroidery lace for the upper market,
- With its factory located in Industrial Promotion Zone 3, Amphoe Kabinburi, Prachinburi Province,
- Has been granted investment promotion under the Investment Promotion Act. B.E. 2520 in Business Category 3.5 : household textiles or fabric products, manufacture of lace,
- With Textile Prestige Public Company Limited as distributor.

**TPCNIC CO., LTD.**

- Operating the business of manufacturer and distributor of Cabin Filter, Stationary.
- With its factory located in the Industrial Park, Amphoe Sri Racha, Chonburi Province
- With Textile Prestige Public Company Limited as distributor

**VALUE ADDED TEXTILE CO., LTD.\***

- Operating the business of special piece printing and multihead embroidered fabrics,
- With its factory located in the Industrial Park, Amphoe Sri Racha, Chonburi Province
- Subcontract for printing and embroidering fabrics for industrial factories and general customers.

**PT. DYNIC TEXTILE PRESTIGE**

- Operating the business of Non-woven fabrics for industrial factories and general customers.
- With its factory located in Indonesia

**Cross-shareholding**

While the company allows the structure for cross-shareholding, nevertheless, such cross-shareholding is not of the nature conflicting with nor contradicting to the announcement by The Capital Market Supervisory Board no. Thor Chor 28/2008 regarding “the permission request and the permission to offer newly-issued shares” no. 14

Name of Company	Proportion of Shareholding (%)	
	Company's Shareholding in Other Company	Other Company's Shareholding in the Company
<b>1. Shareholdings exceeding 50%</b>		
(a) Other Company holding more than 50% of the Company's Shares; the Company must not have cross-shareholding in the other company	-	-
(b) the Company holding more than 50% of shares in other companies; the Other Company must not have cross-shareholding in the company	-	-
(c) The Company holding more than 50% of shares in 2 or more other companies; such other companies must not have cross-shareholding amongst themselves		-
1. Prestige Embroidery Co., Ltd.**	99.9998%	-
2. Prestige Plus Co., Ltd.**	99.9998%	-
3. T.U.C Elastic Co., Ltd.**	52.2375%	-
4. TPCNIC Co., Ltd.	50.994%	-
All 4 Companies are subsidiary companies which do not have cross-shareholding amongst themselves.		

Name of Company	Proportion of Shareholding (%)	
	Company's Shareholding in Other Company	Other Company's Shareholding in the Company
<b>2. Shareholding exceeding 25% but not exceeding 50%</b>		
(a) Other Company holding more than 25% but not more than 50% of the Company's Share ; the Company's cross-shareholding in the other company must not exceed 10%	-	-
(b) The Company holding more than 25% but not more than 50% of the Company's share the Other Company cross-shareholding in the company must not have exceed 10%		
1. Value Added Textile Co., Ltd.**	49.90%	-
2. PT. Dynic Textile Prestige	44.00%	-
Both of the Companies are as the associated company which do not have cross-shareholding amongst themselves.		
<b>3. Shareholding not exceeding 25% *</b>		
(a) Other Company holding not more than 25% of the Company's share; the Company's cross-shareholding in the other company must not exceed 25%	-	-
1. Saha Pathana Inter-Holding PLC.	0.09%	12.03%
2. I.C.C. International PLC.	0.46%	10.43%
(b) The Company holding not more than 25% of other company's shares; the other company's cross-shareholding in the company must not exceed 25%	-	-

Note \* Data only shown for companies with cross-shareholding

\*\* The Subsidiaries and the Affiliate to transfer and Dissolution of the Company on February 25, 2016.



## Nature of Business

The company and its subsidiary company operation involves 2 principal segments: (1) Fabric and yarn products and (2) Non - woven fabric products

### Revenue Structure of company and its subsidiary company

(Unit : Million Baht)

Product	Company	% Share-holding	2015		2014		2013	
					Income	%	Income	%
1. Fabric and yarn products	Textile Prestige Plc..	-	1,029.87	99.58	1,006.77	99.75	995.15	99.37
	T.U.C. Elastic Co., Ltd.	52.2375	2.19	0.21	1.47	0.15	2.53	0.25
	Prestige Plus Co., Ltd.	99.9998	1.71	0.17	0.72	0.07	3.12	0.31
	Prestige Embroidery Co., Ltd.	99.9998	0.49	0.05	0.31	0.03	0.65	0.07
<b>Total</b>			<b>1,034.26</b>	<b>100.00</b>	<b>1,009.27</b>	<b>100.00</b>	<b>1,001.45</b>	<b>100.00</b>
2. Non - woven fabric products	Textile Prestige Plc.	-	783.08	99.26	821.84	99.18	903.59	99.61
	TPCNIC Co., Ltd.	50.994	5.87	0.74	6.83	0.82	3.56	0.39
<b>Total</b>			<b>788.95</b>	<b>100.00</b>	<b>828.67</b>	<b>100.00</b>	<b>907.15</b>	<b>100.00</b>

### Geographical areas at the end of 31 December

(Unit : Million Baht)

Consolidated financial statements	2015	%	2014	%	2013	%
Domestic sales	1,382	76.57	1,442	79.32	1,550	81.75
Export sales	423	23.43	376	20.68	346	18.25
<b>Total</b>	<b>1,805</b>	<b>100.00</b>	<b>1,818</b>	<b>100.00</b>	<b>1,896</b>	<b>100.00</b>

### Change From The Previous Year

The Extraordinary Meeting of Shareholders no.1/2558, held on October 12, 2015 had approved the sales and transfer of the textile businesses, specifically relate to underwear manufacturing of the Company and T.U.C. Elastic Company Limited, Prestige Plus Company Limited, Prestige Embroidery Company Limited, the Company's subsidiaries, and Value Added Textile Company Limited, the Company's affiliate, to A Tech Textile Company Limited, a newly established company. This transaction shall make the Company, the subsidiaries and the affiliate sell and transfer businesses, assets, liabilities, employees, rights and obligations

including encumbrances concerning textile businesses, specifically relate to underwear manufacturing as well as all rights and benefits derived from such assets to A Tech Textile Company Limited with the considerations equivalent to net book value of the transferred assets as at the date before the Closing Date within the first quarter of 2016, except fixed assets, i.e. lands, buildings, machineries and equipment which are at net book value as at December 31, 2014 plus additional of Baht 136.07 million in no event shall such considerations exceed Baht 863.50 million. The Company shall partially transfer its businesses and the subsidiaries and the affiliate shall entirely transfer their businesses to A Tech Textile Company Limited. After such businesses transfer, the Subsidiaries and the Affiliate will be dissolved.

### **Market Situation**

Market conditions in the Fabric and Yarn Section (the underwear business which was transferred) in the first three quarters of the year was showing a sign of improvement due to economic recovery in North America and the improvement of domestic consumer confidence. However, in the fourth quarter it was slowing down and was likely to continue in 2016. The other section, products made from synthetic fibers and others, also, tends not to grow. But the competition not so tense, due to the lack of new competitors entering into the market and the nature of the business itself, the company sees no effect to the market share of the company.

### **Competition Strategy**

Due to the domestic economic situation and the sluggish recovery of the international trading partners, the Company continues to carefully implement its sales and marketing strategies and not try to fully and aggressively to penetrate the market. Instead, the company focuses on building relationships with existing clients and on product development besides exploring opportunities in new products.

### **Target customers**

After the transfer of the yarn and fabric section (Lingerie related business) then, the major customers of the company are the manufacturers of automobile components. For other product sectors, the markets are still under the company's development plan.

## **Risk Factors**

Board of Directors recognizes the importance of risk management of changes that may affect the business and cause the company not to meet its objectives, which can be summarized as follows.

### **1. The risk from economic slowdown domestically and of trading partners.**

As oil prices has deepen and hit the lowest level in twelve years. That has caused the commodity prices and reduces consumer purchasing power to continue declining. As a result, most of domestic companies' earnings and the country's exports in 2015 were less than last year.

The decision to sell a part of the company's business which related to the production and sales of underwear (relatively low profit margin and more volatile), the company will be able to maintain its margin. Initially, the company foresee that its net profit may not decline much, though overall sales may decline about fifty percent or more.

### **2. The risk of raising US interest rates and finance costs.**

If US increase interest rates as expected by the market, it may cause the domestic financing cost to rise and may result in outflow and lessen investment. However, it will not directly affect the company because the company is currently operating without borrowings.

Company believes that the domestic economy is already in a difficult time, but the economy will be supported by the Government Spending Policy. However the company will have to carefully operate, and continue keep tracking of the Government Policies issued.

### **3. The risk of drought that affected agricultural products and farmers' income.**

Drought has affected the income and purchasing power of the farmers who are the majority of country's population and being the largest customer base of commercial vehicles. Drought is another problem that every company is confronting and cannot be avoided. The company has aimed to develop new products to increase sales to fill in the Sales of the existing products.

### **4. The risk from the transfer of the business which relates to the manufacturing and selling of underwear.**

The Extraordinary General Meeting of Shareholders of the Company on a specific transaction which approved the transfer of the business that relates to manufacturing and selling of underwear will affect the adaptation of the organization in the Management area and the loss of some personnel who was commonly utilized by more than one function. Initially, the company may take a period of time before being able to determine the potential impact on companies. At the end, the company may require additional staff, but it is expected that the effect will be insignificant to the financial statements.

## **General Information and Other Important Information**

### **1. General Information**

#### **TEXTILE PRESTIGE PUBLIC COMPANY LIMITED**

##### **Head Office Address**

704/1-9 Rama 3 Road, Bangpongpan, Yannawa, Bangkok 10120

Tel. (66 2) 294-0071 Fax. (66 2) 294-0150, 294-2386, 294-3050

##### **Type of Business**

Manufacturing and distribution of non-woven fabric, products made of non-woven fabric such as Automotive Parts; car roof, carpet, air filter, face mask, a gown for the manufacturing industry and medicine and raw materials of Industrial Textile and the outsourcing.

**Company Registration** 0107537001447 (BOR.MOR.JOR. 391)

**Website** : <http://www.tpcorp.co.th> **E-mail** : [tpc@tpcorp.co.th](mailto:tpc@tpcorp.co.th)

**Investor Relations/ Corporate Secretary Contact** : [investor@tpcorp.co.th](mailto:investor@tpcorp.co.th)

**Complaint Channel** : [secretary@tpcorp.co.th](mailto:secretary@tpcorp.co.th)

**Amount and Type of issued shares** Common Shares: 108,000,000 shares

##### **Share Registrar**

Thailand Securities Depository Co., Ltd.

93 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Din Daeng, Bangkok, 10400, Thailand

Tel. (66 2) 009-9000

CALL CENTER : (66 2) 009-9999

**Website**: <http://www.set.or.th/tsd>

**E-mail**: [SETContactCenter@set.or.th](mailto:SETContactCenter@set.or.th)

##### **Certified – Public Auditor (CPA)**

Ms. Kwunjai Kiatgungwalgri C.P.A. no. 5875, and/or

Mr. Anusorn Kiatgungwalgri C.P.A. no. 2109,

respectively of ASV & ASSOCIATES LIMITED

Locate at 47 Soi 53, Rama 3 Road, Bangpongpan, Yannawa, Bangkok 10120

Tel. (66 2) 294-8504, (66 2) 294-8587 Fax. (66 2) 294-2345

##### **Legal Advisor**

The Dharmniti Law Office Company Limited

2/4 4<sup>th</sup> floor, Nailert Tower, Wireless road, Lumpinee, Bangkok 10330

Tel. (66 2) 252-1260, (66 2) 655-0711 Fax. (66 2) 252-1104, 252-1108



**Legal Entitles with over 10% Shareholding by the Company.**

<b>Company Name/ Head Office Address</b>	<b>Type of Business</b>	<b>Issued Shares</b>	<b>Amount of Shares</b>	<b>% of Holding</b>	<b>Type of Shares</b>
1. Prestige Plus Co., Ltd.* 704/1-5 Rama 3 Rd., Bangpongpan, Yannawa Bangkok. Tel. 0-2294-0071 Fax. 0-2294-0150	Dyeing and Finishing Fabric	1,000,000	999,998	99.998	Common
2. Prestige Embroidery Co., Ltd.* 704/1-5 Rama 3 Rd., Bangpongpan, Yannawa Bangkok. Tel. 0-2294-0071 Fax. 0-2294-0150	Embroidery Lace	1,000,000	999,998	99.998	Common
3. T.U.C. Elastic Co., Ltd.* 704/1-5 Rama 3 Rd., Bangpongpan, Yannawa Bangkok. Tel. 0-2294-0071 Fax. 0-2294-0150	Elastic Tape	1,600,000	835,800	52.2375	Common
4. TPCNIC Co., Ltd. 704/1-5 Rama 3 Rd., Bangpongpan, Yannawa Bangkok. Tel. 0-2294-0071 Fax. 0-2294-0150	Manufacturer and distributor of Cabin Filter	250,000*	127,485	50.994	Common
5. Value Added Textile Co., Ltd.* 600/3 Moo11 Sukhapiban 8 Rd., Nongkham, Sriracha, Chonburi. Tel. 0-2294-0071 Fax. 0-2294-0150	Multihead Embroidery & Special Piece, Printing	165,000	82,335	49.90	Common
6. PT. DYNIC TEXTILE PRESTIGE Kawasan Greenland International Industrial Center (GIIC), Blok CD No.01, Kota Deltamas, Desa Pasir Ranji, Cikarang Pusat, Bekasi, Jawa Barat, Indonesia.	Manufacturer and distributor of Non Woven	50,000	22,000	44.00	Common
7. Thai Staflex Co., Ltd. 12/1 soi 16 yak 2 Thungwatdon, Sathorn, Bangkok. Tel. 0-2285-6493 Fax. 0-2285-6501-2	Fuse	600,000	84,000	14.00	Common

Note: \* The Company transferred its entire business and take its dissolution on February 25, 2016.

## Shareholders

### 1. Number of registered capital and paid-up capital

The company, TEXTILE PRESTIGE PLC. or securities of symbol “TPCORP”, has registered capital of 108 million baht and paid-up Baht 108,000,000 divided into Common Shares: 108,000,000 shares at Par Value of 1 baht. A shareholder has one share and equal to one vote.

### 2. Shareholders List of shareholders at the closing date of share register book on August 20, 2015.

#### Distribution of shareholding by nationality and type

Type	Amount of Shareholder	Amount of Share	%
Juristic Persons			
Thai Nationality	34	65,869,330	60.99
Foreign Nationality	1	400	0.00
Total Juristic Persons	35	65,869,730	60.99
Natural Persons			
Thai Nationality	966	42,102,430	38.98
Foreign Nationality	4	27,840	0.03
Total Natural Persons	970	42,130,270	39.01
Total	1,005	108,000,000	100.00

#### Distribution of shareholding by proportion held

	Amount of Shareholder	Amount of Share	%
Shareholders holding more than 0.5% ( 540,001 shares onwards)	25	91,295,348	84.53
Shareholders holding not more than 0.5% but not less than one trading unit. (100 shares to 540,000 shares).	824	16,700,611	15.46
Shareholders holding less than one trading unit. (1 share to 99 shares).	156	4,041	0.01
Total	1,005	108,000,000	100.00

#### Top ten major shareholders of the company

Name	Amount of Share	%
1. Thai Wacoal Public Company Limited	19,598,850	18.15
2. Saha Pathana Inter-Holding Public Company Limited	12,993,750	12.03
3. I.C.C. International Public Company Limited	11,261,720	10.43
4. Saha Pathanapibul Public Company Limited	9,390,370	8.69
5. Mr. Boonsithi Chokwatana	8,949,430	8.29
6. Mr. Samreaung Manoonpol	8,808,000	8.16
7. I.D.F. Company Limited	5,922,960	5.48

Name	Amount of Share	%
8. Universe Beauty Company Limited	1,391,000	1.29
9. Thai NVDR Company Limited	1,046,500	0.97
10. Thanulux Public Company Limited	1,034,920	0.96

Note : Prior to the General Shareholder's Meeting. Investors may visit the company website at [www.tpcorp.co.th](http://www.tpcorp.co.th) to view the list of the top ten major shareholders of the company

**3. The issuance of other securities.** The Company has only ordinary shares. None of the other securities.

### **Dividend Policy**

#### **The company**

The company has a policy to pay dividends regularly to shareholders at the rate of 0.25 Baht per share (equivalent to 25% of Par). However, this rate principally depends on economic conditions and business performance of the company as well as the resolution of the shareholders' meeting. Dividend payment will comply with clause 55-57 of the Articles of Association of the company. The stated clauses have an essential stipulation that dividends must be paid on the basis of profit only but not from other incomes. In case the company remains in accumulated loss status, it is prohibited to pay dividend. Dividend will be calculated on the amount of shares basis. Each share has an equal dividend. The dividends must be paid within one month after the date of the Shareholders' or Board of Directors' meeting has a resolution. The board may pay interim dividends to Shareholders if the board regards that the company has a sufficient profit to do so and report to shareholders in the next meeting.

Dividend payments for five fiscal periods are as follows:

<b>Separate financial statements</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Earnings per share attributable to owners of the parent company (Baht)	1.11	0.99	0.93	1.08	0.75
Rate of Dividend per share (Baht)	**0.60	0.55	0.50	0.55	0.40
Dividend Payout Ratio. (%)	54.21	55.59	53.96	50.92	53.66

Note \*\* The Board of Director's Meeting has resolved to pay dividend, paid from Operating period from 1 January 2015 to 31 December 2015 and retained Earnings to shareholders at Baht 0.60 (Sixty Satangs) per share will be paid out of net profits gained from corporate tax-exempted business (BOI) and submit this agenda for approval at the General Shareholder's Meeting to be held on April 26, 2016.

#### **Subsidiary Companies**

The company has a policy for all subsidiaries to pay dividends according to business performance of each subsidiary.

## Management Structure

### 1 The Board of Directors

In 2015, there are 9 members of the Board of Directors who named in the certificate letter of Ministry of commerce, as follow :-

Name		Present Position	Date of Appointed
1. Mr. Manu	Leelanuwatana	Chairman	July 7, 1976
2. Mr. Suchai	Narongkananukul	Managing Director	August 10, 1977
3. Mr. Arnut	Rattanapathimakorn	Deputy Managing Director	April 26, 1991
4. Mr. Wachara	Poomarintr	Director	April 26, 1999
5. Miss Sirikul	Dhanasarnsilp	Director	July 7, 1976
6. Mr. Atsushi	Tabata	Director	May 9, 2013
7. Mr. Padoong	Techasarintr	Independent Director	April 26, 1999
8. Mr. Thanavat	Pugavanaja	Independent Director	April 27, 2009
9. Mr. Krisada	Visavateeranon	Independent Director	April 27, 2009

Whereas Mr. Chanin Ratanavijai acted as Corporate Secretary since May 8, 2008.

### Summary of Number of Meeting of Directors, Sub-Committee and Executives during 2015.

Details as follow; Each Director's attendance ratio of at least 75 percent.

List		Attendance					
		The Board of Directors	The Audit Committee	The Remuneration Committee	The Nominating Committee	The Executive Board	The Share-holders' Meeting
1. Mr.Boonsithi	Chokwatana	-	-	-	1/1	-	1/1
2. Mr. Manu	Leelanuwatana	5/5	-	-	1/1	-	2/2
3. Mr. Suchai	Narongkananukul	5/5	-	2/2	1/1	13/13	2/2
4. Mr. Arnut	Rattanapathimakorn	5/5	-	-	-	13/13	2/2
5. Mr. Wachara	Poomarintr	5/5	-	-	-	11/13**	2/2
6. Miss Sirikul	Dhanasarnsilp	4/5 **	-	2/2	-	-	2/2
7. Mr. Atsushi	Tabata	5/5	-	-	-	-	2/2
8. Mr. Padoong *	Techasarintr	5/5	13/13	-	-	-	2/2
9. Mr. Thanavat *	Pugavanaja	5/5	13/13	2/2	-	-	2/2
10. Mr. Krisada *	Visavateeranon	5/5	13/13	-	-	-	2/2
11. Miss Rachanee	Luevipasakul	-	-	-	-	13/13	2/2
12. Mr. Chanin	Ratanavijai	-	-	-	-	13/13	2/2
13. Mr. Somnuek	Thungpukdee	-	-	-	-	13/13	2/2
14. Mr. Voravat	Limpoka	-	-	-	-	12/13**	2/2
15. Miss Darunee	Supo	-	-	-	-	13/13	2/2

## Notes

\* Independent Director and Audit Committee member, the qualifications required by the relevant regulations.

\*\* On leave

### Directors with authority to sign on behalf of the company

Any two out of the six following directors can sign and seal on behalf of the company.

- |                                 |                               |
|---------------------------------|-------------------------------|
| 1. Mr. Manu Leelanuwatana       | 2. Mr. Suchai Narongkananukul |
| 3. Mr. Arnut Rattanapathimakorn | 4. Mr. Wachara Poomarintr     |
| 5. Miss Sirikul Dhanasarnsilp   | 6. Mr. Atsushi Tabata         |

### Report on the company in shareholding of the Directors and Executives as of 31<sup>st</sup> December 2015

Name	Position	Number of shares as of 31 December 2014	Number of shares as of 31 December 2015	Number of Shares of changes of Increase / (Decrease) at 2015	Share-holding in the Company (%)
1 Mr. Manu Leelanuwatana	Chairman	524,920	-	(524,920)	-
Spouses and minor children.		28,120	-	(28,120)	-
2 Mr. Suchai Narongkananukul	Managing Director	106,260	106,260	-	0.10
Spouse and minor children.		1,900	1,900	-	0.002
3 Mr. Arnut Rattanapathimakorn	Deputy Managing Director	322,140	322,140	-	0.30
Spouse and minor children.		24,170	24,170	-	0.02
4 Mr. Wachara Poomarintr	Director	232,860	232,860	-	0.22
Spouse and minor children.		21,630	21,630	-	0.02
5 Miss Sirikul Dhanasarnsilp	Director	498,120	498,120	-	0.46
Spouse and minor children.		-	-	-	-
6 Mr. Atsushi Tabata	Director	-	-	-	-
Spouse and minor children.		-	-	-	-
7 Mr. Padoong Techasarintr	Independent Director	-	-	-	-
Spouse and minor children.		-	-	-	-
8 Mr. Thanavat Pugavanaja	Independent Director	250,340	250,340	-	0.23
Spouse and minor children.		-	-	-	-
9 Mr. Krisada Visavateeranon	Independent Director	19,500	19,500	-	0.02
Spouse and minor children.		-	-	-	-
10 Miss Rachanee Luevipasakul	Executive Director	70,930	70,930	-	0.07
Spouse and minor children.		-	-	-	-
11 Mr. Chanin Ratanavijai	Executive Director	-	-	-	-
Spouse and minor children.		-	-	-	-
12 Mr. Somnuek Thungpukdee	Executive Director	150	150	-	0.0001
Spouse and minor children.		-	-	-	-

Name			Position	Number of shares as of 31 December 2014	Number of shares as of 31 December 2015	Number of Shares of changes of Increase / (Decrease) at 2015	Share-holding in the Company (%)
13	Miss Darunee	Supo	Executive Director	-	-	-	-
	Spouse and minor children.			3,970	3,970	0	0.004
14	Mrs. Sukjai	Rachadej	Factory Manager	900	900	-	0.001
	Spouse and minor children.			-	-	-	-
	Total			2,105,910	1,552,870	(553,040)	1.44

Note \* To Change in Quarter 4/2015

**Information on the Board of Directors, Executives and Corporate Secretary**

Name / Position Date of appointment	Ages	Educational Qualifications	Share* Holding Percentage(%)	Relationship	Working Experience		
					Period	Position	Company
1. Mr. Manu Leelanuwatana o Chairman o The Nominating Committee Member o Director with authority to sign on behalf of the company  Date of appointment 7 <sup>th</sup> July 1976	70	- Bachelor Degree in Mechanical Engineering, Chiba University, Japan - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	-	-	<b>Other Listed Company</b>		
					<b>4 Companies</b>		
					1990-Present	Chairman	Thai Wacoal Plc.
					1987-Present	Director	O.C.C. Plc.
					2004-Present	Director	I.C.C. International Plc.
					2007-Present	Director	Saha Pathana Interholding Plc.
2. Mr. Suchai Narongkananukul o Managing Director and o Chairman of the Executive Board o The Nominating Committee Member o The Remuneration Committee Member o Director with authority to sign on behalf of the company  Date of appointment 10 <sup>th</sup> August 1977	69	- Bachelor Degree in Architecture, TOKYO KOGYO UNIVERSITY - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	0.10	-	<b>Other Non-Listed Company</b>		
					<b>24 Companies</b>		
					1995-Feb.2016	Chairman	T.U.C Elastic Co., Ltd.
					1995-Feb.2016	Chairman	Prestige Plus Co., Ltd.
					2015-Present	Advising Director	Erawan Textile Co., Ltd.
					1988-Present	Director	Thai Shikibo Co., Ltd.
					1995-Feb.2016	Director	Prestige Embroidery Co., Ltd.
					<b>Other Listed Company</b>		
					<b>- None -</b>		
					<b>Other Non-Listed Company</b>		
					<b>10 Companies</b>		
					2001-Feb.2016	Chairman	Prestige Embroidery Co., Ltd.
					2002-2014	Chairman	Value Added Textile Co., Ltd.
					2013-Present	Chairman	TPCNIC Co., Ltd.
					1982-Feb.2016	Managing Director	T.U.C Elastic Co., Ltd.
					1988-Present	Director	Thai Stafflex Co., Ltd.
					1994-Present	Director	Saha Seiren Co., Ltd.
					1995-Feb.2016	Director	Prestige Plus Co., Ltd.
					2002-Present	Director	Thai Sakae Lace Co., Ltd.
					2003-Present	Director	Thai Asahi Kasei Spandex Co., Ltd.
					2014- Present	Director	PT.Dynic Textile Prestige

**Information on the Board of Directors, Executives and Corporate Secretary**

Name / Position Date of appointment	Ages	Educational Qualifications	Share* Holding Percentage(%)	Relationship	Working Experience		
					Period	Position	Company
					Other Listed Company - None -		
3. Mr. Arnut Rattanapathimakorn o Deputy of Managing Director o Executive Board Member o Executive Director Production o Director with authority to sign on behalf of the company  Date of appointment 26 <sup>th</sup> April 1991	59	- Bachelor Degree in Chemical and Textile Engineering,Rajamangala Institute of Technology - Director Accreditation Program (DAP) 3/2003 Thai Institute of Directors Association (IOD)	0.32	-	Other Non-Listed Company 4 Companies		
					2009-Feb.2016	Managing Director	Prestige Plus Co., Ltd.
					2002-Feb.2016	Director	T.U.C Elastic Co., Ltd.
					2012-2014	Director	Value Added Textile Co., Ltd.
					2014-Present	Commissioner	PT.Dynic Textile Prestige
4. Mr. Wachara Poomarintr o Director o Executive Board Member o Executive Director Business o Director with authority to sign on behalf of the company  Date of appointment 26 <sup>th</sup> April 1999	59	- Bachelor Degree in Business Information Technology, Sukhothai Thammathirat University - Director Accreditation Program (DAP) 3/2003 - Finance for Non-Finance Director (FND) 23/2005 Thai Institute of Directors Association (IOD)	0.24	-	Other Listed Company - None -		
					Other Non-Listed Company 3 Companies		
					1995-Feb.2016	Managing Director	Prestige Embroidery Co., Ltd.
					2010-2014	Managing Director	Value Added Textile Co., Ltd.
					2014-Present	Director	PT.Dynic Textile Prestige



**Information on the Board of Directors, Executives and Corporate Secretary**

Name / Position Date of appointment	Ages	Educational Qualifications	Share* Holding Percentage(%)	Relationship	Working Experience		
					Period	Position	Company
					Other Listed Company		
5. Miss Sirikul Dhanasarnsilp o Director o Chairman of the Remuneration Committee o Director with authority to sign on behalf of the company  Date of appointment 7 <sup>th</sup> July 1976	68	- Master Degree in Commerce and Accountancy, Business Administration, Thammasat University - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005 Thai Institute of Directors Association (IOD)	0.46	-	2004-Present	Vice Chairman	Thai Wacoal Plc.
					Other Non-Listed Company		
					2001-Present	Chairman	Pattaya Kabinburi Co., Ltd.
					2003-Present	Chairman	Pattaya Lumpfun Co., Ltd.
					2003-Present	Chairman	SR.W.Garment Co., Ltd.
					2010-Present	Chairman	Wacoal Lumpfun Co., Ltd.
					2010-Present	Chairman	Wacoal Kabinburi C., Ltd.
					2011-Present	Chairman	Tora 1010 Co., Ltd.
					1988-Present	Managing Director	Pattaya Manufacturing co., Ltd.
					1982-Feb.2016	Director	T.U.C Elastic Co., Ltd.
6. Mr. Atsushi Tabata o Director o Director with authority to sign on behalf of the company  Date of appointment 9 <sup>th</sup> May 2013	48	- Bachelor Degree in Sociology of Faculty of Social Studies Doshisha University, Japan	-	-	1994-present	Director	Thai Naxis Co., Ltd.
					Other Listed Company		
					2013-Present	Deputy of MD	Thai Wacoal Plc.
					Other Non-Listed Company		
					2013-Present	Deputy of MD	Tora 1010 Co., Ltd.
					2013-Present	Director	Pattaya Kabinburi Co., Ltd.
					2013-Present	Director	SR.W.Garment Co., Ltd.
					2013-Present	Director	Wacoal Lumpfun Co., Ltd.
					2013-Present	Director	Wacoal Kabinburi Co., Ltd.
					2013-Present	Director	Thai Naxis Co., Ltd.
					2013-Present	Director	Thai Asahi Kasei Spandex Co., Ltd.
					2013-Present	Director	Wien International Co., Ltd.
					2015-Present	Director	Pattaya Myanmar Co., Ltd.

**Information on the Board of Directors, Executives and Corporate Secretary**

Name / Position Date of appointment	Ages	Educational Qualifications	Share* Holding Percentage(%)	Relationship	Working Experience		
					Period	Position	Company
					Other Listed Company		
7. Mr. Padoong Techasarintr o Independent Director o Chairman of the Audit Committee Date of appointment 26 <sup>th</sup> April 1999	75	<ul style="list-style-type: none"> <li>- Bachelor Degree in Accounting and Commerce, Thammasat University</li> <li>- Role of the Chairman Program (RCP) 6/2001</li> <li>- Director Accreditation Program (DAP) 4/2003</li> <li>- Director Certification Program (DCP) 55/2005</li> <li>- Audit Committee Program (ACP) 22/2008</li> <li>- Monitoring the Internal Audit Function (MIA) 3/2008</li> <li>- Monitoring the system of Internal Control and Risk Management (MIR) 5/2009</li> <li>Thai Institute of Directors Association(IOD)</li> </ul>	-	-	1993-Present	Independent Director and Chairman of the Audit Committee	The Lanna Resources Plc.
					2006-Present	Independent Director and Chairman of the Audit Committee	Thanulux Plc.
					1999-Present	Independent Director and The Audit Committee member	CP ALL Plc.
					2003-Present	Independent Director and The Audit Committee member	Kulthorn Kirby Plc.
					Other Non-Listed Company		
8. Mr. Thanavat Pugavanaja o Independent Director o The Audit Committee member o The Remuneration Committee Member Date of appointment 27 <sup>th</sup> April 2009	70	<ul style="list-style-type: none"> <li>- Bachelor Degree in Engineering, University of Electro - Communication, Japan</li> <li>- Audit Committee Program (ACP) 8/2005</li> <li>- Director Accreditation Program (DAP) 38/2005</li> <li>- Director Certification Program (DCP) 79/2006</li> <li>- The Quality of Finance Reporting (QFR) 1/2006</li> <li>Thai Institute of Directors Association(IOD)</li> </ul>	0.23	-	Other Listed Company		
					2004-2012	Independent Director	Thai Wacoal Plc.
					Other Non-Listed Company		
					-		

**Information on the Board of Directors, Executives and Corporate Secretary**

Name / Position Date of appointment	Ages	Educational Qualifications	Share* Holding Percentage(%)	Relationship	Working Experience		
					Period	Position	Company
					Other Listed Company		
9. Mr. Krisada Visavateeranon o Independent Director o The Audit Committee member  Date of appointment 27 <sup>th</sup> April 2009	65	- Master Degree in Electrical Engineering, Kyoto University,japan - Director Certification Program (DCP) 7/2001 - Audit Committee Program (ACP) 34/2010 Thai Institute of Directors Association(IOD)	0.02	-	1 Company		
					2010-Present	Chairman of the Audit Committee	Thai Stanley Electric Plc.
					1 Company		
10. Miss Rachanee Luevipasakul o Executive Board member o Purchasing Manager <sup>1</sup>  Date of appointment <sup>1</sup> 24 <sup>th</sup> January 2006	59	- Bachelor Degree in Business administration, Bangkok University - Director Accreditation Program (DAP) 21/2004 - Director Certification Program (DCP) 101/2008 - Finance for Non-Finance Directors (FND) 23/2005 Thai Institute of Directors Association(IOD)	0.07	-	- None -		
					2 Companies		
					2000-Feb.2016	Director	T.U.C Elastic Co., Ltd.
11. Mr. Chanin Ratanavijai o Executive Board member o Corporate Secretary o Senior Manager/ Office of CEO <sup>1</sup>  Date of appointment <sup>1</sup> 1 <sup>st</sup> January 2006	52	- Master Degree in Economic, Cleveland State University - Directors Certification Program (DCP) 101/2008 Thai Institute of Directors Association(IOD)	-	-	- None -		
					4 Companies		
					2005-Feb.2016	Director	Prestige Plus Co., Ltd.
12. Mr. Somnuek Thungpukdee o Executive Board member o Factory Manager <sup>1</sup> Date of appointment <sup>1</sup> 21 <sup>st</sup> October 2010	49	- Bachelor Degree in Engineering, Khon Kaen University	0.0001	-	- None -		
					1 Company		
					2013-Present	Deputy of Managing Director	TPCNIC Co., Ltd.

**Information on the Board of Directors, Executives and Corporate Secretary**

Name / Position Date of appointment	Ages	Educational Qualifications	Share* Holding Percentage(%)	Relationship	Working Experience		
					Period	Position	Company
					Other Listed Company		
					- None -		
13. Miss Darunee Supo o Executive Board member o Accounting and Finance Manager <sup>1</sup> Date of appointment <sup>1</sup> 8 <sup>th</sup> May 2014	49	- Bachelor Degree in Accounting University of the Thai Chamber of Commerce	0.004	-	Other Non-Listed Company		
					2015-Feb.2016	Director	Prestige Embroidery Co., Ltd.
14. Mrs. Sukjai Rachadej o Factory Manager <sup>1</sup> Date of appointment <sup>1</sup> 21 <sup>st</sup> October 2010	48	- Bachelor Degree in Engineering, Khon Kaen University	0.0008	-	Other Listed Company		
					- None -		
					Other Non-Listed Company		
					2014-Feb.2016	Director	Value Added Textile Co., Ltd.

Note :

\* Including shareholding by spouse and underage children

<sup>1</sup> means the date appointed to be an "Executive" as defined by the Notification of the Capital Market Supervisory Board No. TorChor.23/2551

### Directors of Subsidiary Company and Associated Company

Name of Director	Subsidiary Company				Associated Company	
	T.U.C. Elastic Co., Ltd. O	Prestige Embroidery Co., Ltd. O	Prestige Plus Co., Ltd. O	TPCNIC Co., Ltd.	Value Added Textile Co., Ltd. O	PT. DYNIC TEXTILE PRESTIGE
Mr. Boonsithi Chokwatana	*	*	*			
Mr. Manu Leelanuwatana	X	/	X			
Mr. Suchai Narongkananukul	//	X	/	X		/
Mr. Arnut Rattanapathimakorn	/		//			&
Mr. Wachara Poomarintr		//				/
Miss Sirikul Dhanasarnsilp	/					
Miss Rachanee Luevipasakul	/	/				
Mr. Chanin Ratanavijai	/	/	/			/
Mr. Somnuek Thungpukdee				@		
Miss Darunee Supo		/				
Mrs. Charatchai Rattanapathimakorn	/					
Mr. Thongyoy Pholmool		/				
Mr. Thawil Ratanasiri			/			
Mrs. Garnsiree Choladda			/			
Mr. Yon Narksomkul			Z			
Mr. Boonchai Uechitarporn		Z			/	
Mr. Koichi Tsujimura					/	
Mr. Yozo Yamanishi					/	
Mr. Yoshio Oishi				\$		
Mr. Hiroshi Endo				//		
Mr. Ackarapong Visessan					X , //	
Mrs. Sukjai Rachadej					/	

#### Note

X = Chairman

\$ = Vice Chairman

\* = Advisory Director

// = Managing Director

@ = Deputy of Managing Director

Z = Assistant Managing Director

/ = Director

& = Commissioner

O = The company will be transferred business and dissolution.

#### Legal offence recorg

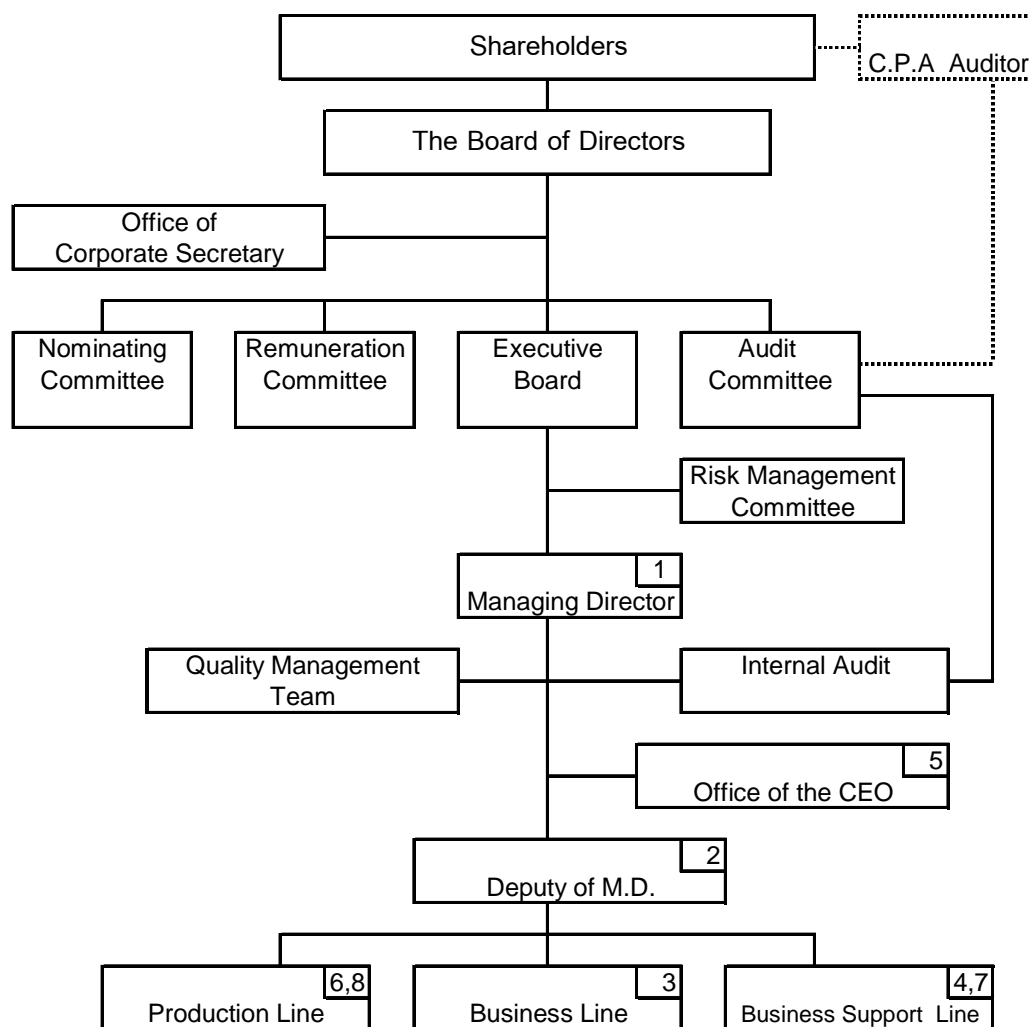
The company hereby warrants that none of its present executives has ever had any legal offence records.

## 2. The Executive

As of December 31, 2015 as the executive as defined by the Securities and Exchange Commission, consists of 8 members as follow;

Name		Position
1. Mr. Suchai	Narongkananukul	Managing Director and Chairman of the Executive Board
2. Mr. Arnut	Rattanapathimakorn	Deputy of Managing Director and Executive Director - Production
3. Mr. Wachara	Poomarintr	Executive Board member and Executive Director –Sales & Marketing
4. Miss Rachanee	Luevipasakul	Executive Board member and Purchasing Department Manager
5. Mr. Chanin	Ratanavijai	Executive Board member and Senior Manager-office of the CEO and Corporate Secretary
6. Mr. Somnuek	Thungpukdee	Executive Board member and Factory Manager
7. Miss Darunee	Supo	Executive Board member and Accounting and Finance Manager
8. Mrs. Sukjai	Rachadej	Factory Manager

Management Structure of company as of December 31, 2015



### 3. The Corporate Secretary

The Board of Directors resolved to appoint Mr. Chanin Ratanavijai, Executive Director, who is qualified, with sound knowledge and experiences since May 8, 2008. He attended a “Corporate Secretary Development Program“. Corporate Secretary’s duties must comply with section 89/15 and section 89/16 of the Securities and Exchange Act (no. 4) B.E.2551 to perform with full responsibility, care, and loyalty to gather with, company’s objectives, Articles of Association and resolutions of the Board of Directors’ meeting & the shareholders' meeting.

The Company Secretary is responsibilities as regulated are as follows;

1. To prepare and maintain the following documents:

- Directors’ register
- Invitation letters to of The Board of Directors’ meeting and minutes of The Board of Directors’ meetings and Annual reports (Form 56-2).
- Notice of the shareholders’ meeting and minutes of shareholders’ meeting.

2. To maintain report of interest reports filed by directors or executives and send copy to the chairman of company and the chairman of Audit Committee for their acknowledgement within 7 working days after receiving such report as stated by section.89/14

3. To carry out other proceedings as prescribed by The Capital Market Supervisory Board.

Together with other duties assigned by The Board of Directors, as follows;

1. Set up the Board of Directors, Executive Board and the shareholders’ meeting.
2. To ensure that the company and board members complies with relevant legislation and regulation, board’s/shareholders’ resolutions and the company’s good corporate governance policy.
3. To monitor and report substantial changes of rules and regulations to the directors/ executives
4. To organize the Board of Directors’ Self-Assessment

### 4. Remuneration for the Directors and Executives In 2015

Remuneration criteria for the Directors and Executives

The Board of Directors earlier appointed The Remuneration Committee to set the budget and allocation criteria for the directors, based on the comparison with other companies within the same business category, business expansion, the company’s growth rate and its performance results, the authority, duty, responsibility scope, and performances by the directors, in term of meeting allowance and yearly remuneration. Such proposal shall be proposed to The Board of Directors’ meeting for consideration prior to submitting to the shareholders’ meeting for final approval of said remuneration budget.

Performance of Directorial duties

- Meeting allowance paid to attending directors;
  - Chairman of the Board of Directors at Baht 10,000.- per meeting.
  - Director at Baht 8,000.- per meeting.
- \* In 2016 the Board of Directors consider and approval by the Remuneration committee proposes increase a meeting allowance to 2,000 Baht per meeting only attending directors.
- Annual Remuneration (Gratuity) paid to every director by the Remuneration Committee to consider allocation.

#### Performance of Audit Committee duties

- Monthly meeting allowance paid to attending directors;
  - Chairman of the Audit Committee at Baht 10,000.- per meeting,
  - Director at Baht 8,000.- per meeting.
- Quarterly meeting allowance paid to attending directors;
  - Chairman of the Audit Committee at Baht 60,000.- per meeting.
  - Director at Baht 30,000.- per meeting.

#### Performance of the Nominating Committee

- Meeting allowance shall be paid to attending directors;
  - Chairman of the Nominating Committee at Baht 10,000.- per meeting.
  - Director at Baht 8,000.- per meeting.

#### Performance of the Remuneration Committee

- Meeting allowance shall be paid to attending directors;
  - Chairman of the Remuneration Committee at Baht 10,000.- per meeting.
  - Director at Baht 8,000.- per meeting.

### **4.1 Monetary remuneration**

#### Remuneration of the Board of Director

in 2015 the Company paid remuneration to the Board of Directors 9 persons consist of

- |                                 |                        |
|---------------------------------|------------------------|
| 1. Meeting allowance 5 meetings | Total Baht 362,000.-   |
| 2. Annual Remuneration          | Total Baht 5,500,000.- |

#### Remuneration of Sub-Committee

In 2015 the Company paid remuneration to Sub-Committee consist of

- |                                 |           |             |                      |
|---------------------------------|-----------|-------------|----------------------|
| 1. Meeting allowance            |           |             |                      |
| The Audit Committee             | 3 persons | 13 meetings | Total Baht 714,000.- |
| The Nominating Committee        | 3 persons | 1 meeting   | Total Baht 26,000.-  |
| The Remuneration Committee      | 3 persons | 2 meetings  | Total Baht 52,000.-  |
| 2. Annual Remuneration – None - |           |             |                      |

#### Remuneration of the Executives

in 2015 the Company paid remuneration to the Executive consist of Salary, Bonus and Meeting allowance to 8 persons total of Baht 24,373,880.-

### **4.2 Other Remuneration**

#### Other Remuneration of the Board of Directors

The company also does not provide other remuneration to directors.



#### Other Remuneration of the Executives

The company has provided the Provident fund. Executives who are members of this fund will need to pay 4 percent of their wages to the fund, and at the same time, the company will pay at the same amount to the fund to support them. When their membership is terminated, they will receive their money back, as well as, the supporting fund from the company and other benefits according to terms and conditions of the fund.

In 2015 the company has contributed the Provident funds for the Executive 6 persons a total of Baht 543,826.-

#### **5 Employee**

All employees in 2015, there were 1,122 persons, total compensation, consisting of

Salary	Baht 167,465,408.50
Bonus	Baht 30,100,925.-
Contribution to Provident Fund	Baht 3,062,095.-

## Corporate Governance

The Board of Directors has attached importance and devoted its determination to undertake business operations on the basis of good governance principles. The rules on good corporate governance and regulations of the Securities and Exchange Commission have been factors in strengthening the organization in terms of securing efficient governance systems and exhibiting loyalty, honesty, transparency, fairness, responsibility and accounting of the rights of all stakeholders. The company adheres to its principles of Good Corporate Governance. The policy has been regularly reviewed for its appropriateness.

The Board of Directors' Meeting, session 1/2557 on February 27th, 2014 had reviewed and passed a resolution on the company's principles of Good Corporate Governance to replace the issued edition in 2002. The principles are disclosed on its website: [www.tpcorp.co.th](http://www.tpcorp.co.th) for public acknowledgement.

**The newly company's principles of Good Corporate Governance comprise of ;**

1. Corporate Governance Policies
2. The Principles of Corporate Governance 5 categories
3. Business Ethics
4. Code of Conduct for Company Directors, Executives and Employees

The Company has expressed strong intention on anti-corruption by constantly collaborating with the Network of Thai Private Sectors on the Anti-Corruption Campaign. Therefore, the policy on anti-corruption has been implemented leading to development of the manual on good corporate governance. It also includes Corporate Governance Policies, the principles of Corporate Governance 5 categories, business ethics and Code of Conduct for Company Directors, Executives and Employees focusing on "Anti-Corruption, Business Bribery" as a core concept of business operation.

In this regard, Whistle Blowing has been utilized to provide the channels of reporting of any malpractices and corruption as well as of stipulating the measures to protect whistle blower in disclosing infringement on law, regulations and employee's ethics, are able to contact for information Managing Director through Corporate Secretary E-mail : [secretary@tpcorp.co.th](mailto:secretary@tpcorp.co.th) or Telephone : 0-2294-0071 ext.166 or Fax : 0-2294-0150

In 2015, The Company has been awarded as the listed company which abided by the Good Corporate Governance Principles and regulations of shareholder's meeting.

- Corporate Governance Report of Thai Listed Companies 2015. Award granted by the Thai Institute of Directors Association under the support of the SEC and SET, with total rating score of 80, classified at "Very Good" four Star level.
- Assessment of arrangement quality of the Annual General Shareholders' Meeting 2015 by the Thai Investors Association with total score of 100 is classified at "excellence and a good example" level from Thai Investors Association.

## 1. Corporate Governance Policies

The Board of Directors is confident that a proper, transparent and accountable governance system is in place along with checks and balances and an internal control system that is sufficient and appropriate. Alongside these mechanisms are due respect for the rights and equality of shareholders and accountability to all stakeholders. These key factors contribute to the enhancement of the organization's immunity and promotion of a balanced and sustainable growth in the long-term.

In pursuance thereof, the Board of Directors thereby prescribed the following corporate governance policies as a practice guideline for the Company Directors, Executives and all employees.

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, Executives and employees to Company operations.
2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.
3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.
7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.
8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.
9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.
10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.
11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the Company's interests.

In order to comply with The Principles of Corporate Governance of the Stock Exchange of Thailand, the Company has divided this report into 5 categories, as follows.

Chapter 1 Rights of Shareholder

Chapter 2 Equitable Treatment of Shareholders

Chapter 3 Role of Stakeholders

Chapter 4 Disclosure and Transparency

Chapter 5 Responsibilities of the Board

## **Chapter 1: Rights of Shareholder**

The Board of Directors has realized the importance of the shareholder rights in having basic rights and individual rights through acceptable methods and measures without violating shareholder rights. However, every shareholder has only one voting right and no privileges. The regulations on shareholders rights are described as follows:

- Right to own, sell, buy or transfer shares
- Right to participate in the shareholder's meeting, and to vote for any significant approvals.
- Right to authorize the independent Directors or any person(s) as proxy in attending the meeting
- Right to appoint or discharge the Directors as well as consider their remuneration
- Right to appoint auditors and their remuneration
- Right to give opinions and ask questions in the meeting of shareholders
- Right to be equally allocated of the profit/dividend
- Right to be acknowledged the adequate, prompt and updated information in both Thai and English languages in the websites of the Stock Exchange of Thailand: [www.set.or.th](http://www.set.or.th) and company's website.

Disclosure of the Company's shareholding structure, including a list of the 10 largest shareholders of the Company at the close of share register prior to the annual general meeting of shareholders, as a notification to the shareholders, via the Company website. These disclosures are undertaken to secure the confidence and trust of shareholders in the operational structure which is transparent and accountable, as well as to show that the operations are efficient and achieving a sustained growth generating a return to shareholders at a suitable rate.

Moreover, all shareholders; major shareholders, retail shareholders, general investors and foreign shareholders, are able to contact for information to Corporate Secretary E-mail : [investor@tpcorp.co.th](mailto:investor@tpcorp.co.th) or Telephone : 0-2294-0071 ext. 166 Fax : 0-2294-0150 All information is given on the basis of accuracy and equality.

### **The Right to Attend Shareholders' Meetings and Voting Rights**

The Board of Directors has promoted to hold the shareholder's meeting placing importance on rights and equality of shareholders according to the laws, and the good corporate governance principles of the Office of Stock Exchange of Thailand (SEC) as well as the principles on the rights and equitable treatment of shareholders. The Board of Directors has held a meeting of shareholders every year within 4 months as from the end of the Company's annual accounting year on 31 December each year. In case of emergency which the company needs to propose special agenda regarding shareholders' benefit, regulations or related laws which need to be approved by shareholders, the company shall call for an extraordinary shareholders' meeting.

▪ The Company set the Record Date for distribution of shares on March 23, 2015 to determine the persons eligible for attendance of the Annual General Meeting of Shareholders. The names were collected in accordance with Section 225 of the Securities and Exchange Act by closing the share register book on March 24, 2015.

▪ The Company set the Record Date for distribution of shares on August 19, 2015 to determine the persons eligible for attendance of the Extraordinary Meeting of Shareholders. The names were collected in accordance with Section 225 of the Securities and Exchange Act by closing the share register book on August 20, 2015.

For 2015, the extraordinary shareholders' meeting no.1/2558 held on October 12, 2015 at Chaophaya Room, Montien Riverside Hotel. Consideration for the approval of the sale and transfer of the textile businesses which specifically relate to underwear manufacturing of the Company under Partial Business Transfer and the Company's Subsidiaries and Affiliate (total 4 companies; T.U.C.Elastic Co., Ltd., Prestige Plus Co., Ltd., Prestige Embroidery Co., Ltd., Value Added Textile Co., Ltd.) under Entire Business Transfer. The meeting has approved not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the rights to vote. The interested shareholders' votes have been excluded.

- The Members of the Board of Directors and their Spouse as well as children who are underage hold a combined amount of 1.95% of issued shares, which does not exceed 25%. The free float proportion was 22.84% of issued shares.

<b>Treatment of Shareholders Prior to the Meeting of Shareholders</b>
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In 2015, the Company conducted 40<sup>th</sup> General Shareholder's Meeting on 28<sup>th</sup> April 2015. In this respect, the shareholders holding one share or several shares, but not over 5% of total number of shareholders with voting rights, were allowed to propose agenda and to nominate the candidates to be elected as Directors in advance, during 1<sup>st</sup>- 30<sup>th</sup> December 2014, according to the Company's regulations. Regarding the meeting, the Company has informed shareholders of "Investor Relations" via information board of SET, and on the company's website. Nonetheless, there was neither meeting agenda nor nomination of the Directors proposed in advance.

- The meeting notice together with all relevant documents in both Thai and English were published on the Company website, which was 30 days in advance of the meeting date. The same information was sent to the Thailand Securities Depository Company Limited, the Company's Share Registrar, for forwarding to shareholders, so as to give the shareholders sufficient time to study the meeting documents. Advertisements were also placed in daily newspapers for a period of 3 consecutive days. Shareholders were notified of the resolution determining the date of shareholders' meeting prior to the meeting date, so as to enable the shareholders to set aside time for attending the meeting.

- The meeting notice together with all relevant documents in both Thai and English were published on the Company website, which was 30 days in advance of the meeting date. The same information was sent to the Thailand Securities Depository Company Limited, the Company's Share Registrar, for forwarding to shareholders, so as to give the shareholders sufficient time to study the meeting documents. Advertisements were also placed in daily newspapers for a period of 3 consecutive days. And has published the notice of Extraordinary Meeting of shareholders with the required documents, both in Thai language and in English language before the meeting not less than 14 days.

- Shareholders are notified of the rules and procedures for attending the meeting in the meeting notice, with which Proxy Form B as prescribed by the Ministry of Commerce was also attached so as to enable shareholders who were unable to attend the meeting to grant proxies to other persons or grant proxies to Independent Directors who are Audit Committee of the Company as specified or a choice of either Proxy Form A or Proxy Form C. All three Proxy Forms can be downloaded from the Company website. The Company also gave notice of such publication guidelines via the press release system of the Stock Exchange of Thailand.

The Company has a policy to support and facilitate the shareholders, including institutional investors, to attend the general meetings of shareholders by selecting the meeting venues where the mass transit system are available and sufficient for the shareholders to conveniently commute to attend the meetings  
In 2016, the Company determined the date for the 41<sup>st</sup> Annual General Meeting of Shareholders on Tuesday 26<sup>th</sup> April 2016, at 10.00 a.m., Chao Phraya Room 2, Montien Riverside Hotel, No. 372, Rama 3 Road, Bangkhlo Sub-district, Bang Khor Laem District, Bangkok 10120. As a place to hold a meeting of shareholders annually.

Prior to the meeting date, the Company had provided an opportunity for shareholders to exercise their right to propose matters for inclusion in the agenda of the meeting of shareholders and to propose names of persons for election as Company Directors for 2016 in advance. Such criteria was disseminated via SET NEWS and company's website in both Thai and English and was arranged in form of letter addressed to Company Secretary during December 1 - 30, 2015. At the end of such period, then it turns out that none of shareholder proposed agenda and the candidate for election as Company Directors for the Annual General Meeting of Shareholders 2016.

<b>Day of Shareholders' Meeting</b>
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- Shareholders were able to register with the barcode system at least 2 hours prior to the meeting and in the subsequent period until the end of the meeting, a right given to shareholders attending after the meeting had already commenced. Such latecomers would have the right to cast votes in the pending agendum that had not yet been voted on. The quorum would be counted as from the agendum of first attendance and vote, except where held otherwise by the shareholders. The company assigns adequate staff members to administer the registration and prepares duty stamps for affixing on the Proxy Form on their behalf.

Shareholders who were unable to attend the meeting can grant proxies to other persons or grant proxies to Independent Directors who are Audit Committee of the Company as specified for retaining the right.

- The Board of Directors has attached significance to the meeting of shareholders. It is deemed as a duty to attend every meeting, with the exception of illnesses or other important engagements. In the 40th Annual General Meeting of Shareholders held on April 28, 2015, including the Chairman of the Board of Directors, Chairman of the Audit Committee, Chairman of the Remunerations Committee, Chairman of the Nominating Committee, Chairman of the Executive Committee, Managing Director and Chief Financial, who all attended the meeting to give explanations and respond to questions posed on matters related to the meeting agenda, or to the Company. Mr. Anusorn Kiatgungwalgri of the office of ASV & Associates Limited acted as a witness in the counting of votes. The auditor who signed the financial statements of the Company was Ms. Kwunjai Kiatgungwalgri of the office ASV & Associates Limited was also attended the meeting.

In 2015, the Company had held the Extraordinary Meeting of shareholders No. 1/2558 on Monday 12<sup>nd</sup> October 2015. The Board of Directors, the Chairman of the Board of Directors, Chairman of the Audit Committee, Managing Director and Chief Financial, auditor and IFA of the office of Finnex Advisory Limited. Who attended the meeting to clarify and answer the questions on matters related to the meeting agenda, or to the Company.

- **Prior to the commencement of meeting pursuant to the agenda,** the Corporate Secretary notified the meeting of the number and proportions of shareholders present and declared the meeting open. An explanation was given on the voting procedures and vote-counting procedures for shareholders casting votes in each agenda according to the law and articles of the Company. The Chairman of the Board of Directors, acting as chairman of the meeting opens the meeting.

Voting rights in the meeting were commensurate with the number of shares held, with one share equal to one vote. The shareholders' meeting was carried out

- In accordance with the agenda notified in the meeting notice. No additions or changes were made to significant data without giving prior notice to the shareholders. Appropriate and sufficient time was set aside for presenting various matters in each agenda and opportunities were given to shareholders to pose questions and express opinions fully in each agenda.

- If shareholders need to propose agenda which were not contained in the notice for consideration during the meeting, such proposal need to be approved by the meeting with the minimum vote of 1/3 of shareholders who attend the meeting and have the right to vote. For 2015, There is no additional agenda from that specified in the notice.

- Votes were cast openly. Voting on each agenda is made by barcode system, voting card and ballot were prepared for all shareholders. In vote counting, only votes for disapproval and/or abstentions are counted and there are deducted from the total shares represented in the meeting. The balance is counted as votes for approval. The Company employed an information system for summarizing the voting results obtained from the vote counts in each agenda, which was displayed on a screen shown to all shareholders simultaneously.

In 2015, the company has used the ballot papers in all the agendas and allow shareholders to vote on individual directors for transparency. After the end of the shareholders' meeting, the Company storing ballot papers at the Head Office in Bangkok for inspected.

**The important meeting agenda were** as follows.

1. **Appointment of Directors** : The Company gave an opportunity for shareholders to elect Directors individually. The shareholders had been provided with preliminary information on the nominees, positions held in other businesses, clearly specifying the cases of companies carrying out businesses identical to or in competition with the Company, and the attendance of Board of Directors' Meeting. The nominees had been vetted by the Nominating Committee.

2. **Directors' Remuneration** : Details were provided on the amount of remuneration proposed, which were in accordance with the policies and conditions for directorial remunerations considered and reviewed by the Remuneration Committee. In any event, the Company has regularly proposed a remunerations limit for approval by the meeting of shareholders every year.

3. **Appointment of Auditor and Determination of Audit Fee** : The Company provided details on the name of auditor, audit office, the relationship between the audit office and the Company, the number of years of work performed, reasons for changing the auditor, and comparative data on audit fees for the current year and the preceding year. Such information had also been considered by the Audit Committee.

**4. Dividend Payment** : The Company provided details on profit distribution, dividend payment in accordance with the Company's dividend policy, and a comparison of dividend payment for the current year and the preceding year. The closing date of the register (Record Date) for the determination of the right to receive dividend payment was also specified.

**5. In 2015, there were the agendas that a special resolution**, such as the sale and transfer of the textile businesses which specifically relate to underwear manufacturing of the Company under Partial Business Transfer and the Company's Subsidiaries and Affiliate under Entire Business Transfer, the entries into the lease agreement and service agreements with the connected persons in significant, the amendments to the Company's objectives which must be arranged an extraordinary meeting of shareholders and must be approved by the shareholders. The votes of not less than three-fourths of total votes of the shareholders present at the meeting and having the voting rights.

<b>Subsequent to the Meeting of Shareholders</b>
--

- After the meeting, the company has published the resolution of the Shareholders' Meeting or later than 9.00 a.m. in the next business day via the SET Portal.

- The Corporate Secretary recorded the information and prepared accurate and complete minutes for the general meeting of shareholders and the extraordinary meeting of shareholders including the names of Directors present/absent together with the reasons for absence, essential explanations and a summary of questions or answers or opinions. In the past year, all directors were present and no questions were posed by the shareholders. The details on each agenda were in accordance with the facts in the meeting. Summaries of the votes in each agenda were divided into approvals, non-approvals and abstentions. Such minutes were signed by the Chairman of the Board of Directors, acting as chairman of the meeting, and submitted to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission within 14 days of the meeting of shareholders and also submitted to the Ministry of Commerce within the period prescribed by law.

- The minutes were also published on the Company website in both Thai and English as a channel for shareholders to search and inspect data without having to wait for the subsequent meeting.

- The meeting atmosphere and minute were tape recorded and disseminate via company website. A copy can be obtained by contact directly via Corporate Secretary E-mail : investor@tpcorp.co.th, Tel. 0-2294-0071 ext. 166

- After the shareholders' meeting approved dividend payment, company shall inform the resolution including dividend payment's details via SET news and cooperate with the registrar of Thailand Securities Depositories Co., Ltd. to ensure all shareholders receiving payment correctly and completely.

## **Chapter 2: Equitable Treatment of Shareholders**

The Company attaches importance and ensures that all shareholders are treated equally and fairly by without supporting one group of stakeholders. Shareholders can ensure that their rights are protected and they can vote on behalf of taking a part of company owner.

1. The Company's shares is Common Stocks. None of the other securities and the right for shareholders to vote in one share, one vote. The number of voters according to the number of shares to existing shareholders.



2. The shareholders holding one share or several shares, but not over 5% of total number of shareholders with voting rights, were allowed to propose agenda and to nominate the candidates to be elected as Directors in advance, during 1st-30th December every year, according to the Company's regulations. Regarding the meeting, the Company has informed shareholders of "Investor Relations" via information board of SET, and on the company's website. Nonetheless, in 2015 there was neither meeting agenda nor nomination of the Directors proposed in advance.

3. If any shareholders could not attend the meeting, the Company had attached the letter of proxy Form B with the notice. This is identified through the use of proxy documents and evidence clearly. The letters of proxy Form B with voting recommendation by providing the independent directors or authorized by shareholders representing registered attendees addition, the shareholders can choose to use the letter of proxy Form A or Form C (for foreign investors with custodians in Thailand to oversee their stocks). And can download in the Company website [www.tpcorp.co.th](http://www.tpcorp.co.th) the revenue stamps are also provided for the letter of proxy.

4. The Company had published the meeting notice with attached documents were translated in to Thai and English Version via company website announced 30 days prior to the meeting. And sent to the registrar of Thailand Securities Depositories Co., Ltd. Company's Registrar, to send the Notice of the Meeting of Shareholders in advance, and announced 21 days prior to the meeting. For foreign shareholders, the meeting notice with attached documents was translated in to English Version. For the shareholders could have more time studied the information.

#### **Prevent of Internal Data Use**

- The company has a policy to prevent the use of insider information by determining in the company's code of manual on good corporate governance. It also includes Corporate Governance Policies, business ethics and Code of Conduct for Company Directors, Executives and Employees, they must be individuals of integrity, accountability and moral consciousness. Under no circumstance should they exploit their authority for the benefit of themselves and / or others. All relevant employees must protect the interests and the company's asset. They must not use company information or assets for benefit of themselves and/or not to engage in any action which assists any individual in business that competes with company. The manual on good corporate governance were distributed to directors, executives and staff, also disseminated via company website. Besides, regulation regarding operation is determined including the discipline punishment which all directors and staff are aware of this and act accordingly.

- Company share trading is covered in the code of business ethics. Directors, Executives and Officers in possession of insider information are prohibited from selling or purchasing company share within one month before disclosing the financial statements to the public.

- In 2015, Directors and Executives of the Company had observed strict compliance with the said policies. No share trading with the internal data use by Directors and Executive officers of the Company was found during the prohibited period.

### **Stock trading**

- Company share trading is covered in the code of business ethics. Directors, Executives and Staff in possession of insider information are prohibited from selling or purchasing company share within one month before disclosing the financial statements to the public. Corporate secretary annually arranges the Board of Directors' meeting schedule which is sent to all Directors in advance in order to inform the period when securities trading should be abstained.
- Besides, Directors and Executives are required and notified of their duties to report changes in securities holdings in the Company to the Securities and Exchange Commission within 3 working days of such changes together with the submission of a copy to the Corporate Secretary. A report would then be made to the meeting of the Board of Directors and Executive Committee on every occasion, in which every agenda would include a report of securities holdings of Directors and Executives. Directors and Executives assuming office for the first time are also required to report securities holdings in the Company to the Securities and Exchange Commission within the above time limit.
- In 2015, Directors and Executives of the Company had observed strict compliance with the said policies. No share trading was found during the prohibited period.

### **Protection of the Conflict of Interest**

- With the transparent structure of shareholding, there is no report of the conflicts of interest. Meanwhile, the disclosure of shareholder structure has deliberately shown in the annual report as well as the overall shareholding of the Board of Directors.
- The Board of Directors proceeds carefully and rationally with regard to conflict of interest and connected transaction. The company most concern on its benefits and set pricing strategy in compliance with fair trading conditions as if the transactions are engaged with third party. The process of such transaction is managed transparently and compliance with the regulation of the Stock Exchange of Thailand. Furthermore, the company set the regulation in its good corporate governance and business ethic binding upon company and shareholder.
- The company performs as the announcement of the Capital Market Committee and The Stock Exchange of Thailand in regarding the disclosure of information and operation of registered company on connection transaction.
- The Company has set a policy for Directors who has conflict in a discussing agenda has to leave the meeting room and/or abstain in the agenda, so that the rest of the directors can freely express their opinions and vote. The company secretary will inform the meeting of the directors who have conflict in each agenda. After meetings, the company will disclose names, relationship of the directors, pricing policy, value of the transaction and name of directors who have different opinions (if any) to the Stock Exchange of Thailand within the specified period and published in the company's website. The information will also be recorded in minutes of meeting for transparency and verification
- If the transaction is valued criteria which must be approved by shareholders. Shareholders who are interested can attend the meeting to constitute a quorum. But without the right to vote the basis for the calculation of votes to approve the transaction. Excluding the stakeholders. Criteria have had no problems with the quorum and voting.

- Directors or Executives who has an interest in the matter has no right to vote and did not attend the meeting or approve the transaction in that regard.

- In 2015, the company had no connected transactions neither limit financial assistance; borrowing or guarantee transactions. As well as, there was no transactions prohibiting the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

#### **Supervision over assets transaction**

The company supervised assets transaction in accordance with the announcement by The Capital Market Supervisory Board regarding the acquisition and disposal of assets, whereby directors with possible conflict of interests were not allowed to participate, so as to facilitate fairness and transparency.

### **Chapter 3: Roles of Stakeholders**

The Company attaches importance and has laid down policies for the treatment of each stakeholder group, both externally and internally including governance official, related department through having responsibility to social, community and environmental.

The company concern on business growth, mutually beneficial which lead to sustainable growth. A Practical is established in manual on good corporate governance. It also includes Corporate Governance Policies, the principles of Corporate Governance 5 categories, business ethics and Code of Conduct for Company Directors, Executives and Employees to be confident that all stakeholders will be treated equally and fairly. In case of disadvantage, the company and stakeholder groups shall find the solution that benefit to all party.

Company has never been indicted for relinquishing responsibility in announcing significant information, nor been complained on any violations, namely, labor law, employment, consumers, business competition and environment.

#### **Channels for Stakeholders' Participation**

The Company has provided communication channels for stakeholders in suggesting and appealing of any disgraced issues towards the Company and/or the Directors, including the violations accordingly; , are able to contact for information Executive Board through Corporate Secretary E-mail : secretary@tpcorp.co.th or Telephone : 0-2294-0071 ext. 166 Fax : 0-2294-0150.

The deliberate investigation procedures can assure that the whistle-blowers will not be affected. Business ethics and Code of Conduct for Company Directors, Executives and Employees integrity

<b>Business Ethics</b>
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Practice guidelines are provided in writing in the manual on good corporate governance. It also includes business ethics and Code of Conduct for Company Directors, Executives and Employees as a practical reference for the Board of Directors, Executives and Employees at all levels. The policies provide an ethical framework for the business operations, taking into account the balance and fairness for all stakeholders in the code of conduct. Such information has also been published in the Company website and intranet system, including the development of a means for participation of stakeholders in the sustained enhancement of the Company's performance. The following were provided in this regard.

## **Shareholders**

The Board of Directors performs duties responsibly, prudently, earnestly and honestly in order to generate good returns to shareholders on a continual and sustainable basis. In this regard, the following policies and practice guidelines have been prescribed.

1. The ownership rights of shareholders are equitably and fairly respected.
2. Operations are undertaken in accordance with the principles of good corporate governance, which will foster the trust and confidence of shareholders and eventually lead to sustainable growth.
3. The Company's businesses are continually advanced to ensure proper returns to shareholders.
4. Significant information which affects or potentially affects shareholders' interests shall be disclosed, whether reports made pursuant to the accounting period or situation reports, pursuant to the relevant laws and notifications. However, no action shall be taken to restrict shareholders' access to Company information.
5. A report of the Board of Directors' responsibility for the financial statements in the Annual Report shall be prepared.
6. Minority shareholders shall be given an opportunity to propose matter for inclusion in the meeting agenda and/or to nominate persons for election as Company Directors in the Annual General Meeting of Shareholders.
7. Shareholders are given an opportunity to submit questions relevant to the meeting prior to the shareholders' meeting.
8. Shareholders' meeting notices in both Thai and English are published on the Company website [www.tpcorp.co.th](http://www.tpcorp.co.th) at least 30 days prior to the shareholders' meeting day as information for shareholders and to enable the study of information prior to meetings.
9. Shareholders' meeting shall be facilitated. The date, time, venue and procedure must not pose an obstacle to the shareholders' attendance of the meeting. Shareholders who are not able to attend in person must have the opportunity to grant a proxy to other persons to attend the meeting and vote on their behalves.
10. Conflicts of interests must be dealt with prudently, rationally and information must be fully disclosed.
11. The Company's interests and assets shall be safeguarded as a reasonable person would safeguard his/her property. Wrongful interests, whether obtained by direct or indirect means, shall be eliminated.

In 2015, the Company paid dividends for 2014 operations at a rate of 0.55 baht per share or 55.59 percent of net profit (separate financial statements) which was from BOI. The dividend payment was paid on May 22, 2015

Moreover, the Company has made quarterly reports of operational results and disclosed transactions with connected persons under similar terms to third parties via the press release system of the Stock Exchange of Thailand and the Company website [www.tpcorp.co.th](http://www.tpcorp.co.th)

## **Employees**

The Company regards employees as valuable resources and a key factor to the Company's success. The following policies and guidelines have been prescribed in this regard.

1. Human dignity and fundamental rights of employees are respected at work. Employee data or confidential information is not disclosed or transmitted to third parties or unrelated persons.
2. Employees are treated in accordance with the provisions of law, regulations and articles governing the Company's operations.
3. Employment equality is promoted. There is no discrimination on the grounds of gender, skin colour, race, religion, age, disability or other status that is not directly related to the works.
4. Training and knowledge exchange are sponsored and promoted to encourage learning and skill development throughout, strengthen career security and offer opportunities for advancements pursuant to each person's potential.
5. Employee participation in the determination of the Company's direction and development are promoted.
6. Fair compensation is given as suitable for the knowledge, skill, duties, responsibilities and performance.
7. Appropriate welfare and benefits are given to employees, e.g. medical expenses, provident fund and a savings cooperative.
8. Channels are provided for employees to communicate suggestions and complaints pertaining to work. These suggestions are considered and remedies will be determined in the interest of all parties and in view of the creation of good working relations.
9. Facilities necessary for work operations are provided and working conditions are maintained with due regard to safety and occupational hygiene as a means of promoting and raising the quality of lives of employees.
10. Employees of all levels are encouraged to participate in social responsibility activities

## **Employee Welfare**

The Company has established the Provident Fund for employees' long-term benefits to promote the money saving for their future as well as to persuade employees to loyalty work for the Company. For members of the Provident Fund, they will monthly receive 3-4% of the wage as monthly contribution, and they will also pay the same. amount deducting from their wages for their accumulated fund. When the employment is terminated, the employees will receive accumulated fund, contribution and the net profit of the fund. as the following details:

1. Welfare on the Development of Employees
  - Promotion of education during working hours and after working hours
  - Training constantly on working knowledge, conducted by the Company and others, such as Textile Knowledge, Basic Color Science & Data Color Tools
2. Welfare on Living-Cost
  - Bonus, shift payment and experiential payment
  - Provision of uniform for both daily and monthly employees
  - Transportation allowance; vehicle, gas and telephone

- Provision of welfare for accidents, the death of parents and spouse
- Provision of hygienic canteen with reasonable price
- Allowance when the employee died which paid to the person who has the legal
- 3. Welfare on Saving
  - The Provident Fund
  - A savings cooperative.
- 4. Welfare for Development of Employees'
  - Activities on Children's Day
  - Scholarship for employees' children of the Saha Group
- 5. Welfare to promote stability in the future.
  - Provide a pension to employees. the benefits after retirement.
  - Reward and a token of appreciation to employees who work 10, 20 and 30 years.
  - Housing loans with the Bank.
- 6. Health Welfare
  - Clinic & medicine
  - Health examination regarding working risk factors.
  - Visiting sick employees
- 7. Welfare on Sports and Recreation
  - Sport Events to foster good health, unison and good relation.
  - Cultural activities such as Songkran Day and Loy Krathong Day
  - Religious activities such as candle procession on the Buddhist Lent Day

### **Work Safety and Occupational Health**

Since the Company focused on the significance of work safety and occupational health, the committee for work safety, occupational health and working environment were appointed to provide employees the safety and occupational health. For instance, the Company provides 24-hour security officers, fire alarms, warning alarm, fire extinguisher, fighting and evacuation drills as well as the first aids training. In this regard, the following guidelines have been prescribed.

1. Business undertakings shall comply with laws, regulations and policies on safety, occupational hygiene and working environment with due regard to the safety of life and properties as well as to the impact on the health of employees, trading partners and stakeholders. Regular monitors and safety assessments must be conducted.
2. Occupational safety shall be promoted. Work regulations, procedures and standards are prescribed to ensure working safety consistent with risks. Working environment and safe work procedures are improved. Tools and equipment for safety protection are also provided to employees.
3. Preparations are made for emergency events. An emergency plan has been devised and regular drills and improvements are carried out. This is to prevent and minimize any loss to life or properties of the Company, employees, trading partners and related persons.

4. A safe working culture has been built for the entire organization to ensure sustainably safe work operations.

In 2015 there was an accident at work a little. Statistics have revealed on CSR Report

#### **Channel for Employees' Communication**

The Company has provided a channel of communication for employees to make suggestions and identify problems between the employees and their superiors. And operated by a mechanism that does not affect employees who report such abuse. Which has been preserved as a company secret, are able to contact for information Executive Board through Corporate Secretary E-mail : secretary@tpcorp.co.th or Telephone : 0-2294-0071 Ext.166 Fax : 0-2294-0150

#### **Policy on Employee Development**

The Company took an importance to Human Resource management, especially on personnel to take part in all working system both on production of good products and good service including various strategies to be lead to company growth. This is accomplished by training, educating and sending our staff to study working system from both local and oversea affiliated companies in order to improve our staff permanently and competitively under any situation. Moreover, since we realize in safety and sanitation in working we had promoted to be convinced in concept of safety and ecology to reduce the accident and increase efficiency in working.

#### **Customers**

The Company realizes that customer satisfaction and confidence are key factors which contribute to the Company's sustainable success. The following policies and guidelines have been prescribed in this regard:

1. The Company operates the businesses of manufacturing, product distribution and services which are safe for consumers and environmentally friendly.
2. Businesses are operated with commitment to develop goods and services, introduce new innovations and add value to goods and services in order to continually meet the demands of customers along with the disclosure of necessary information for decision-making without concealment or distortion of facts.
3. Businesses are operated in earnest, honest and fair values and no action is taken that would violate the rights of customers. The confidentiality of customer trade secrets are maintained and not exploited for wrongful personal gains or for the gains of others.
4. The Company does not demand, receive or consent to the direct or indirect receipt of properties or other dishonest benefits from customers.
5. The Company adheres to trade agreements. In the case where adherence is not possible, the customer would be notified in advance in order to jointly find a remedy and prevent loss.
6. The Company provides communication channels to enable customers to file complaints to the Company. Channel for customer complaints, inquiries and suggestions about the quality of products and services conveniently, Complaints are processed with care and dealt with fairly. Can contact us at Managing Director through Corporate Secretary E-mail : secretary@tpcorp.co.th or Telephone : 0-2294-0071 Ext. 166 Fax : 0-2294-0150

### **Trading Partners**

The Company realized the significance of impartial and fair treatment with business partners. On the basis of fair business return, the business partner will not disgrace the Company's reputation nor commit any violations by prescribing the following policies and guidelines.

1. The Company has a system for screening trading partnership the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards, and friendliness to the environment. Trading partners are treated on the basis of fair competition, equality and mutual respect.
2. The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of oneself or of others.
3. Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and services are jointly undertaken to promote mutual growth.
4. The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the Company will expeditiously engage in early negotiations with trading partners in order to reach a mutual remedy and loss prevention solution.
5. The Company does not demand, receive or consent to the receipt of properties or any other benefits outside trade agreements.

### **Creditors**

The Company is committed to undertaking business operations in a principled and disciplined manner in order to build the trust of creditors by prescribing the following policies and guidelines.

1. All creditor groups shall be treated equitably and fairly.
2. Contracts and terms will be strictly adhered to.
3. Operations will be administered to ensure the confidence of creditors in the Company's financial standing and credit rating.
4. Financial standings shall be accurately and timely disclosed.
5. In the event of an inability to comply with a particular term, the creditor will be forthwith notified in advance in order to enable a joint solution for remedy and loss prevention.

The company applies Direct Credit, transferring system of Bank to facilitate all creditors. The Company has only business creditor, and never been complained of default during the previous year.

### **Competitors**

The Company operates businesses in accordance with the provisions of law. In this regard, the following policies and guidelines have been prescribed.

1. The Company shall conduct its businesses within the rules of fair competition with due regard to business ethics and trade competition laws of various countries in which the Company operates.
2. The Company will not damage the reputation of its trade competitors.

In 2015, there was no any dispute about competitors.

### **Labor**

The Company oversees that the operations of all branches do not employ illegal labor.



### **Non-violation of Human Rights**

The Company has conducted the business with strictly respect to law and human rights and the employees that receive the honor and respect the rights of individuals equally not discrimination, whole the separation of color, race region, sex, social practices as the main base area of human rights. In this regard, the following policies and guidelines have been prescribed.

1. There shall be no activities or support of activities which violate human rights.
2. Employees are provided with knowledge and understanding of human rights which are applied to work operations.
3. There are no limitations to independence or differences in ideology, gender, race, religion, politics or other matters. The expression of opinions which could cause conflicts or divisions should be avoided.
4. Channels shall be provided for employees or persons who believe that their personal rights have been violated or that they have been treated unfairly to file a complaint with the Company. Such complaints shall be given attention and processed fairly. Can contact us at Executive Board through Corporate Secretary E-mail : secretary@tpcorp.co.th or Telephone : 0-2294-0071 Ext. 166 Fax : 0-2294-0150

Employees are entitled by law to defend themselves from any accusations of malpractice or cheating, and no employee has been terminated. Throughout the period of business operation, the company has never treated employees impartially, nor been complained on this issues.

### **State Sector**

The Company undertakes businesses in compliance with the rules and regulations enacted by the State. In this regard, the following policies and guidelines have been prescribed.

1. Knowledge and understanding of the laws governing operations are acquired and no activities are undertaken which would be inconsistent with the law.
2. Proper action shall be taken when conducting transactions with an official or agency of the State.
3. Good relations are fostered between the Company and the State sector within suitable bounds.
4. Relevant laws and business traditions are observed in each country or locality.

### **Community and Society**

The Company operates businesses with due regard for the duties and responsibilities owed to the nation, community and society as well as local traditions in order to maintain a desirable society and participation. In this regard, the following policies and guidelines have been prescribed.

1. A business which could lead to a deterioration of society shall not be undertaken and the rights of others in the community and society shall not be violated.
2. Consciousness of responsibilities towards the community and society as a whole shall be instilled continuously for the benefit of the Company and all levels of employees.
3. Measures shall be provided for the prevention and remedy of impact on the community and society as a consequence of the Company's operations.
4. The preservation of local culture and traditions shall be promoted.
5. Cooperation shall be entered into with various agencies for the development of communities.

6. Public benefit activities shall be sponsored.
7. Incomes shall be generated and the community economy shall be promoted through employment of community members and use of community products.
8. Good relations shall be fostered between the Company and the community and society on the basis of propriety, transparency and fairness.

The Company has events or participated in activities. Associated with the development and ongoing community.

### **Environment**

The company realized the significance of responsible for environment and concerns on impacts of business operation towards natural resources and environment. Thus, it has been stipulated as one of company's vision and missions. In this regard, the following policies and guidelines have been prescribed.

1. Businesses shall be undertaken in accordance with laws, regulations and policies on the environment with due regard for the impact on natural resources and the environment and regular revisions and assessments of performance results shall be undertaken.
2. An organizational culture and consciousness of employees at all levels shall be promoted to encourage cooperation and responsibility for the efficient and sustainable management of the environment and utilization of resources.
3. Knowledge promotion and environmental training shall be extended to employees. The company has published a knowledge environment for employees via the intranet. Information Board As well as employee training, knowledge of the environment continues.
4. Environmental management system shall be promoted, from the economical use of resources to the sustainable treatment and rehabilitation, replacement, monitoring and prevention of impact on natural resources.
5. There is a system for selection of trade partners in the value chain who undertake businesses in an environmentally friendly manner.
6. Environmentally friendly technology are developed and published.

Conducting the video conference at the head office with the branch companies as a mean to reduce global warming, risks and transportation fee.

In addition, Prestige Plus Ltd, a subsidiary, which is certified ISO 14001:2004 environmental management policies.

### **Encouraged to use resources efficiently.**

The Board of Directors has established a policy for employees to use resources efficiently and cost effectively. Control energy And create awareness for employees and organizations involved in all aspects of the energy savings in electricity, oil and water continuously. Both the workplace and in the household. And encouraging the use of paper 2.

**Policy of Non-infringement of Intellectual Property**

The company operate business based on business ethics conducts and integrity principle, the company adhere not to engage in intellectual property infringement, by creating our business innovation on our own. The Board of Directors pursues a policy of non-infringement of intellectual property by prescribing the following guidelines.

1. Business undertakings shall be consistent with laws, regulations and contractual obligations governing intellectual property rights.
2. Intellectual property works of the Company shall be maintained. Such intellectual properties shall not be used or allowed to be used by others without authorization.
3. The intellectual property rights of others shall be respected. The works of others shall not be infringed or applied to personal use except where a license has been obtained or a fee paid to the owner of the work.
4. Intellectual property of creative works produced by employees shall vest in the Company. Upon termination of employment, such intellectual property works must be returned to the Company regardless of the form which it is stored.

**Policy and Guideline on Anti-Corruption and Anti-Bribery Practices in Business Operation**

The Board of Directors of Textile Prestige Public Company Limited has approved the resolution to sign a Declaration of Intent of Collective Action Coalition Against Corruption enacted by Thai Private Sector on February 27, 2014. In order to be in compliance with the company's Corporate Governance as well as corroborate its aims and Corporate Social Responsibility as a whole, the company follows the policy relevant to laws countering corruption by prohibiting the company directors, executives and employees from accepting or supporting every type of corruption both in direct and indirect manner, which is written for exercising it as follows;

1. The company will not be a party to pay bribes. In case of contributions to charity, to political parties as well as offering gifts in a business manner, this must be transparent, explainable and audited.
2. Supporting enhancement of awareness and value for anti-corruption among the company directors, executives and employees to perform duties in accordance with relevant laws, notifications and regulations by preparing such manual for guidelines.
3. The company directors, executives and employees must not act as an intermediary in demanding and accepting gifts or benefits from government sectors or private sector, which induces to violate the laws. Moreover, it is illegal to use positions and/or duties to use the company's data to seek benefits for oneself or others.
4. Setting the system to report financial status transparently and accurately, providing an efficient and effective internal control system, and controlling check-and-balance system to be appropriate in order to prevent conducting any fraud or taking part in any fraud and corruption.
5. Monitoring and reviewing the anti-corruption policy, guidelines and regulations consistently for operation in order to adjust with business changes, laws and regulations.

6. Opening channel for reporting any suspected activity and ensuring that such reporters receive protection. The reporters can contact us at Managing Director through Corporate Secretary E-mail : secretary@tpcorp.co.th or Telephone : 0-2294-0071 Ext. 166 Fax : 0-2294-0150

Throughout the period, the company conducts business with integrity, fairness, and the complaint does not appear to be the case or business bribery of the Company.

Although this policy was established for the company, the company has communicated this policy to all subsidiaries and other companies under its supervision to build credibility and good image for the group as a whole. The Company has provided training to employees on anti-corruption issues who located in Bangkok Office and at the factory in Sriracha In October and November 2015.

The company also encouraged employees to join trainings organized by other experts and Workshops: Preparing to join the alignment of the private sector in Thailand to fight corruption on Monday, August 31, 2015 at the Capital Market Academy Building, North Park and having the internal auditors the company trained on "The monitoring and risk assessment of fraud & corruption" on January 28, 2016.

#### **Policy and Principles of giving or receiving gifts or other benefits**

The Company allows the Executives and employees to give or receiving gifts on special traditional occasions, which have no influence on the decision-making in business operation. In other words, giving or receiving gifts has been done with transparency. In this regard, the following guidelines have been prescribed.

1. No receipts or grants of gifts, tokens or receptions which may influence a decision shall be made. If there is a necessity to receive or grant a gift, token or reception in accordance with tradition to a value in excess of normal circumstances, a report shall be filed with the respective supervisors.
2. In the case of an assignment or authorization by a supervisor to assist in an external agency, monies, objects or gifts may be received in accordance with the generally applicable rules or standards prescribed by such an agency, e.g. gifts, tokens or lucky draws.
3. In the case where an agent, contractual party, partner or any other person wishes to grant a gift, token or reception to the Company, prior authorization must be obtained from the Company.
4. Expenses pertaining to these matters shall be maintained within a reasonable budget.

The Board recognizes the importance of all stakeholders. Last year, the company has not been commented by any regulator concerning non-disclosure of a significant event. The company also has not violated any law concerning labor, employment, consumer, competition and environment.

#### **Informants and Complaints**

The Board of Directors gives employees and stakeholders an opportunity to give information or file a complaint on a matter which could constitute a violation of the law, dishonest or wrongful act of an employee, including irregular behavior which could cause a problem or loss to the Company. The Company also receives

complaints on cases where the rights of an employee or stakeholder has been infringed or where they have been treated unfairly. Suitable channels and procedures have been provided by the Company in this regard.

- **Contact to Managing Director**

Tel. 0-2294-0071 ext.166 Fax. 0-2294-0150

E-mail: secretary@tpcorp.co.th

Or send the letter at 704/1-9 Rama 3 Road, Bangpongpan, Yannawa, Bangkok 10120, THAILAND.

The Company will hear and process all complaints impartially, transparently and fairly. Systematic and just measures for the protection of complainants are provided. Information provided by the complainant is kept confidential in the Company.

#### **Measures for the Protection of Complainants**

1. A complainant may choose to remain anonymous if he/she deems that disclosure could lead to insecurity or loss concerns.
2. The Company will keep relevant information secret and take into account the safety of the complainant. Measures have been prescribed for the protection of complainants who are employees, including those who cooperate in the investigation of facts. These persons will be protected from unfair treatment as a consequence of the complaint, e.g. disturbances during work, reassignment or termination of employment.

#### **Chapter 4. Disclosure of Information and Transparency**

The Board of Directors recognizes the quality of information, accurate, sufficient, expeditious, nondiscriminatory and fair information disclosure which are easy accessible to all stakeholders and party in order to engender the confidential.

##### **4.1 Corporate Governance :**

The company arranges the Corporate Governance Policies, The Principles of Corporate Governance are divided into 5 categories, Business Ethics and Code of Conduct for Company Directors, Executives and Employees, in writing and provide to all directors, executives and staff including public relation billboard, Form 56-1, annual report and company website.

##### **4.2 Importance information regarding financial and non-financial**

The Board of Directors has carried out the disclosure of the Company's significant data, including financial data and non-financial data as required under the Regulations of the Stock Exchange of Thailand and the SEC. Such disclosures were accurate, complete, timely and transparent, having been reviewed under the prescribed procedures. The information were published in both Thai and English via channels of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)) and the Company website.

- The information shown in the report (Form 56-1), and the Company annual report was transparently and completely disclosed in every aspect, according to the criteria of Disclosure of the Stock Exchange of Thailand and the Securities (SET) and Exchange Commission Thailand (SEC). In order to provide shareholders information in making the investment decision, the information has regularly been updated. In the previous year, the Company has not been charged on any violation of SET or SEC Criteria of Disclosure.

- Regarding the Financial Statement Yearly and quarter, the auditors have audited them with approval from the Audit Committee and the Board of Directors. Subsequently, the Company has disseminated this

information to the shareholders and then presented to the SET and SEC. In this regards, it was disclosed to the investors or shareholders before the due period for investors' benefit.

The company auditors are knowledgeable, skillful, independent, and approved by the SET and SEC. Besides, the auditors do not have business relationship with company, parent company, subsidiaries, Executives, major shareholders, relation with any of them. Thus, the auditors have the independent rights in auditing and commenting on the Company's Financial Statement.

The Company sent financial statement to SET and SEC on time and not ordered to correct.

#### **4.3 Report on the Board of Directors' Responsibilities with respect to the Financial Statements**

The Board of Directors appreciates the significance of preparing an accurate and complete financial statement in accordance with accounting standards. The disclosure of such data have been reviewed by independent auditors and approved by the Audit Committee and Board of Directors before publication to the shareholders. Also, in order to secure confidence, the Board of Directors have prepared a report on the responsibilities of the Board of Directors to the financial statements, published in the Annual Report and Form 56-1 together with the Auditor's Report.

#### **4.4 Connected Transaction ( related party transactions) and /or Acquisition or Disposition of Assets**

All Transaction should be approved by the Audit Committee and the Board of Directors so as to avoid any conflicts of interest. It should be carefully prepared for the best interest of the Company and shareholders. The approved report was presented to the SET in both Thai and English languages, and disseminated in the Company's website, annual report and Form 56-1, according to the regulations of SET.

In 2015, The Board of Directors has approved the connected transaction which set by regulations of SET and SEC. The transaction does not exceed the approved limit.

#### **4.5 Conflict of Interest**

The Board of Directors and the Executives has to present the report of stock transaction, company's shareholding, their stake holding included the dependents i.e. spouse and minors related to the Company's operation. In case of any changes, they have to report to the Board of Directors. The criteria of disclosure are as follow:

- Report on the first office holding as the Director or Executive
- Report on any changes of stake holding data
- Report at the end of year
- In case of termination and reappointment as the Directors in a consecutive way, the Directors shall not present new report if there is no change of stake holding.
- The Directors and Executives should present report of stake holding to the Secretary within 1 month after being elected/ appointed and incase changes within 3 months. After that, the Corporate Secretary will send the copy of report, within 7 days, to the Chairman of Board Directors and Chairman of Audit Committee.

#### **4.6 Policy on Corporate Social Responsibility**

The company has announced its intentions policies of social responsibility. The Company has defined the company's mission. So essentially practical and concrete action to achieve. This is a mission that everyone in the organization involved. Its details are provided in the “ CSR Report ”

#### **4.7 Investor Relations**

The Board of Directors has designated the persons who would be able to provide data and information as required by investors and relevant persons. In this regard, the following person can be contacted:

- **Mr. Chanin Ratanavijai      Corporate Secretary / Executive Board**

Telephone : 0-2294-0071 ext.166      Fax : 0-2294-0150

E-mail : investor@tpcorp.co.th

Website : www.tpcorp.co.th

In addition, investors have communication with company officials. For information on the investment, the Company has cooperated well.

In 2015, 15 companies in Saha group cooperated with Stock Exchange of Thailand arranged “Analysts and investors meet Saha Group no.7 ” held on June 26, 2015 at 19 SAHA Group fair. The event provided a venue where analysts, investors and mass media could engage in meaningful discussions with company directors and executives. The opportunity for analysts, investors and mass media to meet with top executive of companies closely. All 14 participated company cooperated on compose a book to summarize company history and performance disseminated to all attendance. The group received well participation from analyst and investor.

Apart from financial report or other information technologies to the Stock Exchange of Thailand (SET) and Securities Exchange of Commission (SEC) via designated channels completely, precisely and timely, the Company has revealed more information on several issues accordingly;

1. The disclosure of structure of shareholding, including name of the first ten major shareholders as closing date in the annual report and company website
2. The disclosure of the Directors, Independent Directors and Sub-Committee, including their backgrounds, roles, duties and responsibilities, numbers of meeting attendance, and training issues, which also disseminated in the company website.
3. The disclosure of characters of Company’s operation and management, analysis on industrial situation and competitive potential, analysis of performance, and financial status of the Company.
4. The disclosure of risk factors in operating, types of risks, causes and effects, as well as guidelines to prevent or decrease risks.
5. The disclosure of policy on distribution of dividend.
6. The disclosure of internal control and risk management

7. The disclosure of Company's quarterly financial statement reported in Thai and English on the company website, which is able to download.
8. The disclosure of annual report and notice of the shareholder's meeting in Thai and English on the company website, which is able to download.

## **Chapter 5 ; Responsibility of the Board of Directors**

The Board of Directors appreciates the importance of good governance. Continual undertakings are implemented to ensure that Company Directors, Executives and employees are aware and comply with standards under the framework of the Code of Conduct and conduct oneself honestly, cautiously and prudently for the greatest benefit of the Company and all related parties. As a consequence, the following **“Code of Conduct for Company Directors Executives and Employees”** has been prescribed.

<b>Conduct for Company Directors Executives and Employees</b>
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### **5.1 Formal Responsibilities**

#### **Company Directors and Executives**

1. Duties shall be performed responsibly, prudently, honestly and in good faith in compliance with the law, Company Articles and relevant notifications.
2. Duties shall be performed to the utmost of ability in order to generate the greatest returns to the Company. This includes attendance at all meetings, except where there is an unavoidable necessity.
3. Duties shall be performed impartially. In a Board Meeting, Company Directors and Executives shall not vote on matters which they have interests.
4. Conflicts of interests shall be administered prudently and reasonably, in adherence to the Company's interests, to ensure transparent management of operations.
5. The acquisition or disposal of assets of the Company, Company Directors and Executives, including their Spouse and children who have not attained legal age, shall comply with the relevant rules and a disclosure shall be made to the Board Meeting in the subsequent meeting.
6. Company Directors and Executives are prohibited from buying or selling Company shares in the 1-month period prior to the public disclosure of financial statements.
7. Company Directors and Executives must disclose personal interests and those of related persons in accordance with the prescribed rules.
8. There shall be regular appraisals of the Board of Directors' performance every year.

#### **Employees**

1. Employees must support and cooperate in the Company's activities on a regular basis. Assigned tasks must be performed to the best of ability in order to ensure good results and advancement of the Company and employees.
2. Employees must comply with the relevant law, policies, terms of employment, regulations and notifications.



3. Persons contacting the Company must be treated courteously, hospitably and provided with an excellent service in order to preserve the Company's image and reputation.
4. Trade secrets must be kept and the Company's inside information must not be disclosed to third parties.
5. Loans shall not be obtained from customers, persons connected to customers or business counterparts of the Company, except for loans obtained from a bank or financial institution.
6. Lawful orders of supervisors shall be complied.
7. There shall be a commitment to teamwork, mutual assistance, harmony and mutual respect for the benefit of the Company and employees.
8. Co-workers must be treated generously and with good human relations. No groundless allegations shall be made against others. Credit shall not be claimed for the works of others.
9. Duties shall be performed with determination, in earnest and honesty, and the roles and responsibilities in the Company shall not be abused for the purpose of acquiring wrongful benefits for oneself or for others.
10. Duties shall be performed responsibly, cautiously and without neglect in such a manner which could cause a loss to works or properties of the Company.
11. Employees should conduct themselves as good citizens who comply with the Constitution and relevant laws. Political rights shall be exercised appropriately. Employees shall also avoid any involvement in an activity which is unlawful or inconsistent with public order or the good morals of the people.

## **5.2 Maintenance of Company Assets**

Company Directors, Executives and employees are under a duty and responsibility to efficiently maintain Company assets and assets under the care of the Company. In this regard, the following guidelines have been prescribed.

1. Assets shall be used for business operations and not used for personal gains or for the gains or third parties.
2. Interests shall be protected and assets shall be cared to prevent loss, damage or wrongful use pursuant to the standards of a reasonable man caring for one's property. Direct or indirect wrongful exploitation of benefits shall be eliminated.
3. Sufficient insurance protection from losses shall be obtained for assets.
4. The use of computers to harass, infringe, spy, corrupt other person's personal data or fabricate evidence which could lead to data theft shall be prohibited. An information security system consistent with international standards shall be installed.
5. E-mails and internet access provided shall used for business purposes. They shall be used cautiously and not prejudice the Company's reputation.
6. Passwords for access to the Company's data shall be kept secret and shall not be disclosed to unauthorized persons.
7. The Company's intellectual property works shall not be reproduced, adapted or used for personal benefit or for the benefit of others without authorization from the Company.

8. The supervisor shall be reported of any finding of rights infringement or acts which could lead to a rights infringement or any act which could potentially lead to a dispute relating to the Company's intellectual property.
9. The safekeeping of important documents of the Company shall be overseen to ensure full compliance with the relevant laws and regulations. Upon the lapse of the safekeeping period, the relevant employee must oversee that the documents are destroyed by appropriate means.

### **Whistle Blowing**

#### **5.3 Informants and Complaints**

The Board of Directors gives employees and stakeholders an opportunity to give information or file a complaint on a matter which could constitute a violation of the law, dishonest or wrongful act of an employee, including irregular behaviour which could cause a problem or loss to the Company. The Company also receives complaints on cases where the rights of an employee or stakeholder has been infringed or where they have been treated unfairly. Suitable channels and procedures have been provided by the Company in this regard.

- Contact to Managing Director  
Tel. 0-2294-0071 ext.166 Fax. 0-2294-0150  
E-mail : [secretary@tpcorp.co.th](mailto:secretary@tpcorp.co.th)

Or send the letter at 704/1-9 Rama 3 Road, Bangpongpan, Yannawa, Bangkok 10120, THAILAND.

The Company will hear and process all complaints impartially, transparently and fairly. Systematic and just measures for the protection of complainants are provided. Information provided by the complainant is kept confidential in the Company.

#### **Measures for the Protection of Complainants**

1. A complainant may choose to remain anonymous if he/she deems that disclosure could lead to insecurity or loss concerns.
2. The Company will keep relevant information secret and take into account the safety of the complainant. Measures have been prescribed for the protection of complainants who are employees, including those who cooperate in the investigation of facts. These persons will be protected from unfair treatment as a consequence of the complaint, e.g. disturbances during work, reassignment or termination of employment.

#### **5.4 Interpretations**

A supervisor shall be under a duty to take responsibility and give advice to subordinates to ensure knowledge and understanding as well as compliance with the prescribed Code of Conduct. If the Code of Conduct does not provide for any instance, or if there remains a question which renders performance not possible or that a decision cannot be made, the matter shall be consulted with the respectively higher level superior. In the case of a conflict, the decision of the Managing Director, Executive Board and Board of Directors shall be final.

## **Roles, Duties and Responsibilities of the Board of Directors**

The Board of Directors has been elected by the shareholders as their representatives in implementing company's policies. They collaborated with the Executive in formulating vision, missions, strategies, operational plan, annual budget, good governance, and supervision so as to support and direct the performance of the Executives and employees.

In 2015, the Board of Directors has legally operated the company in compliance with the laws and regulation. Therefore, there is no infringement on the official regulations found.

### **1. Leadership and Vision**

The Board of Directors is comprised of persons with knowledge, competence, skills and experience in the Company's principal business. The vision, mission, strategies and goals as well as working plans and annual budget are determined in order to enhance operational efficiency for the greatest benefits of the business and achievement of the Company's business goals. In this regard, the Board of Directors undertakes the duties of monitoring the management of the executive according to the various working plans, as well as the determination and delineation of roles, functions and responsibilities between the Board of Directors, executive officers, employees and relevant persons.

In addition, the Audit Committee has been entrusted with the function of supervising the operations of the internal audit section so as to ensure sufficiency for the business and to ensure suitable risk management in order to achieve the highest safeguard of interests. The principles of good corporate governance are applied as management tools for adding value to the business and the shareholders.

In regard to the Company's vision and missions, the Board of Directors has supervised the Company's performance by considering the quarterly report of operation, company's turnover, and security holding of the Directors and Executives.

### **2. Good Corporate Governance**

The Board recognizes the importance of good corporate governance. The review updates to suit the situation and to comply with the requirements of the Stock Exchange of Thailand., Contains 4 parts; Corporate Governance Policies, the principles of Corporate Governance 5 categories, business ethics and Code of Conduct for Company Directors, Executives and Employees of the Company which approved by the Board of Directors' Meeting No. 1/2557 on February 27, 2014 effective and published already on the website of the company at [www.tpcorp.co.th](http://www.tpcorp.co.th)

### **3. Conflict of Interests**

The Board of Directors has clear guidelines for managing the avoidance of conflict of interests prudently and reasonably, and in order to confer the greatest benefits for the Company and the shareholders. Transactions which might entail conflicts of interests have been notified by the Company and the resolutions disclosed specifying the value of the transaction, the contractual party and reasons of necessity for entering into such a transaction in accordance with the rules of the SET. The interested Directors have left the meeting room and did not vote on such agenda so as to ensure independence in decisions and information were disclosed immediately in the Interest of transparency. Connected transactions would be considered by the

Board of Directors' meeting on the suitability of the transaction and the Audit Committee would give its approval for the disclosure of information in Form 56-1 and the Annual Report.

In 2015, the Board of Directors approved the related transactions which perform strictly to prescribed rules. Company Directors and Executives are required to report their own interest and related persons. Such interest shall connect to the company operation in accordance with the following principals;

1. Directors and Executives shall report their personal and related persons' interests in the report form within 1 (one) month as from the effective date of the law, or as from the date of election/appointment.
2. If there is a change in information on interests, the amended interest report shall be submitted to the Corporate Secretary within 3 (three) month as from the date of the change.
3. The Corporate Secretary shall submit a copy of the report to the Chairman of the and Chairman of the Audit Committee within 7 (seven) days as from the date of receipt of interest report.

In 2015, All Directors and Executives have already filed such reports, including any amendments thereto.

#### **4. Promotion of Social Responsibility, Environment, and Human Rights**

The Company has realizes on the importance of social responsibility and environment in parallel with the business operation. Therefore, the Company focuses on fostering quality of life in surrounding communities, human rights awareness, and fair employment in the sustainable ways.

#### **5. Internal Control and Audit**

##### **Internal Control**

The Board of Directors attaches importance to and has installed a control system for operations, financial reporting and compliance with rules, regulations and policies. The internal audit units were entrusted with the duties and responsibilities of carrying out audits on compliance with the installed internal control systems for subsequent reporting to the Audit Committee and the Board of Directors. Such audit units are independent in the exercise of their functions. The Board of Directors would conduct an annual review of the suitability and sufficiency of internal control systems in all 5 items, i.e. Control Environment, Risk Assessment, Control Activities, information & communication and Monitoring Activities.

In Board of Directors' meeting no. 1/2559, held on 24 February 2016, which was also attended by the Audit Committee, the sufficiency appraisal form of the Company's internal control system was considered. The meeting was of the opinion that the Company had sufficient and effective internal control systems as per the Audit Committee report in Form 56-1 and the Annual Report.

##### **The Internal Audit**

The Board of Directors has assigned the Audit Committee to inspect the sufficiency, appropriateness, and effectiveness of the internal control system. The results of the internal audit should be reported to the Board of Directors and shareholders. Moreover, the Internal Audit Unit, separated as one unit of the company, should reports directly to the Audit Committee They are responsible for the assessment of sufficiency and effectiveness of the internal audit using standard auditing measures in proposing improvement for the added value of the organization, and simultaneously supporting the good corporate governance.

In 2015, the Board of Inspection has effectively performed their responsibilities as assigned. Thanks to the qualified personnel in the Internal Audit Unit, the mission has been completely accomplished. The evaluation of internal control system revealed that there were some issues to be improved as well as recommendations for corporate operation, which were presented to the Board of Directors in the quarterly meeting.

## **6. Risk Management**

The company has set up The Risk Management Committee, to manage probable company risks in a systematic and efficient manner. The company always follow the update external and internal risk factor probably be impacted to our business to prevent beforehand.

## **7. Criteria for the selection of independent directors and the recruitment process.**

The Nominating Committee shall carry its duty to review and nominate competent candidate(s) who are eligible by law and regulations, set out by the Stock Exchange of Thailand and the Securities and Exchange Commission, from various fields such as Industrial, Financial and Accounting, Legal and Audit to the Board of Directors and to the Shareholders.

## **8. Board of Directors' Meeting**

- The Board of Directors has determined that meetings shall be held at least once every quarter. A schedule of Board of Directors' meeting is prepared one year in advance wherein the agenda are clearly stated. The Corporate Secretary would submit such schedule in the December meeting of each year together with the submission of documents at least 7 days prior to the meeting date so as to give the Board of Directors sufficient time to consider and examine the data prior to attending the meeting, except in the event of urgency for the protection of the Company's interests where notice may be given less than 7 days.

The Chairman of the Board of Directors would compile the opinions and conclusions obtained from the meeting. Interested Directors in each agendum would abstain from voting or abstain from giving an opinion or be absent from the meeting on such agendum, as the case may be. In a meeting of the Board of Directors, if there is a query or a need to obtain additional information from relevant persons, the Managing Director would invite a high level executive to give an explanation.

The Corporate Secretary would record the meeting and archive the minutes of past meetings that had been endorsed by the meeting and verified by signatures of the Chairman of the Board of Directors. In additional, company directors can express opinion or amend on the minutes of the meeting.

Minutes of Board of Directors' meetings and committee meetings are made in writing. Such documents are archived in original document format at the Company Head Office for convenience of reference by the Directors and relevant persons.

- The Board of Directors had scheduled 4 meetings a year which were considered as the appropriate numbers and adequate time for the performance of the Directors. If the Directors would like to have more information, they could make a request to Corporate Secretary, with the possibility of other meetings in the event of an emergency.

In 2015, the Company has held 5 meetings

- The Audit Committee and internal audit units have held a joint meeting with the Company Auditor at least once a year, every year and invited the representatives of the management attended the meeting.

#### **9. Self-Assessment of the Board of Directors**

The Board of Directors has prepared a self-assessment form for the Board of Directors. Such assessment provides an opinion of each Director on the performance of the Board of Directors as a whole, not on the individual performances of each Director. The objective was to carry out a review of performances and problems for further improvement in order to enhance the efficiency of the Board of Directors and to foster the relationship between the Board of Directors and the management. In 2015, Self assessment result was “good”.

Nevertheless, the company did not evaluate directors individually, since the evaluation in the form of The Board of Directors can reflect the performance as a whole, which each director can improve deficient parts of the topic very well.

#### **10. Remuneration of the Directors and Executives**

The Remunerations Committee would determine the appropriate remunerations limit after taking into account the experience, duties, scope of roles and functions, participation and responsibilities of each Director for proposal to the Board of Directors and to the meeting of shareholders for approval of such remunerations limit. In this regard, the 40th annual general meeting of shareholders held on Tuesday, 28th April 2015, approved a Directorial remunerations limit of 8.1 million baht per year. The Board of Directors has delegated to the Remunerations Committee the tasks of determining the remunerations for the Directors and Committee Members. Such remunerations were in accordance with the resolution of the meeting of shareholders that had approved of the directorial remunerations the appropriate remuneration to the Board of Directors for approval. The company fairly and logically specifies the compensation paid to directors, taking into account each director’s responsibility, its financial performance, and compatibility with industry peers. The directors who are member in sub committee shall be paid for such duty appropriately.

#### **11. Development of Directors and Executives**

The Board of Directors and executive officers have appreciated their roles, duties and responsibilities to the Company. Thus, the Company has attached importance to the development of all personnel throughout the organization, consistent with the leadership and vision of the Directors and executives, in order to enhance knowledge, competencies, skills and potentials. The Board of Directors and executives are encouraged to attend seminars and training in courses that are beneficial to the performance of functions as are held internally or externally, including work visits abroad.

##### **Orientation of New Director**

The Company has arranged for the orientation of new Director in order to inform them of the Company’s policies and relevant information, such as the Company’s principal business, operating results, organizational structure, shareholders, including relevant rules. Also, for the benefit of the discharge of functions by new Director, the Company has prepared a handbook for Director.

### **Current Directors and Management Executives**

Continuing education is provided to these directors through sponsorship of relevant training courses offered by IOD. From eight Company Directors, or 88.88% underwent such courses, and participation in more such courses are in the works, both concerning directors' duties and Company business in general. All executives are continually trained in relevant laws and regulations that are helpful to their performance in the management role.

In 2015, - Mr. Suchai Narongkananukul Managing Director and Mr. Wachara Poomarintr Director attend a seminar on "THAILAND ECONOMIC OUTLOOK 2016 Thailand economic future. Growth, however, in the new context " by the Bangkok Post.

- Mr. Wachara Poomarintr Director and Miss Rachanee Luevipasakul Executive Board member attend a seminar on "Thailand forward with future cluster" by THAILAND BOARD OF INVESTMENT

- Mr. Arnut Rattanapathimakorn Deputy of Managing Director and Miss Rachanee Luevipasakul Executive Board member attend a seminar "The role of the executive. The roleAnti-corruption"

### **Relevant Parties in Corporate Governance**

The Corporate Secretary an officers engaged in investor relations, as well as those doing relevant jobs, regularly attend assorted training courses and sit in on seminars on relevant and current topics, and topics that are helpful to their performance organized by SEC, SET, Listed Companies Association, and IOD.

In 2015, Assistant Secretary of the Company. This foundation course of Company Secretary. Company Secretary and General Workers 1/2558 edition, organized by the Association of Listed Companies Thailand.

## **12. Succession Plan**

The Board of Directors has realized the importance of preparation for succeeding personnel, as follow;

### **• Executives**

In order to operate business efficiently, the company has created inheritance position plan and regulations as follows ;

1. Stipulating working position to search proper person will receive promotion and replace working position.
2. Selecting person who have qualification accordance with stipulated regulations.
3. Creating individual development plan to prepare the readiness for taking a higher working

### **• Employees**

Supporting to receive training, supplement skill and knowledge and creating readiness as well as career advancement among employees to become executive directors in the future and leader within inheritance position plan.

## 2. Sub - Committee

The Board of Directors has appointed 4 sub-committees which has the appropriate expertise, responsible. The company has the operations and scrutinize carefully. The 4 sub-committees which comprise of the Audit Committee, the Remuneration Committee, the Nominating Committee and the Board of Directors.

The Board of Directors defines the authority and responsibilities of each committee in the charter. To operate in accordance with the policies and objectives of the Company. the Committees, each set has 1 person who chairman carry on the operations in accordance with the policies of the Board of Directors.

### 2.1 The Structure of the Board of Directors

The Company's regulations clause 18, the Board of Directors is comprised of at least 5 directors, and the greater part is currently living in the Kingdom of Thailand. List of the Board of Directors refer to "Management Structure"

In 2015, there are 9 directors consisting of:-

	Person(s)			(%)
	Male	Female	Total	
Executive Director	3	-	3	33.33
Non-Executive Director	2	1	3	33.33
Independent Director	3	-	3	33.33
Total	8	1	9	100.00

In 2015, the Company has formulated the structure of the Board of Directors. As a result, the proportion of the Executives Director, Non-Executive Director, and Independent Directors was more appropriated in monitoring the good corporate governance rigorously, and The Board of Directors has the meeting 5 times annually.

The structure of the Board of Directors comprised of Independent Directors constituting one-third of the Board of Directors' composition with consistent of the regulation of Capital Market Supervisory Board. though having the Independent Director less than 50%

The chairman is not the same person as the managing director.

There were 3 directors with extensive experiences relating to the company's business operations, but did not serve as the Management, namely; Mr. Manu Leelanuwatana, Miss Sirikul Dhanasarnsilp and Mr. Atsushi Tabata

However, the Directors and Executives have never been employed or being a partner of the external audit firm during two years previous.



**Powers of the Board of Directors :-**

1. To appoint, remove and delegate powers and duties to the advisors of the Board of Directors and/or Managing Director and/or various committees for implementation.
2. To consult experts or advisors of the Company (if any) or hire external advisors or experts where necessary at the expense of the Company.
3. To approve the grant of or cancellation of credit lines in excess of the Executive Committee's authorized limit.
4. To approve the acceptance or to cancellation of the credit lines in excess of the Executive Committee authorized limit.
5. To approve the grant of loans to companies having business relationships with the Company as shareholders or companies engaged in trade with the Company or other companies in excess of the Executive Committee's authorized limit.
6. To approve the credit line guarantees for companies having business relationships with The Company as shareholders or companies engaged in trade with the Company or other companies in excess of the Executive Committee's authorized limit.
7. To approve the incorporation, merger or termination of subsidiary companies.
8. To approve investments and sales of investments in ordinary shares and/or other securities in excess of the Executive Committee's authorized limit.
9. To approve procurements and investments in fixed assets in excess of the Executive Committee's authorized limit.
10. To approve the modification, demolition and writing off of fixed assets and intangible assets which are decommissioned, out of order, lost, damaged, deteriorated or outdated and no longer usable, with book values exceeding the Executive Committee's authorized limit.
11. To approve a settlement, dispute settlement by arbitration, filing of complaint, lawsuit and/or to participate in any legal proceedings on behalf of the Company pertaining to matters which are not within the normal trade of the Company and/or which are within the normal trade in relation to a disputed sum that exceeds the Executive Committee's authority.
12. To approve transactions not part of the normal business in the amounts which exceed the Executive Committee's authority.
13. To propose an increase or reduction in capital or change of share value, and the amendment or alteration of the Memorandum of Association, Articles and/or objects of the Company to the shareholders.
14. To delegate authority to the management, executive-level employees of the Company, or any other person to act on its behalf subject to the regulations prescribed by the Board of Directors.
15. To summon the management and relevant employees of the Company for an explanation or opinion in a meeting, or for the submission of documents deemed as relevant and necessary.
16. To appoint and remove the Corporate Secretary.
17. All powers of the Board of Directors stated above which involve the acquisition or disposal of assets and connected transactions shall be exercised in accordance with Notification of the Capital Markets Supervisory Board.

**Duties and Responsibilities of the Board of Directors:-**

1. To determine the direction, goals and policies of the Company's business.
2. To approve the annual operational plan and budget, as well as to carry out the supervision of management so as to ensure efficient and effective compliance with laws and prescribed policies and operational plans.
3. To promote the formulation of written business policies for governance, ethics and codes of conduct as practice guidelines for the Board of Directors, executive officers and employees, and to monitor their strict compliance.
4. To provide sufficient and suitable internal controls so as to engender confidence that all transactions have been approved by the authorized person, and the carry out the preparation and reviews of accurate accounts, as well as various systems that could prevent the improper use of Company properties.
5. The execution of transactions potentially containing a conflict of interests must be carefully considered under clear guidelines and be in the interest of the Company and shareholders. The interested party shall not participate in the decision-making process and the rules of procedures and disclosure of information on transactions potentially containing a conflict of interests must be properly complied with.
6. To approve financial statements audited and/or reviewed by the auditor and approved by the Audit Committee.
7. To be equally accountable to all shareholders and carry out the accurate disclosure of information to shareholders and investors under the proper standards and transparency.
8. To acknowledge business management reports from the Executive Committee.
9. To call a meeting of shareholders, determining the date, time, place and agenda of the meeting of shareholders, as well as to determine the dividend yield (if any), and to state the opinion of the Board of Directors on matters proposed to the shareholders. During the period of 21 days prior to each date of meeting of shareholders, the Company may suspend the registration of share transfers, in which case the shareholders shall be informed by notice at the Head Office and Branch Offices of the Company at least 14 days in advance of the suspension date of share transfer registration; a Record Date (RD) may also be determined at least 2 months prior to the meeting of shareholders and the share transfer register shall be closed 1 day following the Record Date pursuant to section 225 of the Securities and Exchange Act B.E. 2535 (1992); such proceedings shall be carried out for the benefit of determining the rights to attend meetings of shareholders and the right to receive dividend payments.
10. To prepare a report on "Responsibilities of the Board of Directors for the Financial Statements", which is disclosed in the Company's Annual Report (Form 56-2) and the Annual Registration Statement (Form 56-1).
11. To monitor documents filed with the relevant supervising authorities so as to ensure that the data or items disclosed or entered are accurate according to information in the account books, registers or other documents of the Company.
12. To endorse the Charter of the Board of Directors and/or other committees.

13. To carry out other functions which exceed the powers of the Executive Committee or as deemed appropriate by the Board of Directors.

## 2.2 The Audit Committee

For Good Corporate Governance regulated by SET, to increase investor confidence in administration of public company, B.O.D. appointed an Audit Committee the members are non-executive directors and one\*\* of them possess well understandings and experience in Accounting and finance

The audit committee comprised of at least 3 independent directors matched with the Securities and Exchange Commission regulation, and one of them possess well understandings and experience in Accounting and finance. The audit committee are nominated by BOD and have power & duties and Responsibilities according to Charter of audit Committee and clearly right to promote the performance in order to get rid of beneficial conflict problem. Also to audit the financial statement to be proposed to the shareholders, and communicate with the certified public auditor (CPA) of the company. Each member has 1 year term. In 2015, the Audit Committee held 13 meetings.

Name		Position
1. Mr. Padoong	Techasarintr	Chairman**
2. Mr. Thanavat	Pugavanaja	Director
3. Mr. Krisada	Visavateeranon	Director

Note \*\* Audit Committee are possess well understandings and experience in Accounting and finance

### Powers of the Audit Committee :-

1. To lay down collaborative measures with a view to achieving a harmonized understanding between the auditors, board of directors and internal audit units.
2. To have the power to call upon executive officers, the management or relevant employees of the Company to give statements or opinions as well as to attend meetings or send documents which are deemed as relevant, and also to have access to data at every organizational level.
3. To have the power to conduct an examination of relevant persons or relevant matters within the scope of powers and duties of the Audit Committee.
4. To consult experts or advisors of the Company (if any), or to hire external advisors or experts where necessary at the expense of the Company.

### Duties and Responsibilities of the Audit Committee :-

1. To conduct reviews in order to ensure that the Company's financial reports are accurate and sufficient.
2. To conduct reviews in order to ensure that the Company has appropriate and effective internal control and internal audit systems.

3. To consider the independence of internal audit units as well as to give approvals for appointments, transfers or terminations of heads of internal audit units or other units responsible for internal audits.
4. To review the Company's compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand and laws relating to the Company's businesses.
5. To consider, select and nominate independent persons for appointment as the Company's auditors and propose the remuneration for such persons, and also to attend meetings with the auditors without the presence of the management which must be held at least once a year.
6. To scrutinize connected transactions or transactions which may contain conflicts of interests in order to ensure compliance with the law and regulations of the Stock Exchange of Thailand, as well as to ensure that such transactions are entered into reasonably and are in the best interests of the Company.
7. To prepare an Audit Committee Report which must be disclosed in the Company Annual Report. Such report must be signed by the Chairman of the Audit Committee and consist of at least the following information:
  - (a) opinion pertaining to the accuracy, completeness and reliability of the Company's financial statements;
  - (b) opinion pertaining to the sufficiency of internal controls in the Company;
  - (c) opinion pertaining to compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand or laws relating to the Company's businesses;
  - (d) opinion pertaining to the suitability of the auditor;
  - (e) opinion pertaining to transactions that could potentially give rise to conflicts of interests;
  - (f) the number of Audit Committee members and the meeting attendance of each Audit Committee member;
  - (g) general opinion or observation expressed by the Audit Committee in relation to the performance of functions under this Charter;
  - (h) other items deemed as necessary information for shareholders and investors generally within the scope of duties and responsibilities as assigned by the Board of Directors.
8. In the discharge of its duties, if the Audit Committee finds or is under a suspicion that the following transaction or act has been committed, which may have a substantial impact on the financial standing and operating results of the Company, the Audit Committee shall file a report to the Board of Directors in order to effect remedial actions within the period as deemed appropriate by the Audit Committee:
  - (a) transaction giving rise to a conflict of interests;
  - (b) fraud or irregularity or a significant deficiency in the internal control system;
  - (c) violation of the law on securities and exchange, regulations of the Stock Exchange of Thailand or laws relating to the Company's businesses.

If the Board of Directors or executive officers fail to carry out the remedies within the prescribed period, any Audit Committee member may report such transaction or action to the Office of the Securities and Exchange Commission or Stock Exchange of Thailand.

9. To support and monitor the Company's implementation of an efficient risk management system.

10. To revise and amend the Charter of the Audit Committee and propose such revision or amendment to the Board of Directors for approval.

11. To perform other acts as assigned by the Board of Directors with the approval of the Audit Committee pursuant to powers under the Company Articles and the law.

In performing the above duties, the Audit Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties.

### **2.3 The Remuneration Committee**

Remuneration Committee comprises of at least 3 Directors appointed by the Board of Directors and/or others in order to consider determine the criteria for payment of remunerations of the Board of Directors and proposed to the Board of Directors and Shareholders. Each member has 1 year term. In 2015, The Remuneration Committee has the meeting 2 times annually.

<b>Name</b>		<b>Position</b>
1. Miss Sirikul	Dhanasarnsilp	Chairman
2. Mr. Suchai	Narongkananukul	Director
3. Mr. Thanavat	Pugavanaja	Director

#### **Powers of the Remuneration Committee :-**

1. To consult specialists or advisors of the Company (if any), or to hire external advisors or specialists where necessary at the expense of the Company.
2. To have the power to summon executive officers and relevant employees of the Company for an explanation, opinion, participation in a meeting, or the submission of documents deemed as relevant and necessary.

#### **Duties and Responsibilities of the Remuneration Committee :-**

1. To determine the criteria for payment of remunerations of the Board of Directors and to submit opinions or propose amendments to such criteria to the Board of Directors with a view to achieving an appropriate distribution of remunerations.
2. To determine the remuneration of Company Directors, taking into consideration other companies in the same industry, the growth and performance of the Company and the remuneration limit approved by the meeting of shareholders and remunerations paid in the preceding year, in order to make a proposal to the Board of Directors for consideration and submission to the meeting of shareholders for approval.
3. To consider the distribution of remuneration of Company Directors, Audit Committee members, Nominating Committee members and Remuneration Committee members, taking into consideration the functions, responsibilities and performance of such committees, within the limit approved by the meeting of shareholders, and making such proposals to the Board of Directors for approval.
4. To consider the remuneration of Nominating Committee members and Remuneration Committee members (who are not Company Directors), taking into consideration the functions,

responsibilities and performance of such committees, and making such proposals to the Board of Directors for approval.

5. To revise and amend the Charter of the Remuneration Committee and to submit such revisions or amendments to the Board of Directors for approval.
6. To carry out any other acts as assigned by the Board of Directors.

#### **2.4 The Nominating Committee**

Nominating Committee comprises of at least 3 Directors appointed by the Board of Directors and/or others. They must be knowledgeable and experienced to consider and nominate qualified persons to Board of Directors and Shareholders in the Shareholders meeting. In case that a directorship is vacant, Nominating Committee may select and appoint a candidate to replace. Each member has 1 year term. In 2015, The Nominating Committee has the meeting 1 times annually.

Name		Position
1. Mr. Boonsithi	Chokwatana	Chairman
2. Mr. Manu	Leelanuwatana	Director
3. Mr. Suchai	Narongkananukul	Director

#### **Powers of the Nominating Committee :-**

1. To consult experts or advisors of the Company (if any), or to hire external advisors or experts where necessary at the expense of the Company.
2. To have the power to summon executive officers and relevant employees of the Company for an explanation, opinion, participation in a meeting, or the submission of documents deemed as relevant and necessary.

#### **Duties and Responsibilities of the Nominating Committee:-**

1. To determine rules and procedures for the Nominating of Company Directors.
2. To examine the history and various information on persons nominated for appointment as Company Directors, taking into consideration such persons' knowledge, skills, experience and diversity of professional expertise, in order to obtaining the most qualified persons in accordance with the nomination rules, Articles of the Company and relevant laws.
3. To consider the selection of persons having suitable qualifications for a Company Director for nomination to the meeting of the Board of Directors for approval.
4. To prepare opinions or suggestions on various matters for consideration.
5. To revise and amend the Charter of the Nominating Committee and to submit such revisions or amendments to the Board of Directors for approval.
6. To carry out any other acts as assigned by the Board of Directors.

## **2.5 The Executive Board**

The Executive Directors comprised of at least 5 directors who appointed from Board of Directors and/or others who are knowledgeable and experienced in order to perform their management roles under Board of Directors' policy concerning with shareholders benefit. Each member has 1 year term. In 2015, The Executive Board has the meeting 13 times annually.

	<b>Name</b>	<b>Position</b>
1.	Mr. Suchai Narongkananukul	Chairman
2.	Mr. Arnut Rattanapathimakorn	Director
3.	Mr. Wachara Poomarintr	Director
4.	Miss Rachanee Luevipasakul	Director
5.	Mr. Chanin Ratanavijai	Director
6.	Mr. Somnuek Thungpukdee	Director
7.	Mr. Voravat Limpoka	Director
8.	Miss Darunee Supo	Director

### **Powers of the Executive Board :-**

1. To appoint, remove, transfer, evaluate as well as to determine the remuneration and welfare benefits of employees at various levels.
2. To appoint and remove any other working committee to carry out any activity with respect to the management of the Company.
3. To consult experts or advisors of the Company (if any), or to hire external advisors or experts where necessary at the expense of the Company.
4. To issue rules and notifications on the performance of work, and to have the ability to delegate powers to an Executive Committee member and/or an executive-level employee as the authorized signatory for giving approval to disposals of the Company's assets.
5. To approve the borrowing as working capital, each borrowing of long term not exceeding an amount specified in the Charter. And short term under annual budget.
6. To approve the acceptance or cancellation of credit lines, each credit line not exceeding an amount specified in the Charter.
7. To approve the grant of loans to companies having business relationships with the Company as shareholders or companies engaged in trade with the Company or other companies, the credit line for each company not exceeding an amount specified in the Charter.
8. To approve the guarantees of credit lines for companies having business relationships with the Company as shareholders or companies engaged in trade with the Company or other companies, the credit line for each company not exceeding an amount specified in the Charter.
9. To approve investments and sales of investments in capital instruments and/or debt instruments, each transaction not exceeding an amount specified in the Charter.
10. To approve procurements and investments in fixed assets, each transaction not exceeding an amount specified in the Charter.

11. To approve the modification, demolition and writing off of fixed assets and intangible assets which are decommissioned, out of order, lost, damaged, deteriorated or outdated and no longer usable, the total book value of such transactions not exceeding an amount specified in the Charter.
12. To approve the adjustment of price and destruction of raw materials and/or outstanding stocks that have deteriorated or become outdated, which could have an effect in reducing the book value as actually occurred.
13. To approve a settlement, dispute settlement by arbitration, filing of complaint, lawsuit and/or to participate in any legal proceedings on behalf of the Company pertaining to matters which are not within the normal trade of the Company, each case involving a disputed amount not exceeding an amount specified in the Charter, and/or which are within the normal trade in relation to a disputed amount that does not exceed an amount specified in the Charter for each case.
14. To approve transactions not part of the normal business, each transaction not exceeding an amount specified in the Charter.
15. To delegate authority to the management, executive-level employees of the Company or any other person to act on its behalf.
16. To have the power to summon executive officers and relevant employees of the Company for an explanation, opinion, participation in a meeting, or the submission of documents deemed as relevant and necessary.
17. To issue any other work regulations as deemed appropriate.
18. All powers of the Executive Committee stated above which involve the acquisition or disposal of assets and connected transactions shall be exercised in accordance with Notifications of the Capital Markets Supervision Committee.

**Duties and Responsibilities of the Executive Board :-**

1. To propose the goals, policies and annual budget to the Board of Directors.
2. To take responsibility for the management of the Company in accordance with the direction, goals and business policies of the Company.
3. To take charge in enhancing the competitiveness of the Company and to promote continual innovations.
4. To supervise the operations of the Company in accordance with the laws, objects, Articles of the Company, resolutions of the meeting of shareholders, resolutions of the Board of Directors, as well as relevant rules and regulations.
5. Executive Committee members may divide the Executive Committee's works and responsibilities amongst themselves, in which case reports on the activities within each member's supervision must be submitted to the meeting of the Executive Committee for acknowledgement.
6. To supervise the preparation of financial statements, which shall be submitted to the auditor for audit and/or review prior to submission to the Audit Committee and Board of Directors respectively.
7. To consider matters submitted to the Board of Directors for approval or endorsement.



8. To revise and amend the Charter of the Executive Committee and to submit such revision or amendment to the Board of Directors for approval.
9. To carry out any other acts as assigned by the Board of Directors.

#### **2.6 Duties and Responsibilities of the Managing Director:-**

1. To manage the Company and administer the operations in compliance with policies, laws, objectives, Articles of the Company, resolutions of the meeting of shareholders, resolutions of the Board of Directors, resolutions of the Executive Committee, as well as relevant regulations and procedures.
2. To issue orders and carry out any act as necessary and appropriate in order to satisfactorily carry out the functions under article 1., and in the case of an important matter, a report shall be made and/or notice shall be given to the Board of Directors and/or the Executive Committee.
3. To command, allocate, appoint, relieve, transfer, promote, enforce disciplines, evaluate as well as to determine the company personnel's remuneration and welfare benefits of employees. All said power must not be inconsistent with the power of Executive Committee.
4. To issue regulations on the Company's operations, such regulations not being inconsistent with or contrary to the policies, articles of the Company, regulations orders and resolutions of the Board of Directors and/or Executive Committee.
5. To grant and/or delegate powers to other persons to perform specific tasks on behalf of the Managing Director.
6. To promote and develop adherence to good conduct, legal compliance, ethics and culture in the Company's business operations while observing good governance principles.
7. The above powers of the Managing Director shall not be exercised in the event of the Managing Director's having a potential personal interest in or a conflict of interests of any character with the Company.
8. In the event that the above powers may not be thoroughly clarified or causing any doubt (uncertain) in exercising, the matter must be submitted for the Board of Directors' consideration.
9. To carry out any other acts as assigned by the Board of Directors and/or Executive Committee.

### **3. The Selection of the directors and executive members**

#### **3.1 Selection of the Independent directors**

The nominating committee will select the persons to be appointed independent directors in accordance with the principles and features of the Stock Market and Capital Market Commission. Propose to the Board of Directors and the shareholders' meeting

#### **3.2 Determination of Independent Directors'**

Independent Director means a person who is qualified and independent of management and the major shareholders.

The Company's independent directors qualified as required by the Capital Market Supervisory Board No. Tor Chor. 4/2552 as follows.

(1) The person must hold no more than 1% of shares with voting rights of the company, the parent company, the subsidiary company, the associated company, the major shareholders or the entities with the authority to control the company; inclusive of shareholding by individuals related to such independent director.

(2) The person must not be serving, or have served, as a director who is involved with the management, or a staff member, an employee or a consultant with a monthly wage. The person also must not be or be an individual with the authority to control the company, the parent company, subsidiary company, the associated company, the associates of the same level, the major shareholders or of the entities with the authority to control the company, with the exception of the case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director. The ineligibility however does not include the case where an independent director has previously served as a public servant or a consultant of a government agency which is a major shareholder of, or an entity with the authority to control the company.

(3) The person must not be related by blood or law as father, mother, spouse, sibling or child, spouse of son or daughter of executive, major shareholders, individuals with the authority to control the company or candidates for the position of an executive or an individual with the authority to control the company or the subsidiary company.

(4) The person must not have, or have had, a business relationship with the company, the parent company, the subsidiary company, the associated company, the major shareholders or the entities with the authority to control the company, in such a manner that may interfere with one's independent discretion. The person also must have not been or has been a shareholder, individuals with the authority to control the company, of the person who has business relationship with the company, the parent company, the subsidiary company, the associated company, the major shareholder or the entities with the authority to control the company. There is an exception in the case where he or she has retired from such a position for at least two years prior to the day on which he/she is appointed as an independent director.

The business relationship as described in the above paragraph is inclusive of normal trading transactions for the conduct of business; lease or letting of immovable; transactions relating to assets or service; provision or acceptance of financial assistance through acceptance or provision of loans and guarantees, the use of assets as collateral and other such practices which result in the company or the party to the agreement being under the obligation to repay the other party for an amount from 3% of net tangible assets of the company or from Twenty Million Baht whichever is lower. The calculation of such obligation to debt is to be in accordance with the related transaction value calculation method as per the Announcement of the Capital Market Supervisory Board on the Related Transaction Criteria with exceptions. The said obligation to debt includes that which has materialized during the period of one year prior to the day of business relationship with the same individual.

(5) The person must not be, or has been, an auditor of the company, the parent company, the subsidiary company, the associated company, the major shareholders or the entities with the authority to control the company. The person also must not be a significant shareholder, an individual with the authority

to control or a partner of the audit office with which the auditor the company, the parent company, the subsidiary company, the associated company, the major shareholders or the entities with the authority to control the company is associated. There is an exception in such case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director.

(6) The person must not be, or has been, a provider of a professional service including the service as a legal consultant or a financial consultant for which greater than Two Million Baht of fee is paid per year by the company, the parent company, the subsidiary company, the associated company, the major shareholders or the entities with the authority to control the company. The person also must not be a significant shareholder or an individual with the authority to control or a partner of such provider of professional service. There is an exception in such case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director.

(7) The person must not be a director appointed to represent a director of the company, a major shareholder or a shareholder who is related to a major shareholder.

(8) The person must not be in a business of the same nature as, and of significant competition to, that of the company or subsidiary company. The person also must not be a significant partner in a partnership; a director who is involved with the management; a staff member; an employee; a consultant with a monthly wage; as well as, a shareholder who holds more than 1% of shares with voting rights of another company which is engaged in a business of the same nature as and of significant competition to that of the company or an associate.

(9) The person must not have any other characteristic which is an obstacle to the giving of free opinion on the operation of the company.

After having been appointed as an independent director following the qualifications specified under items (1) through (9) above, the independent director may be assigned by the Board of Directors to make decisions on the operation of the company, the parent company, the subsidiary company, the associated company, the associates of the same level, the major shareholders or the entities with the authority to control the company in the manner of a collective decision.

### **3.3 The term of office of Directors and Independent Director**

The Board of Directors was elected in the shareholders' meeting. According to the Company's regulations, the Directors can hold office for 3-year term as specified in the Public Limited Companies Act. The Directors who retire upon expiration of their office holding term can be re-appointed. The information of office holding, date-month-year, of the Directors and Independent Directors has been clearly disclosed in section "Information on the Board of Directors, Executives and Corporate Secretary"

- The Board of Directors does not specify the term of office holding for the Directors because the Board of Directors and shareholders are confident in the Directors' qualifications as the experts equipped with knowledge, business capabilities, determination, and high commitment.

- Like the Directors, the Board of Directors does not specify the term of office holding for the Independent Directors since both positions are appointed by the approval of the shareholders' meeting.

- The Board of Directors gathers information from the letter of proxy and annual report as well as the office holding term in considering for the appointment of the Independent Directors.

### 3.4 Determining the number of listed companies for the Directors

The Board of Directors does not determine the number of companies; each director will be elected as directors. The Committee has devoted time to perform duties for the company effectively. By attending meetings regularly and benefits to companies throughout the company, ensuring that no impact on the performance in any way. so, does not limit the number of listed companies for the Directors to hold office.

The Company discloses the names and details of office of each director in other companies in both 56-1 and in the annual report. In present, the Company does not directors held any directorship in other listed companies, 5 companies.

number of Listed Company	Director	Name of Director	
4	1	Mr. Manu	Leelanuwatana
4	1	Mr. Padoong	Techasarintr *
1	3	Miss Sirikul	Dhanasarnsilp,
		Mr. Atsushi	Tabata,
		Mr. Krisada	Visavateeranon *

Note : \* Independent Director who hold office in other companies

### 3.5 Merger or Segregation of Positions

The Company prescribes that the Chairman of the Board of Directors shall not be an Executive Director, Managing Director and shall not have any relationship with the entire management. There is a clear separation in the functions with respect to supervisory policies and the management of routine functions. The Company has prepared a Charter of the Board of Directors which clearly prescribes and delineates the powers of all committees and the Managing Director.

**The Chairman of the Board of Directors** is the leader and controller of Board of Directors' meeting in order to ensure independence. All Directors are able to express opinions or make suggestions fully. The management of the executive is supported through the grant of powers and responsibilities to the Managing Director. The Board of Directors does not interfere with routine management work.

Although the Chairman of the Board of Directors is not an Independent Director, the Company remains confident that the discharge of duties has always been undertaken with an understanding of good corporate governance principles. Decisions on significant matters approved by each relevant committee have achieved a balance and reviewed as well as strictly complied with

### 3.6 Selection of the directors

The Nominating Committee will select persons having suitable qualifications by consider their qualifications and expertise in various professions, while also taking into account other qualities such as leadership, vision, morality and ethics, accompanies by transparent, accountable career records. They shall also be required not to possess any forbidden aspect specified by laws and Articles of association. The suitable persons will be nominated as company directors for reconsideration by the Board of Directors prior to

submitting to the meeting of shareholders for election by the majority vote of eligible shareholders attending the meeting.

In the case where the retirement took place prior to term completion with the remaining term being not less than two months, the Board of Directors shall then be authorized to select the persons from the candidates proposed by the Nominating Committee, for further appointment as company directors, by the majority votes not less than three-fourth of the existing number of Directors. In such case, the newly-appointed directors shall hold office for the remaining term of their predecessors.

#### **Director Election Process**

According to the Articles of Association Chapter 4, the directors must be elected by the shareholders' meeting according to the regulations and methodologies as follows:

- (1) A shareholder has one share and equal to one vote.
- (2) Each shareholder must apply all the vote according to Item (1), to elect only one or more to be directors but shall not be divided of the vote to any others or how much.
- (3) The person who granted the subordinate maximum votes has been elected to be the director as the amount of directors that the shareholders' meeting must elect. In case of the person who granted the subordinate votes, being a tie over than the amount of directors that the shareholders' meeting must elect, the chairman shall exercise his casting vote.

#### **Minority shareholders' rights**

The company provided the opportunity for minority shareholder to nominate candidates to be appointed company directors, prior to the holding of shareholders' meeting, according to the criteria set forth by the company. Shareholder can find detail document at the company's website ([www.tpcorp.co.th](http://www.tpcorp.co.th))

#### **3.7 Selection of the Executives**

1. The management carries out the duty of selecting persons with suitable qualifications as executive
2. The appointment of other executives not also being members of the Executive Committee shall be carried out jointly by the executive in the relevant line of operation and the Personnel Department submitting nominations for appointment by the Managing Director.

### **4. Corporate Governance's the operations of its subsidiaries and associates**

The Board of Director has a policy for its subsidiaries and associated companies' compliance with corporate governance policy for Directors, executives and employees to adhere to the same.

Any transaction that is considered either as a "connected transaction" or as the "acquisition or disposition of assets", according to the rules of the SET and SEC. The transaction shall be treated and comply with the requirements of the SET and SEC and will be reviewed by the Audit Committee in the event that must be considered by the Board of Directors.

## 5. Controlling the use of inside information

▪ The company set up a specific obligation in written to prevent company Directors, executives and employees who acquire inside information are prohibited from trading in Company shares in the 1-month period prior to public disclosure of financial statements, to use inside information for their own benefits. The obligation stated that they must submit their shareholding reports when any changes of status occurs to the secretary of the company in order that it will be reported to the Board of Directors. Violators are subject to disciplinary action, ranging from warnings to cut wages. Suspension without pay. Until termination and legal proceedings.

▪ Determine and inform the company directors, executives. When first appointed to the new position A previous report in securities holding company. And for changes in securities holding company informed to the Securities and Exchange Commission under section 59 Securities and Exchange Act of 2535 within 3 working days from the date of the transaction. With a copy to the company secretary. Save the changes and to prepare a summary of the securities of the directors and executive officers individually. To report to the Board of Directors for the next meeting was also informed penalties if they are violated or failed to comply with such requirements.

▪ Set the Board meeting schedule for the year and distributed to directors in advance. To know how long should refrain from trading securities.

## 6. Remuneration of company Auditor In 2015

### 6.1 Audit Fee

(unit: Baht)

Auditor Name	Company Payer	Audit Fee
Ms.Kwunjai Kiatgungwalgri and/or Mr. Anusorn Kiatgungwalgri From ASV & Associates Limited.	1. Textile Prestige Plc.	846,000.-
	2. T.U.C. Elastic Co., Ltd. *	326,000.-
	3. Prestige Embroidery Co., Ltd. *	216,000.-
	4. Prestige Plus Co., Ltd. *	283,000.-
	5. TPCNIC Co., Ltd.	81,000.-
Total		1,752,000.-

### 6.2 Remuneration for other services (Non-Audit Fee)

(unit: Baht)

Provider	Company Payer	Type of Work Other services	Fee
ASV & Associates Limited.	1. Textile Prestige Plc.	BOI promoted business	78,750.-
	2. T.U.C. Elastic Co., Ltd. *		21,000.-
	3. TPCNIC Co., Ltd.	The Financial Statements (English Version)	3,000.-
Total Non-Audit Fee			102,750.-

## **7. Compliance with good corporate governance principles in other matters**

The Board of Directors has adopted corporate governance policies which comply with the principles of good corporate governance for listed companies, according to the Stock Exchange of Thailand. The Company has published its corporate governance policies on the company website. [www.tpcorp.co.th](http://www.tpcorp.co.th)

Throughout 2015, the Company performed in accordance with its policy on good corporate governance, except for the following issues.

- Chairman of the Board of Directors is not an Independent Director, the Company remains confident that his performance has always been undertaken with an understanding of good corporate governance principles. Important Decisions were approved by each relevant committee creating balance and was reviewed as well were strictly complied.
- The Board of Directors neither determines the number of companies for each director to be assume his directorship nor a length of time for any independent director because each director has effectively devoted time to perform his duties for the company by attending meetings regularly providing benefits to the company. Therefore, the company is confident that it does not impact each director's performance in any way.
- The company did not evaluate directors individually, since the evaluation in the form of The Board of Directors can reflect the performance as a whole, which each director can improve deficient parts of the topic very well.

### **Corporate Social Responsibility**

The Company has a report of the Corporate Social Responsibility was as the book in "CSR REPORT" and also appeared in the CD-annual report of 2015 submitted together with the notice of the General Meeting of Shareholders

## **Internal Control and Risk Management**

The Board of Directors' meeting No.1/2559 on 24<sup>th</sup> February 2016, attended by the Audit Committee members had evaluated for the company's internal control for the year 2015, and conclusively considered that the company had an internal control system which were sufficient and suitable to its present operation.

**Control Environment** The company has settled the suitable organization chart to be divided and responsible according to each work properly. The company also had set the clear operating target to be actually persuaded by the management team and staff team. This operating target has been carefully revised on its possibility. For consideration of remuneration to the management and staff are reasonably done. So that, the company used as a guide line (manual) of the committee for operating : Charter of the Board of Directors, Charter of the Audit Committee, Charter of the Nominating Committee, Charter of the Remuneration Committee, Charter of the Executive Committee, authorities, duties and responsibilities scope of the managing director in order to clarify in operating. Moreover, the regulation on ethics are properly regulated in order to prevent the abuse of their respective positions. In addition, the company stressed on royalty and ethics including fairness to customer and affiliates to be our main point in business operation.

**Risk Assessment** The company has set up The Risk Management Committee, to manage probable company risks in a systematic and efficient manner. The company always follow the update external and internal risk-factor probably be impacted to our business to prevent beforehand.

**Control Activities** The company had clearly prescribed level of authorized power, and distribute duty and responsibility of each section. With regard to the transactions carried out with connected parties, the company duly followed The Notification of The Capital Market Supervisory Board, together with the regulated process of approval and regularly report to the Audit Committee.

**Information & Communication** The Company stressed to the importance of Information and communication system in order to report précised data for directors, executives, the shareholders, or other related persons to be decided. The company exercises SAP Software system in order to manage the company's information for the most efficiency in working which will resulted the management for update information and right decision. There are also safety measures within the information system to prevent risk which might be occurred. All documents and accounting files are classified and cataloged in accordance with the general accepted accounting principles.

Prior to the meeting of the Board of Directors and shareholders, we delivers notice along with data which are sufficient for decision making in advance and within the period prescribed by law.

**Monitoring Activities** The company set performance targets and conducts comparison with actual performance. In the event of a discrepancy between target and actual, the company would effect remedial measure or modify operation plans to be in time and suitable situation. In addition, the regular inspection of performance pursuant to the internal control system are conducted by the internal audit section. The result of these inspections are reported directly to the Audit Committee, in case a significant defect has been detected,



the Audit Committee must inform Executive Board and directly report to the Board of Directors for remedial instruction to be given within a reasonable time.

From the appraisal of the company's internal control system in 5 items mentioned above, the Board of Directors has opinion that the company got suitable and sufficient internal control system. Nevertheless, the Board of Directors is well aware that any internal control system could not be guaranteed against all losses occurring from significant errors. Such a system is merely capable of preventing or guaranteeing against losses at a reasonable level and all members of the Audit Committee have the same opinion.

## Connected Transactions

The financial statements included transactions with related companies. The relationship may be by shareholding or the companies may have the same group of shareholders or directors' assets liability revenues and some expenses of company showed account relationship. On the 31<sup>st</sup> December, 2015 the significant transactions with the connected companies were as following consolidated the notes to the financial statements notes No. 5, 6 and 10 have done a fair market price and in accordance with normal trade or as agreed in the case where there was no reference market price.

### Connected Transaction in 2015

1. The Board of Directors at the meeting No. 5/2557 held on November 6, 2014 approved the various transactions entered with connected transactions, details as following:

#### Connected parties and relationship :

No.	Name of connected parties	Relationship
1.	T.U.C.Elastic Co.,Ltd.	Subsidiary company and Co-The Major Shareholder : SPI,ICC, WACOAL :
2.	Value Added Textile Co.,Ltd.	Associated Company

#### The General characteristics of transaction :

Company	Type of transaction	Example	Total amount	Value of Actual Transaction
1. T.U.C. Elastic Co., Ltd. 2. Value Added Textile Co., Ltd.	Supporting normal business transaction without general trading conditions	- Business consultancy fee	<u>Revenue item</u> Not over Baht 20,000,000.-	- Revenue item Baht 12,807,508.-  - Expense item Baht 713,940.-
	Transaction regarding rental or lease of immovable property	- Immovable property rental fee	<u>Expense item</u> Not over Baht 7,000,000.-	
	Transaction relating to assets or service	- Movable property rental fee		
	Financial support	- Lending	Not over Baht 40 million	Value Added Textile Co., Ltd. Lent 1 Million Baht

#### Pricing and Compensation Policies:

1. Business consultancy fee : Fee depend on the difficult and scope of service.
2. Immovable property rental fee : Set by cost plus reasonable profit.
3. Movable property rental fee : Fee depend on the condition and duration of such property in use.
4. Lending : Not less than company interest rate cost or time deposit rate quoted by commercial banks, whichever higher.

**Interested director does not attend a meeting nor has a vote**

**Transaction volume**

Above transactions are the transactions between Textile Prestige Public Company Limited and the connected parties, which considered to be transactions prescribed in the notification of the Stock Exchange of Thailand.

Category 2 Supporting normal business transaction without general trading conditions.

Category 3 Transaction regarding rental or lease of immovable property.

Category 4 Transaction related to assets or service.

Category 5 Financial assistance transaction.

The notification of the Stock Exchange of Thailand on disclosure of the information and operation of the listed company in connected transactions B.E. 2546 as of the category 2, 3 and 4 states that having transaction volume larger than Baht 1 million but less than Baht 20 million, or otherwise more than 0.03% but less than 3% of net tangible assets (NTA), whichever may be greater. And the category 5 that having transaction volume less than 3% of Net Tangible Asset (NTA) or less than Baht 100 million, whichever may be lower.

Since 0.03% of the company's NTA as of June 30, 2014, stand at Baht 0.61 million, as compared to 3% of such amount for Baht 61.05 million, therefore, such transaction volume be approved by the company's Board of Directors, while at the same time being required to be duly disclosed the information to the SET, without having to seek approval from the shareholders' meeting for this matter.

**Comment of Board of Directors and Audit Committee** : Approval of transaction concerning ; support normal business transaction without general trading conditions, transaction regarding lease of immovable property not exceeding 3 years, transaction related to assets or service and transaction regarding Financial support with connected parties according to above details, as they were considered to be normal business transactions, representing reasonable prices and other conditions concerned. Furthermore, such transactions should contribute to the company's further benefits, as well as help strengthen the company's business potential further, thereby promoting mutual business developments for the parties concerned.

**Necessities and Sensibility of transactions with those with possible conflict of interest**

Doing business under highly competitive environment would require business alliance or networks, both upstream and downstream, so as to increase liquidity in business operation which will then leads to the sustainable growth and development. Any interested persons are chain value, the company's business alliance, so it is necessary that the company engage in business transaction with them for the benefit to the company itself and its shareholders. This is achieved by setting as the market price or contracted price for the non-reference price.

2. The Extraordinary Meeting of Shareholders of Textile Prestige Public Company Limited No. 1/2558 on Monday, October 12, 2015 at 10:00 am., At the Montien Riverside Hotel, 372 Rama 3 Road, Bang Khlo, Bang Kholeam, Bangkok, has approved the transactions with related persons as following;

2.1 The Meeting approved the transfer of the textile business particularly with respect to the manufacture of underwear of the Company under the transfer of undertaking partial (Partial Business Transfer) and transfer of the 4 subsidiaries of the Company, and an affiliated company under the transfer of the entire business (Entire Business Transfer) to A Tech Textile Co., Ltd. by the votes of not less than three fourth of the total votes of the shareholders present at the meeting and entitled to vote, excluding the shareholders with interested. After the transfer, the four Subsidiaries and the affiliated company would be dissolved. The company already disclosed the information to The Stock Exchange of Thailand and submit the minutes of the shareholders to the relevant authorities within the period specified.

2.2 The Meeting approved the lease and service agreement with A Tech Textile Co., Ltd. for a period of three years whereby the parties can mutually agree to terminate the contract prior to maturity by the votes of not less than three fourth of the total votes of the shareholders present at the meeting and entitled to vote excluding the interested shareholders. The company disclosed the information to The Stock Exchange of Thailand submitted the minutes of the shareholders to the relevant authorities within the specified period.

3. The Board of Directors Meeting No. 5/2558 held on November 9, 2015, had approved the purchase of shares of Thai Naxis Co., Ltd. of 3,000 shares at the price of Baht 629.38 per share (book value per share as of June 30, 2015) amounted of Baht 1,888,140.- from T. U. C. Elastic Co., Ltd, a subsidiary and a related party to the Company. This is to invest in a company's supply chain and receive dividends. After the acquisition, the Company hold shares in Thai Naxis Co., Ltd. of 3,000 shares or representing 1.5 percent of the shares issued and paid up. The company disclosed the information to The Stock Exchange of Thailand already.

#### **Procedures or steps in the authorization of transactions**

1. As regards connected transactions which are part of the routine operations between the Company and a director, executive or connected person under general commercial terms as would be concluded by reasonable persons under the same circumstances, negotiated at arm's length without the exercise of any influence derived from the status of a director, executive officer or connected person, the management has sought approval from the Board of Directors on an annual basis, in the first Board of Directors' meeting subsequent to the annual general meeting of shareholders. This is to give the new Board of Directors notice of such matter. The management is also required to report all transactions made under those conditions to the Board of Directors every quarter.

2. Non-routine connected transactions. If the transaction value does not exceed the threshold to require approval of the shareholders' meeting pursuant to the regulations of the Stock Exchange of Thailand, the matter must first be considered by the Executive Committee. If the transaction value is within the Executive Committee authorization limit, approval of the connected transaction will be concluded at this stage. An interested person shall neither attend the meeting nor cast a vote. However, if the transaction value exceeds the authorization limit of the Executive Committee, the Executive Committee will submit its resolution to the

Board of Directors. The Board of Directors, in the presence of the Audit Committee, will consider the approval of the said transaction. An interested person shall, again, neither attend the meeting nor cast a vote.

#### **Criteria for Approval**

1. Regard to the benefits to the Company and subsidiaries in the Group in the present and future, e.g.
  - returns on investment, such as interests and dividends;
  - business opportunities of the Company
2. Securities which should be received by the Company in the transaction
  - performance bonds for the transaction;
  - status of the connected company and capabilities of the management.

#### **Policies and Trends of future transactions**

Transactions between companies will prevail but the volume depends on the economic situation as those with eventually possible conflict of interests are the company's chain value. The flexibility and adaptability of the chain value will eventually facilitate the business competition and thus benefit the shareholders. In recognition of its responsibilities to its shareholders, staff, and every party concerned, Textile Prestige has set up the policies to ensure effective corporate governance.

### Summary of Financial Information

Textile Prestige Public Company Limited and Subsidiary Companies

#### 1. Information from Financial Statements

(Unit : Baht)

Item	2015	2014*	2013
<b>Operating Result</b>			
Revenue from sales	928,605,097	952,274,593	1,895,685,717
Total Revenue	983,939,431	998,811,780	1,960,151,427
Cost of Sales	755,381,979	797,395,324	1,727,589,580
Gross Profit	176,334,611	155,193,122	181,007,295
Net Profit(Owners of the parent company)	90,048,046	94,715,757	48,004,558
<b>Financial Status</b>			
Total Assets	2,545,407,863	2,626,509,731	2,549,934,856
<b>Total Liabilities</b>	<b>329,889,407</b>	<b>369,648,151</b>	<b>352,885,884</b>
<b>Shareholders' Equity</b>	<b>2,215,518,456</b>	<b>2,256,861,580</b>	<b>2,197,048,972</b>

#### 2. Financial Ratio as of December 31

Item		2015	2014*	2013
<b>Liquidity Ratio</b>				
Current Ratio	(Times)	5.97	5.74	5.43
Quick Ratio	(Times)	3.13	4.09	3.74
Cash Flows from Operating Activities Ratio	(Times)	1.06	0.85	1.11
Account Receivable Turnover	(Times)	3.32	2.58	4.98
Average Collection Period	(Days)	108	139	72
Inventory Turnover	(Times)	3.46	2.26	4.44
Average Period of Sales	(Days)	104	159	81
Account Payable Turnover	(Times)	4.36	1.54	7.07
Payment Period	(Days)	83	234	51
<b>Profitability Ratio</b>				
Gross Margin	(%)	18.93	16.29	9.48
Rate of Operating Profit	(%)	7.87	6.24	(0.56)
Net Profit Ratio	(%)	9.15	9.48	2.45
Rate of Return on Net Worth	(%)	4.03	4.25	2.16
<b>Efficiency Ratio</b>				
Return on Total Assets	(%)	3.48	3.66	1.85
Return on Fixed Assets	(%)	32.26	28.04	21.72
Total Assets Turnover	(Times)	0.38	0.39	0.76
<b>Financial Policy Ratio</b>				
Debt to Equity Ratio	(Times)	0.15	0.16	0.16
Dividend Payment Ratio	(%)	**72.29	62.50	113.64
<b>Per Share Data</b>				
Book Value per Share	(Baht)	20.51	20.90	20.34
Earnings per Share	(Baht)	0.83	0.88	0.44

Notes : \*Data for 2014 restated to conform to the 2015 financial year.

\*\* The Board of Directors resolved for further proposal to set dividend payment rate at Baht 0.60 per share, to the Shareholder's General Meeting for Approval, on April 26, 2016.

### 3. Summary of financial statements of Textile Prestige Public Company Limited and it subsidiaries.

(Unit : thousand Baht)

Unit : thousand Baht

Highlight of financial statement	2015	%	2014*	%	2014	%	2013	%
STATEMENTS OF COMPREHENSIVE INCOME :								
Total revenues from operation	931,717	94.69	952,588	95.37	1,837,938	97.27	1,908,597	97.37
Other income	52,223	5.31	46,223	4.63	51,514	2.73	51,555	2.63
<b>Total</b>	<b>983,940</b>	<b>100.00</b>	<b>998,811</b>	<b>100.00</b>	<b>1,889,452</b>	<b>100.00</b>	<b>1,960,152</b>	<b>100.00</b>
Cost of sales	755,382	81.07	797,395	83.71	1,607,962	87.49	1,727,590	90.52
Operation Expenses	103,039	10.47	95,745	9.59	181,935	9.63	191,606	9.78
<b>Total</b>	<b>880,758</b>	<b>89.51</b>	<b>901,822</b>	<b>90.29</b>	<b>1,793,454</b>	<b>94.92</b>	<b>1,922,753</b>	<b>98.09</b>
EBITDA	226,500	23.02	248,942	24.92	241,395	12.78	195,481	9.97
Depreciation and amortization	123,319	12.53	151,949	15.21	151,949	8.04	161,170	8.22
Profit before finance costs and income tax	103,181	10.49	96,993	9.71	89,451	4.73	34,312	1.75
Profit (loss) for the year of discontinued operations.	(39,438)	(4.01)	(9,996)	(1.00)	-	-	-	-
<b>Net Profit (owners of the parent company)</b>	<b>90,048</b>	<b>9.15</b>	<b>94,716</b>	<b>9.48</b>	<b>94,716</b>	<b>5.01</b>	<b>48,005</b>	<b>2.45</b>
CASH FLOW STATEMENTS :								
NET CASH RECEIVED FROM OPERATING ACTIVITIES	262,694		200,437		200,437		277,846	
NET CASH USED IN INVESTING ACTIVITIES	(211,888)		(160,514)		(160,514)		(183,518)	
NET CASH USED IN FINANCING ACTIVITIES	(94,720)		(48,784)		(48,784)		(61,535)	
<b>Net increase (decrease) in cash</b>	<b>(43,914)</b>		<b>(8,861)</b>		<b>(8,861)</b>		<b>32,793</b>	
STATEMENTS OF FINANCIAL POSITION :								
cash and cash equivalents	99,194	3.90	148,680	5.66	148,680	5.66	157,540	6.18
Temporary investments	553,205	21.73	420,470	16.01	420,470	16.01	375,014	14.71
Trade and other receivables	171,532	6.74	389,499	14.83	389,499	14.83	348,434	13.66
Short-term loans to related companies	30,000	1.18	30,000	1.14	30,000	1.14	30,000	1.18
Inventories	86,945	3.42	349,458	13.31	349,459	13.31	357,534	14.02
Non-current assets held for sale	618,587	24.30	-	-	-	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>1,563,193</b>	<b>61.41</b>	<b>1,346,661</b>	<b>51.27</b>	<b>1,346,661</b>	<b>51.27</b>	<b>1,278,904</b>	<b>50.15</b>
long-term investments	438,916	17.24	417,567	15.90	417,569	15.90	302,041	11.85
Investment properties-net	140,482	5.52	140,482	5.35	140,482	5.35	140,482	5.51
Property, plant and equipment-net	357,268	14.04	684,472	26.06	684,472	26.06	793,786	31.13
<b>TOTAL ASSETS</b>	<b>2,545,408</b>	<b>100.00</b>	<b>2,626,510</b>	<b>100.00</b>	<b>2,626,510</b>	<b>100.00</b>	<b>2,549,935</b>	<b>100.00</b>
Trade and other payables	119,717	4.70	226,939	8.64	226,939	8.64	228,116	8.95
Liabilities associated with assets held for sale	136,245	5.35	-	-	-	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>262,941</b>	<b>10.33</b>	<b>234,591</b>	<b>8.93</b>	<b>234,591</b>	<b>8.93</b>	<b>235,584</b>	<b>9.24</b>
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>66,949</b>	<b>2.63</b>	<b>135,057</b>	<b>5.14</b>	<b>135,057</b>	<b>5.14</b>	<b>117,302</b>	<b>4.60</b>
<b>TOTAL LIABILITIES</b>	<b>329,889</b>	<b>12.96</b>	<b>369,648</b>	<b>14.07</b>	<b>369,648</b>	<b>14.07</b>	<b>352,886</b>	<b>13.84</b>
Registered share capital	108,000	4.24	108,000	4.11	108,000	4.11	108,000	4.24
Issued and paid-up share capital	108,000	4.24	108,000	4.11	108,000	4.11	108,000	4.24
Premium on ordinary shares	110,400	4.34	110,400	4.20	110,400	4.20	110,400	4.33
Other components of equity	64,692	2.54	86,335	3.29	86,335	3.29	65,166	2.56
Unappropriated Retained earnings	1,680,878	66.04	1,655,573	63.03	1,655,573	63.03	1,619,861	63.53
<b>EQUITY ATTRIBUTABLE TO PARENT COMPANY</b>	<b>2,106,854</b>	<b>82.77</b>	<b>2,097,849</b>	<b>79.87</b>	<b>2,097,849</b>	<b>79.87</b>	<b>2,035,964</b>	<b>79.84</b>
Non - controlling interests	108,665	4.27	159,013	6.05	159,013	6.05	161,085	6.32

Note : Percent (%) of Cost of sales comparing with Total revenues from operation

: \* Data of the year 2014 adjusted conform to the year 2015

## **Management Discussion and Analysis ( MD&A)**

### **Analysis of operations and financial statements**

#### **Economic Overview**

In 2015, Thailand's economy and the world economy has been slowly recovering, the factors affecting the economies are the plunge of oil price, drought and even terrorist situations happening around the world. Especially for Thailand, there are also slowdown in private investment, rising household debt and declining household spending despite the government spending acceleration. Those reasons caused the businesses to carefully manage and adjust their operations accordingly. The company focuses on the acquisition and control of costs and expenses to the appropriate level.

#### **Overview of Operations**

In 2015, the extraordinary shareholder's meeting No. 1 approved the company to sell and transfer all the textile business related to underwear business to A Tech Textile Company Limited, therefore the company must prepare and adjust the financial statements in accordance with Thai Accounting Standards and Thai Financial Reporting Standards including related interpretations and guidelines promulgated by the Federation of Accounting Professions etc. For better understanding in company's performance, the reports can be analyzed as follows.

#### **1. Analysis of the results for the year 2015 compared with the year 2014**

In 2015, Textile Prestige Limited Public Company Limited and its subsidiaries had revenue from operations totaled 1,880.31 million Baht, declined 0.49%, net profit 90.05 million Baht, decreased 4.93%, net profit ratio 4.78% and total assets of 2,545.41 million Baht, decreased by 3.09%, Equity attributable to Parent Company 2,106.85 million Baht, increased by 0.43%, Return on assets 3.48%, Return on equity 4.03%.

In 2015, the company has regroup its revenues by having its revenues of the continuing operations for 983.94 million Baht, decreased by 1.49% from the previous year and the revenues from the discontinued operations amounted to 896.37 million Baht, increased by 0.64%.

Whereas the profit from the continuing operations was reported at 114.458 million Baht, increased from last year for 17.49% and revenues from the discontinuing operations was showing a loss of 39.438 million Baht, increased by 294.54% from last year.

The management holds the view sees a slight decline in the overall performance in overall despite all the affects from the economies of both domestic and international. There are also other factors affecting the performances, such as a record plunge in oil prices and change in climate (drought in Thailand). The Management has attempted to increase work efficiency in every aspect regardless of the company's orders to decrease purchases in line with the economic conditions.



(unit : million Baht)

	2015	2014	Increase(Decrease)%
Total Revenues	1,880.310	1,889.450	(0.48)
- Continuing Operations	983.94	998.81	(1.49)
- Discontinued Operations	896.37	890.64	0.64
Net Profits for the Year	90.050	94.720	(4.93)
- Continuing Operations	114.458	97.423	17.49
- Discontinued Operations	(39.438)	(9.996)	(294.54)
Total Assets	2,545.41	2,626.51	(3.09)
Equity attributable to Parent Company	2,106.85	2,097.85	0.43
Net Profit Ratio (%)	4.78	5.01	
Return on Assets (%)	3.48	3.66	
Return on Equity (%)	4.03	4.25	

#### **Revenues from operation and Costs of Sales**

The company's total revenues in 2015, amounted to 1,823.21 million Baht, decreased by 14.73 million Baht or 0.80% due to the decline in domestic sales which decreased by 62.33 million Baht. The company's export increased by 47.60 million Baht. Revenues from subcontract declined by 2.86 million Baht. In 2015, Sales in traditional textile section increased by 6.15 million Baht or 0.69%, while sales in other section decreased by 36.0 million Baht or 4.10%

In 2015, the overall production and sales situations in the country has not fully recover. The textile business which relates to underwear was under the change of consumers' behavior which demand for cheaper products and careless for live long quality, therefore the sales was under low price pressure.

The company's other income in 2015 equaled 57.10 million Baht, an increase of 5.59 million Baht, which mainly comes from dividends and interest received from temporary investment. The cost of sales stated in the 2015 financial statements shows 87.06% comparing with the revenues from operation whereas last year was 87.49%, a decline by 0.43%

#### **Selling and Administrative Expenses**

In 2015, the company's selling expenses equaled 63.85 million Baht, increased from the previous year by 1.35 million Baht, mostly due to the decline in Sales. The company's administrative expenses amounted to 130.10 million Baht, increased by 18.29 million Baht or 16.35% where the consultant fees for the business transfers are playing a big part.

In 2015, the company's share of losses from investments in associated companies equaled 15.37 million Baht for an increase of 9.36 million Baht due to economic slowdown and the associated companies do not perform as plan.

### Corporate Income Tax Paid

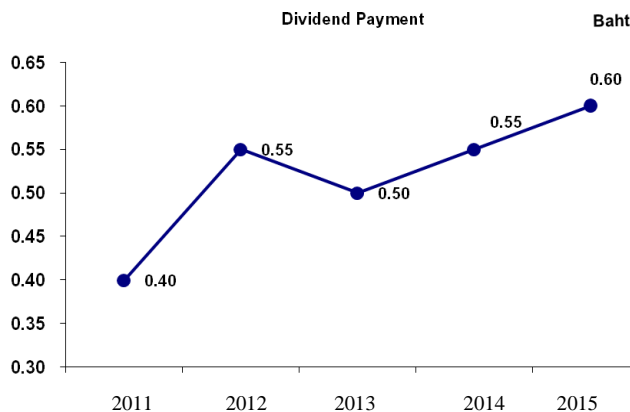
In 2015, corporate income tax paid was composed of corporate income taxes (3.37 million Baht), which decreased by 2.02 million Baht as a result of the company's lower profits, and deferred taxes of 11.15 million Baht, increased by 7.78 million Baht, due to the allocation of depreciation reserve when compared to the previous year.

### Profit Attributable to Owners of the Parent Company

In 2015, the company earned a net profit of 90.05 million Baht, while the previous year equaled 94.72 million Baht, showing a decline by 4.67 million Baht or 4.93%. The company's earnings per share is 0.83 Baht. The net profit total revenues is 4.78%. The return to shareholders equity is 4.03%. Return on Assets is 3.48%. The company's solid profit includes the cash flow from operation of 262.69 million Baht.

### Return to Shareholders

The company has a policy to pay dividend to shareholders for not less than 25% of par value depending on its performance and economic conditions. Throughout the past, the company has made consistent dividend payments. In 2015, the company earned a net profit of 90.05 million Baht with profit per share at 0.83 Baht, and on 24 February 2016 the Board of Directors' Meeting No. 1/2559 of the company passed a resolution to request for approval at the ordinary shareholders' meeting No. 41/2559 for dividend payment for performance in 2015 at the rate of 0.60 baht per share for a total of 64.80 million Baht. The dividend will yield 71.96% comparing with the company's net profit for the year. The aforementioned dividend payment is scheduled for 24 May 2016.



## **2. Financial Standing**

### Financial Overview

By the end of 2015, the company and its subsidiaries had total assets of 2,545.41 million Baht whereas the previous year equaled 2,626.51 million Baht, decreased by 81.10 million Baht or 3%, due to its interim dividends, hence decreased liquidity. The Company's liabilities equaled 329.89 million Baht, while the amount for the previous year equaled 369.65 million Baht, increased 39.76 million Baht or 10.76%, due to a decline in Trade Liability. The Company's equity attributable to parent company was 2,106.85 million Baht, compared to the previous year 2,097.85 million Baht, an increase of 9.0 million Baht or 0.42%. Two subsidiaries had paid

interim dividends. In 2015 Company's subsidiaries and associates carried loss statements, therefore the non-controlling interests equal to 108.66 million Baht, decreased by 50.35 million Baht or 31.67%.

Total Assets consisted of 1,563.19 million Baht in current assets (61.41%), (current assets for the continuing operation was 944.61 million Baht, equals to 37.11% and the discontinued operations was 618.58 million Baht). Long-term investments was 438.92 million Baht or 17.24%, fixed assets was 497.75 million Baht or 19.56%, and other assets was 45.54 million Baht or 1.78%.

Total liabilities consisted of Trade and other payables 119.71 million Baht (36.28%), Provision for employee benefits 48.11 million Baht (14.58%) and liabilities of discontinuing operation was 136.24 million Baht (41.37%). Other liabilities was 25.83 million Baht or 7.82%.

Shareholders' Equity consisted of the Company's equity attributable to parent company of 2,106.85 million Baht or 95.09%, non-controlling interests 108.66 million Baht or 4.91%.

## **ASSETS**

### **Cash and cash equivalents**

At the end of 2015, the Company had cash and cash equivalents 99.19 million Baht, comparing with the previous year 148.68 million Baht declined by 49.49 million Baht due to the increase in temporary and long-term investments. The acquisition of fixed assets increased and has paid dividends to shareholders.

Details includes cash 0.62 million Baht compared the previous year 0.36 million Baht, deposits payable on demand was 17.64 million Baht compared to the previous year at 7.82 million Baht, increased 10.82 million Baht and Certificates of Deposit 20.50 million Baht compared to the previous year at 40.50 million Baht decreased by 20.00 million Baht.

### **Temporary Investments**

At the end of 2015, the Company had investments in the financial statements at fair value was 553.20 million Baht, compared to 2014 at 420.47 million Baht, an increase of 132.73 million Baht (31.56%), due to the increase in company's cash flow from operations. For the benefit of the company, the excess liquidity was alternatively invest in appropriate funds to increase its returns.

Details includes Investment in Fixed Income Fund 435.82 million Baht compared to 230.97 million Baht of last year, increases by 204.85 million Baht, Certificates of deposit for 79.50 million Baht, compared to 59.50 million Baht, increase by 20.00 million Baht and Bills of Exchange 60.00 million Baht, compared to 130.00 million Baht, reduced by 70.0 million Baht.

### **Trade and other receivables**

At the end of 2015, the Company's accounts receivable and other receivables were 171.53 million Baht compared to 389.50 million Baht, decreased by 217.97 million Baht or 55.97% due to the decline in sales during the 4th quarter of 2015 due to diminishing orders.

The company's trade receivables and other receivables are good quality receivables that made all payments and, for the most part, were paid on schedule. Customers under doubtful account category are still paying off their debt while their accounts are sufficiently reserved by the company.

Details include Trade receivables that are not due 78.22% of its total equals to 261.54 million Baht compared to 329.72 million Baht of last year, decreased by 68.16 million Baht or 20.68%, Accounts Overdue

less than 3 months was 21.63% of its total equaled to 72.33 million Baht, compared to 56.33 million Baht, increased by 16.0 million Baht or 28.4%, due to customer's payment policies that do not meet the payment term. The receivables that was overdue more than 3 months was 1.11% of the total was 4.26 million Baht, compared to 4.33 million Baht, decreased by 0.07 million Baht. The company has made allowance for doubtful accounts at 3.83 million Baht. The other receivables of 2.74 million Baht compared to 3.85 million Baht, was the receivables that are not due.

The receivables which belongs to discontinuing operation was 165.5 million Baht and the receivables which belongs to the continuing operation was 171.53 million Baht.

### **Short-term lending**

At the end of 2015, the Company's short-term lending was 30 million Baht, same as last year, to provide loan to a related company. The loans are repayable on demand.

### **Inventories**

At the end of 2015, the Company's inventories was 272.99 million Baht, compared to 349.46 million Baht, decreases by 76.47 million Baht or 21.95% because the company has reduced its order and managed its inventory by utilizing its raw materials to make new products for sales.

Detailed inventory, finished product was 82.35 million Baht compared to 116.76 million Baht, declined by 34.41 million Baht or 29.47%, mostly was in production of 39.35 million Baht compared to 63.07 million Baht, decreases by 23.72 million Baht or 37.61% because customers' orders declined in the last quarter. Raw materials are at 114.32 million Baht, compared to 129.00 million Baht, declined by 14.68 million Baht or 11.38%. The inventories of the discontinuing operation was 186.05 million Baht and the inventories of the continuing operation was 86.94 million Baht.

### **Long-term Capital Investment**

By the end of 2015, the company's long-term investment amounted to 438.92 million Baht, while the amount for the previous year equaled 417.57 million Baht for an increase in investment of 21.35 million Baht. During 2015, there was some allowance for diminution in value of investments.

Capital Investment can be described as follows:

Net investments in associated companies are shown in the financial statement stated at equity method amounting to 54.06 million Baht at year's end in 2015 and 69.44 million Baht for the previous year, a decline by 15.38 million Baht or 22.15% due to the company's diminution in value of investments of 15.38 million Baht.

Investments in available-for-sale securities. As shown in the financial statement at fair cost value at 129.13 million Baht at year's end in 2015 comparing to 144.45 million Baht from the previous year accounted for a decline of 15.32 million Baht because the fair cost value on the market decreased. The aforementioned was recorded as unrealized profit on other components of the shareholder's equity. The return on the investment was received as a dividend payment of 3.81 million Baht in 2015 and 4.26 million Baht in the previous year. The rate of return for 2015 equaled to 10.04% per year as compared to 11.65% for the previous year.

Net investments in related and other companies are shown in the financial statement as cost price with allowance for diminution in value of investments. The investment value was 195.73 million Baht at year's end in 2015 and 203.68 million Baht for the previous year for a decline of 7.95 million Baht. During the year, allowance for diminution of investments was 8.69 million Baht in 2015. The dividend received was 10.58 million Baht in 2015, compares to 11.46 million Baht in the previous year, a decrease of 0.88 million Baht. Therefore the return on investment accounted for 4.77% for 2015 comparing to 5.19% in the previous year.

### **Fixed Assets, Property, Plant and Equipment**

The details are as follows:

The value of property for investment at year's end in 2015 amounted to 140.48 million Baht as the company had unused assets in operations and short-term rent in order to generate revenue during when the land was unused.

The value of net property, plant and equipment at year's end in 2015 after depreciation amounted to 588.07 million Baht, while the amount for the previous year amounted to 684.47 million Baht, a decrease of 96.04 million Baht or 14.08%. The property, plant and equipment of discontinuing operation was 230.80 million Baht and of the continuing operation was 357.27 million Baht.

### **Total Liabilities**

The company's total liabilities at year's end in 2015 amounted to 329.89 million Baht, while the amount for the previous year was 369.65 million Baht, decreased by 39.77 million Baht (10.75%) because the company decreased raw material purchases and used existing raw materials in its production process in 2015, thereby reducing the number of trade creditors. The total liabilities of the discontinuing operation was 136.24 million Baht, while the liabilities of the continuing operation was 193.62 million Baht.

### **Equity Attributable to Parent Company**

At year's end in 2015, the equity attributable to parent company totaled 2,106.85 million Baht, while the amount for the previous year equaled 2,097.85 million Baht for an increase of 9.00 million Baht (0.42%) because the operational profits in 2015 equaled 90.05 million Baht while other components of shareholders' equity increased by 21.64 million Baht and 59.04 million Baht of dividends were paid. Therefore, the company's book value at the end of 2015 equaled 19.50 Baht. When comparing with the previous year of 19.42 Baht, the increase was 0.08 Baht per share.

## **3. Quality of Assets**

### **Quality of Trade Receivables**

Net trade receivables with deductions of the allowance for doubtful accounts on the end of 2015 amounted to 334.31 million Baht, while the amount for the previous year equaled 385.91 million Baht for an increase of 51.60 million Baht (13.38%). Trade receivables are composed of trade receivables to related companies (31.74%) and other trade receivables (68.26%).

Trade receivables to related companies at the end of 2015 amounted to 106.12 million Baht, while the amount for the previous year equaled 147.20 million Baht for an increase of 41.08 million Baht (27.91%). The

balances of the aforementioned customers are not due for payment, and the company will be able to collect on receivables in the aforementioned amount since the receivables have engaged in trade with the company for a long of time and have an excellent payment record.

Other trade receivables at the end of 2015 amounted to 228.18 million Baht, while the amount for the previous year equaled 238.71 million Baht, declined by 10.53 million Baht or 4.41% or . The balance of the majority of the aforementioned receivables was not due, and the company will be able to collect payment in full because the aforementioned customers have traded with the company for a long time and have an excellent payment record. On the other hand, the company was at risk for customers not making payment from prolonged overdue payment, for which the company has allocated an allowance for the whole amount of doubtful debts.

### **Quality of Inventories**

At the end of 2015, the inventory of finished goods amounted to 82.35 million Baht, while the amount for the previous year equaled 116.76 million Baht, a decline by 34.41 million Baht (29.47%). The majority of goods was composed of good quality sellable goods and goods produced as per customer orders, and that are not due for delivery.

The inventory for goods in the production process at the end of 2015 amounted to 39.35 million Baht, while the amount for the previous year equaled 63.07 million Baht, declined by 23.72 million Baht or 37.61%. The aforementioned products are in the process of production per customer orders. Once processed, the aforementioned products can be sold to customers as scheduled by customers.

The raw material inventories amounted to 114.32 million Baht by the end of 2015, while the amount for the previous year equaled 129.00 million Baht, a decrease of 14.68 million Baht (11.38%). The majority of raw materials are prepared for use during the production process for customers as per purchase orders, while raw materials remaining from production for customers, the company will manufacture into finished goods for sale at various fairs.

### **Quality of Investment Capital**

#### **Investments in Available-For-Sale Securities**

The company has 129.13 million Baht in investments in available-for-sale securities as investment in ordinary shares in listed securities shown in the financial statement at fair value at the end of 2015, while the amount for the previous year equaled 144.45 million Baht, a decrease of 15.32 million Baht (10.62%). The aforementioned differences in this change have already been recorded in the other components of shareholder's equity and was shown as separate transaction. As for other consolidated profit and loss statements in 2015, 16.72 million Baht was reported in unrealized profits from adjustments to investments in available-for-sale securities, while the amount of loss for the previous year equaled 21.17 million Baht. For investments, the company received dividends 3.81million Baht in 2015 and 4.26 million Baht in the previous year. The rate of return for 2015 equaled 10.04% per year when compared to the capital of the previous year with return of 11.65%. The aforementioned was considered as good quality asset investment, which provided a satisfactory higher return than the banks' time deposit interest rates.

### **General Investment**

The company has other long-term investments in the form of investment in non-listed companies as shown in the financial statement in cost method with the allowance for diminution in value of investments, by year's end in 2015, amounted to 195.73 million Baht while the amount for the previous year was 203.68 million Baht for a decrease of 7.95 million Baht (3.90%). During the year there were diminution in value of investments for 2015 amounting to 8.69 million Baht, compare to 4.09 million Baht, an increase of 4.60 million Baht (112.46%). Investment returns were received in dividend payments amount to 10.58 million Baht in 2015, while the amount for the previous year was 11.45 million Baht for a decrease of 0.88 million Baht (7.68%). The rate of return was 4.77% per year in 2015 in comparison to a rate of return for the previous year amounting to 5.19%. The aforementioned are considered worthwhile investments for the company with satisfactory rates of return and remuneration higher than interest from ordinary bank time-deposits.

Overall, investments in ordinary shares that were both listed and non-listed with the stock exchange, the company has received ongoing investment returns. Furthermore, the rate of returns was satisfactory and higher than the rate of regular bank time-deposit interests.

### **Fixed Asset Quality**

#### **Property, Plant and Equipment**

The lands shown in the financial statement are assets long procured by the company. The value of the aforementioned was shown in cost method and the present value of the aforementioned lands was higher than the financial budget. As for machinery and equipment, the cost price shown in the cost value deducted by accumulated depreciation. Most of the machinery and equipment are modern and effective machines and regular maintenance. Moreover, any unutilized assets are sold and amortized from the account by the company.

## **4. Liquidity**

### **Cash Flow**

In 2015, the company's net cash flow from operations amounted to 262.69 million Baht, which was an increase from the previous year by 62.25 million Baht; 211.89 million Baht of the aforementioned had been used in investment activities, increase from the previous year by 51.38 million Baht; 94.72 million Baht was used in operating activities, which was a decrease from the previous year by 45.94 million Baht. Consequently, 2015 showed a decreased net cash flow of 43.91 million Baht.

Important investment activities of the company are 12.74 million Baht, investment in ordinary shares of related companies and 60.00 million Baht invested in Debt Instruments.

One of the company's significant operating activities was the payment of 106.97 million Baht of dividends to shareholders.

### **Capital Structure Suitability**

	Unit	2015	2014	2013
Debt to Equity Ratio	Times	0.15	0.16	0.16

The company's Debt to Equity Ratio was low because the company has a large amount of liquidity. Hence, the company did not require any loan for its business operations, expansions, various investments and for its dividend payment to shareholders.

#### **Liquidity Adequacy**

	Unit	2015	2014	2013
Liquidity Ratio	Times	5.95	5.74	5.43
Quick Ratio	Times	3.13	4.09	3.74
Operating Cash Flow Ratio	Times	1.06	0.85	1.11
Increased Cash Flow from Operations	Million Baht	262.69	200.44	277.85

According to the aforementioned ratios of finances and cash, the company has sufficient liquidity to operate its business and remain competitive. Furthermore, the company has excess liquidity; therefore, the company has set policies to manage finances by investing in bond assets with stability and good returns by investing in businesses that will further its competitiveness in the future.

#### **Cash Cycle**

	Unit	2016	2015*	2015	2014	2013
Days Inventory	Days	104	159	79	81	82
Average Collection Period	Days	108	139	72	72	67
Average Payment Period	Days	83	234	51	51	46
Cash Cycle	Days	129	64	100	102	103

Notice : 2015\*, the values were adjusted to comply with 2016

The company has been closely and constantly monitoring the situation of sales, marketing and economic conditions with other factors posing potential impact on sales and debt collection.

#### **Sources of Fund**

The company utilized its capital and retained earnings for operations and investments. The company has no liabilities with interest. Furthermore, the major portion of the company's liabilities shown in the financial statements are trade liabilities and other liabilities, deferred tax liabilities and retirement benefit obligations. According to the company's financial statement as of 2015, the company had 329.89 million Baht in total liabilities, whereas the equity attributable to parent company depicted at 2,106.85 million Baht.

#### **Factors or events potentially affecting the company's financial position or operations in the future**

In the extra ordinary meeting of shareholders No. 1/2558, the resolution to sell and transfer of the business and operation that specifically related to underwear (partial business transfer from the parent company and entire business transfer from T.U.C. Elastic Co., Ltd., Prestige Plus Co., Ltd., Prestige Embroidery Co., Ltd. and Value Added Textile Co., Ltd.) was approved. The mentioned businesses will be sold and transferred to related party, namely A Tech Textile Co., Ltd.



**Auditor's Remuneration**

The company and its subsidiaries paid auditing fees to the auditor's office at the amounts of 1,752,000 Baht in 2015 and 1,752,000 Baht in 2014.

**Fees for Other Services**

The company and its subsidiaries paid remuneration for other services such as operational inspections according to the conditions set by the board of the investment promotion to the auditor's office at the amount of 99,750 Baht in 2015 and 141,750 Baht in 2014.

## **The Board of Directors' Responsibility Report towards Financial Statements**

Board of Directors duly recognized their obligations and responsibilities in their status as the directors of SET listed company, to be responsible for the accuracy and completeness of financial statements. The Financial statements of Textile Prestige Public Company Limited and its subsidiary companies, were prepared in accordance with Thai Accounting Standards (“TAS”) and Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and prepared in accordance with accounting principles generally accepted in Thailand, based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimates. Furthermore, adequate significant information was disclosed in the notes to the financial statements, together with necessary clarification and analysis regarding the financial positions and performances by the company and its subsidiaries, so as to contribute to the interests of the shareholders and investors. Moreover, financial statements were duly audited and unqualified opinion with an emphasis of matters by independent certified public accountants.

The Board of Directors has supported and promoted good governance practice, internal control and risk management in an efficient and effective manner. These practices were intended to ensure that the recording of accounting information was carried out in an accurate, complete, and sufficient manner to reflect the Company's actual results of operations, while also safeguarding against any significant fraud.

Board of Directors appointed Audit Committee whose members comprising of independent directors to review the quality of the financial statements, internal control and risk management. The opinions of The Audit Committee were displayed in the Audit Committee's report contained in the annual report, as well as the annual registration statement (form 56-1).

The Board of Directors concluded that the good corporate governance practice, internal control and risk management, were well adequate and sufficient to provide the financial statements of Textile Prestige Public Company Limited and its subsidiaries ending December 31, 2015 with confidence and important context was accurately disclosed.

Manu Leelanuwatana  
(Mr. Manu Leelanuwatana)  
Chairman

Suchai Narongkananukul  
(Mr. Suchai Narongkananukul)  
Managing Director  
Chairman of the Executive Board

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS**

#### **TEXTILE PRESTIGE PUBLIC COMPANY LIMITED**

We have audited the accompanying consolidated financial statements of Textile Prestige Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as of 31 December 2015, and the related consolidated 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 Textile Prestige 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**

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

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

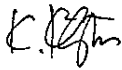
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Textile Prestige Public Company Limited and its subsidiaries and of Textile Prestige Public Company Limited as of 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

**Emphasis of Matter**

Without qualifying my opinion, I draw your attention to note 34 to the financial statements, On 27 January 2016, the Group has entered into sales and transfer business agreements of the Company, the subsidiary companies and the associated company, which specifically relating to textile businesses, to a related company, in the amount not exceeding Baht 863.50 million effectively on 1 February 2016. After such business transfer, the subsidiary companies and the associated company will be dissolved.



Ms. Kwunjai Kiatgungwalgri

Certified Public Accountant No. 5875

ASV & ASSOCIATES LIMITED

Bangkok

24 February 2016

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF 31 DECEMBER 2015**

		UNIT : BAHT			
		Consolidated financial statements		Separate financial statements	
		31 December	31 December	31 December	31 December
NOTES		2015	2014	2015	2014
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	7	99,194,488	148,679,634	97,990,731	125,749,417
Temporary investments	8	553,204,991	420,470,116	546,340,937	315,767,079
Trade and other receivables	9	171,532,137	389,498,938	171,121,239	396,900,043
Short-term loans to related companies	10	30,000,000	30,000,000	30,000,000	40,000,000
Inventories	11	86,944,904	349,458,719	78,093,777	197,130,561
Other current assets		3,729,324	8,553,767	2,031,302	6,411,908
Non-current assets held for sale	12	618,587,369	-	305,942,254	-
<b>TOTAL CURRENT ASSETS</b>		<b>1,563,193,213</b>	<b>1,346,661,174</b>	<b>1,231,520,240</b>	<b>1,081,959,008</b>
<b>NON CURRENT ASSETS</b>					
Investments in associated companies-net	13	54,058,871	69,438,815	46,251,648	73,616,873
Investments in subsidiary companies-net	14	-	-	215,352,428	259,300,933
Other long-term investments					
Investments in related and other companies-net	15.1	195,725,691	203,683,555	195,725,691	203,419,555
Investments in available-for-sale securities-net	15.2	129,131,490	144,446,534	129,131,490	144,446,534
Investments in debt securities held to maturity	15.3	60,000,000	-	60,000,000	-
Investment properties-net	16	140,482,475	140,482,475	140,482,475	168,433,716
Property, plant and equipment-net	17	357,268,468	684,472,003	334,762,973	459,576,690
Intangible assets-net	18	4,264,747	5,112,443	4,264,747	4,929,922
Deferred tax assets	30	40,777,860	31,455,535	40,777,860	29,936,212
Other non current assets					
Leasehold right-net		74,448	110,301	74,448	110,301
Deposits and guarantees		430,600	646,896	430,600	434,681
<b>TOTAL NON CURRENT ASSETS</b>		<b>982,214,650</b>	<b>1,279,848,557</b>	<b>1,167,254,360</b>	<b>1,344,205,417</b>
<b>TOTAL ASSETS</b>		<b>2,545,407,863</b>	<b>2,626,509,731</b>	<b>2,398,774,600</b>	<b>2,426,164,425</b>

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

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**AS OF 31 DECEMBER 2015**

		UNIT : BAHT			
		Consolidated financial statements		Separate financial statements	
		31 December	31 December	31 December	31 December
	NOTES	2015	2014	2015	2014
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Trade and other payables	19	119,717,124	226,938,782	119,927,757	238,072,288
Accrued corporate income tax		-	2,402,942	-	1,651,105
Other current liabilities		6,978,110	5,249,519	6,902,264	3,435,196
Liabilities directly associated with the non-current assets held for sale	12	136,245,384	-	89,672,166	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>262,940,618</b>	<b>234,591,243</b>	<b>216,502,187</b>	<b>243,158,589</b>
<b>NON CURRENT LIABILITIES</b>					
Retirement benefit obligation	20	48,109,359	112,809,173	47,415,198	85,311,192
Deferred tax liabilities	30	18,241,762	21,583,771	18,241,762	21,583,771
Other non current liabilities		597,668	663,964	597,668	619,163
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>66,948,789</b>	<b>135,056,908</b>	<b>66,254,628</b>	<b>107,514,126</b>
<b>TOTAL LIABILITIES</b>		<b>329,889,407</b>	<b>369,648,151</b>	<b>282,756,815</b>	<b>350,672,715</b>

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

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**AS OF 31 DECEMBER 2015**

		UNIT : BAHT			
		Consolidated financial statements		Separate financial statements	
		31 December	31 December	31 December	31 December
		2015	2014	2015	2014
NOTES					
<b>SHAREHOLDERS' EQUITY</b>					
Share Capital					
Registered share capital					
	108,000,000 ordinary shares of Baht 1 each	108,000,000	108,000,000	108,000,000	108,000,000
Issued and paid-up share capital					
	108,000,000 ordinary shares of Baht 1 each	108,000,000	108,000,000	108,000,000	108,000,000
Premium on ordinary shares					
		110,400,000	110,400,000	110,400,000	110,400,000
Retained earnings					
Appropriated					
	Legal reserve	21	10,800,000	10,800,000	10,800,000
	General reserve	22	132,083,607	126,740,857	132,083,608
	Unappropriated		1,680,878,238	1,688,001,186	1,633,215,770
Other components of equity					
			64,691,861	66,732,991	86,335,082
<b>EQUITY ATTRIBUTABLE TO PARENT COMPANY</b>		<b>2,106,853,706</b>	<b>2,097,848,881</b>	<b>2,116,017,785</b>	<b>2,075,491,710</b>
Non - controlling interests		108,664,750	159,012,699	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>2,215,518,456</b>	<b>2,256,861,580</b>	<b>2,116,017,785</b>	<b>2,075,491,710</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>2,545,407,863</b>	<b>2,626,509,731</b>	<b>2,398,774,600</b>	<b>2,426,164,425</b>

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

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

				UNIT : BAHT	
		Consolidated financial statements		Separate financial statements	
	NOTES	2015	2014	2015	2014
CONTINUING OPERATIONS					
Revenues from operation					
Revenue from sales		928,605,097	952,274,593	925,489,496	947,215,132
Revenue from hire of works		3,111,493	313,853	2,732,544	313,853
Total revenues from operation		931,716,590	952,588,446	928,222,040	947,528,985
Cost of operations					
Cost of sales		(755,381,979)	(797,395,324)	(744,201,242)	(794,800,675)
Total cost of operations		(755,381,979)	(797,395,324)	(744,201,242)	(794,800,675)
GROSS PROFIT		176,334,611	155,193,122	184,020,798	152,728,310
Other incomes					
Interest income		12,357,460	6,866,601	12,908,531	6,835,437
Rental income		5,692,888	5,812,928	19,214,756	19,430,606
Dividend income		14,332,384	15,718,522	78,860,909	23,158,317
Gain on disposal of fixed assets		316,950	108,165	1,140,423	108,165
Others		19,523,159	17,717,118	19,290,527	17,489,429
PROFIT BEFORE EXPENSES		228,557,452	201,416,456	315,435,944	219,750,264
Selling expenses		(45,400,246)	(46,264,847)	(45,193,896)	(46,216,187)
Administrative expenses		(54,482,290)	(46,189,638)	(52,659,490)	(45,089,384)
Allowance for diminution in value of investments		(8,682,005)	(4,092,213)	(92,744,234)	(23,815,845)
Directors' remuneration		(3,157,130)	(3,290,756)	(3,157,130)	(3,290,756)
Finance costs		(1,474)	(4,829)	(497)	(4,698)
Share of loss from investments in associated companies	13	(13,653,669)	(4,585,848)	-	-
PROFIT BEFORE INCOME TAX		103,180,638	96,988,325	121,680,697	101,333,394
Income tax income	30	11,277,688	435,616	11,283,688	599,973
NET PROFIT FOR THE YEAR					
FROM CONTINUING OPERATIONS		114,458,326	97,423,941	132,964,385	101,933,367
DISCONTINUED OPERATIONS					
Net profit (loss) for the year from discontinued operations	31	(39,438,254)	(9,996,853)	(13,436,219)	4,921,641
NET PROFIT FOR THE YEAR		75,020,072	87,427,088	119,528,166	106,855,008

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



**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>NET PROFIT FOR THE YEAR</b>	<b>75,020,072</b>	<b>87,427,088</b>	<b>119,528,166</b>	<b>106,855,008</b>
Other comprehensive income:-				
Other comprehensive income to be reclassified to profit or loss in subsequent period				
Actuarial loss - net tax	(8,275,186)	-	(6,234,056)	-
Unrealized gain (loss) on revaluation of available-for-sale securities - net tax	(13,368,035)	21,169,525	(13,368,035)	21,169,525
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR - NET TAX</b>	<b>(21,643,221)</b>	<b>21,169,525</b>	<b>(19,602,091)</b>	<b>21,169,525</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>53,376,851</b>	<b>108,596,613</b>	<b>99,926,075</b>	<b>128,024,533</b>
<b>PROFIT ATTRIBUTABLE TO:</b>				
Owners of the parent company	90,048,046	94,715,757	119,528,166	106,855,008
Non-controlling interests	(15,027,974)	(7,288,669)	-	-
	<b>75,020,072</b>	<b>87,427,088</b>	<b>119,528,166</b>	<b>106,855,008</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the parent company	68,404,825	115,885,282	99,926,075	128,024,533
Non-controlling interests	(15,027,974)	(7,288,669)	-	-
	<b>53,376,851</b>	<b>108,596,613</b>	<b>99,926,075</b>	<b>128,024,533</b>
<b>BASIC EARNINGS PER SHARE</b>				
Owners of the parent company (Unit : Baht)	0.83	0.88	1.11	0.99
Weighted average number of ordinary shares (Unit : shares)	108,000,000	108,000,000	108,000,000	108,000,000

The accompanying notes are an integral part of the financial statements

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015  
CONSOLIDATED FINANCIAL STATEMENTS

	NOTES	Issued and paid-up share capital	Premium on ordinary shares	Other components of equity							Total Equity of Parent Company	Non-controlling interest	Total shareholders equity	UNIT : BAHT
				Retained Earnings			Unrealized gain(loss) on revaluation of available-for-sale investments		Total other components of shareholders' equity					
				Appropriated -		Unappropriated	General Reserve	Legal Reserve	Actuarial loss	equity				
				General Reserve										
Balance as of 1 January 2014		108,000,000	110,400,000	10,800,000	121,736,795	1,619,861,247	65,165,557	-	65,165,557	2,035,963,599	161,085,373	2,197,048,972		
Total comprehensive income for the year		-	-	-	-	94,715,757	21,169,525	-	21,169,525	115,885,282	(7,288,669)	108,596,613		
Increase of non-controlling interest		-	-	-	-	-	-	-	-	-	9,801,200	9,801,200		
Dividend payment	23	-	-	-	-	(54,000,000)	-	-	-	(54,000,000)	(4,585,205)	(58,585,205)		
General reserve	22	-	-	-	5,004,062	(5,004,062)	-	-	-	-	-	-		
Balance as of 31 December 2014		108,000,000	110,400,000	10,800,000	126,740,857	1,655,572,942	86,335,082	-	86,335,082	2,097,848,881	159,012,699	2,256,861,580		
Total comprehensive income for the year		-	-	-	-	90,048,046	(13,368,035)	(8,275,186)	(21,643,221)	68,404,825	(15,027,974)	53,376,851		
Increase of non-controlling interest		-	-	-	-	-	-	-	-	-	12,251,500	12,251,500		
Dividend payment	23	-	-	-	-	(59,400,000)	-	-	-	(59,400,000)	(47,571,475)	(106,971,475)		
General reserve	22	-	-	-	5,342,750	(5,342,750)	-	-	-	-	-	-		
Balance as of 31 December 2015		108,000,000	110,400,000	10,800,000	132,083,607	1,680,878,238	72,967,047	(8,275,186)	64,691,861	2,106,853,706	108,664,750	2,215,518,456		

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

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

SEPARATE FINANCIAL STATEMENTS

	NOTES	Issued and paid-up share capital	Premium on ordinary shares	Retained Earnings				Other components of equity				UNIT : BAHT
				Appropriated -		Unappropriated	Unrealized gain(loss) on revaluation of available -for-sale investment	Actuarial loss	Total other components of shareholders' equity	Total shareholders' equity		
				Legal Reserve	General Reserve							
Balance as of 1 January 2014		108,000,000	110,400,000	10,800,000	121,736,795	1,585,364,825	65,165,557	-	65,165,557	2,001,467,177		
Total comprehensive income for the year		-	-	-	-	106,855,008	21,169,525	-	21,169,525	128,024,533		
Dividend payment	23	-	-	-	-	(54,000,000)	-	-	-	(54,000,000)		
General reserve	22	-	-	-	5,004,063	(5,004,063)	-	-	-	-		
Balance as of 31 December 2014		108,000,000	110,400,000	10,800,000	126,740,858	1,633,215,770	86,335,082	-	86,335,082	2,075,491,710		
Total comprehensive income for the year		-	-	-	-	119,528,166	(13,368,035)	(6,234,056)	(19,602,091)	99,926,075		
Dividend payment	23	-	-	-	-	(59,400,000)	-	-	-	(59,400,000)		
General reserve	22	-	-	-	5,342,750	(5,342,750)	-	-	-	-		
Balance as of 31 December 2015		108,000,000	110,400,000	10,800,000	132,083,608	1,688,001,186	72,967,047	(6,234,056)	66,732,991	2,116,017,785		

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

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**CASH FLOW STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

	UNIT : BAHT			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit (loss) before income tax				
Continuing operations	103,180,638	96,988,325	121,680,697	101,333,394
Discontinuing operations	(35,947,439)	(7,542,415)	(13,599,309)	4,200,961
Profit before income tax	67,233,199	89,445,910	108,081,388	105,534,355
Adjustments : -				
Depreciation and amortization	123,318,950	151,949,397	86,998,525	102,684,805
Allowance for doubtful accounts (Reversal)	(640,000)	(2,416,398)	(640,000)	(2,416,399)
Allowance for diminution in value of investments	8,682,005	4,092,213	92,744,234	23,815,845
Corporate income tax written off	387,323	448,176	-	(38,830)
Unrealized gain from investment revaluation	(1,351,156)	(904,157)	(1,268,710)	(771,188)
Gain on disposal of fixed assets	(271,535)	(2,751,578)	(1,156,874)	(111,414)
Loss from retirement of fixed assets	46,657	889,650	16,451	3,249
Gain on exchanges	(421,977)	(427,260)	(422,166)	(427,260)
Dividend income	(14,392,384)	(15,718,522)	(78,860,909)	(23,158,317)
Interest expenses	2,388	4,829	497	4,698
Interest income	(13,357,526)	(7,765,150)	(12,908,531)	(6,835,437)
Share of loss from investments in associated companies	15,379,944	6,011,950	-	-
<b>Cash flows before changes in operating assets and liabilities</b>	<b>184,615,888</b>	<b>222,859,060</b>	<b>192,583,905</b>	<b>198,284,107</b>
Operating assets (increase) decrease				
Trade and other receivables	52,402,775	(36,574,719)	56,968,074	(40,690,733)
Inventories	76,464,019	7,961,767	62,951,149	(14,161,003)
Other current assets	3,380,302	1,978,328	4,520,863	2,056,441
Other non current assets	-	-	4,081	-
Operating liabilities increase (decrease)				
Trade and other payables	(31,268,986)	(2,521,694)	(54,631,188)	9,375,689
Other current liabilities	4,725,712	1,067,746	4,505,627	141,254
Retirement benefit obligation	(21,865,052)	12,439,229	(21,341,545)	7,298,330
Other non current liabilities	(19,256)	23,495	(21,495)	23,495
<b>CASH PROVIDED FROM OPERATING ACTIVITIES</b>	<b>268,435,402</b>	<b>207,233,212</b>	<b>245,539,471</b>	<b>162,327,580</b>
Interest paid	(2,387)	(4,829)	(497)	(4,698)
Corporate income tax paid	(5,739,171)	(6,791,618)	(3,701,601)	(5,996,258)
<b>NET CASH RECEIVED FROM OPERATING ACTIVITIES</b>	<b>262,693,844</b>	<b>200,436,765</b>	<b>241,837,373</b>	<b>156,326,624</b>

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

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**CASH FLOW STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

**UNIT : BAHT**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
(Increase) decrease in temporary investments	(153,494,976)	(44,551,619)	(229,305,148)	8,446,001
Purchase of investment in associated company	-	(71,170,000)	-	(71,170,000)
Purchase of investment in subsidiary company	-	-	(12,748,500)	(10,198,800)
Purchase of investments in related companies	(1,624,140)	(28,000,000)	(1,888,140)	(28,000,000)
Purchase of investments in available-for-sale securities	(1,395,000)	-	(1,395,000)	-
Purchase of investments in debt securities held to maturity	(60,000,000)	-	(60,000,000)	-
Decrease in short-term loans to related company	-	-	10,000,000	37,000,000
Cash received from capital reduction of a related company	900,000	-	900,000	-
Interest received	14,450,720	6,035,772	13,200,024	5,848,693
Purchase of fixed assets	(25,535,465)	(41,646,061)	(9,015,879)	(15,138,396)
Purchase of computer software	(63,850)	(83,050)	(30,050)	(73,450)
Proceeds from disposal of fixed assets	481,900	3,182,874	1,225,725	111,446
Dividend income from other long term investments	14,392,384	15,718,522	78,860,909	23,158,317
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(211,888,427)</b>	<b>(160,513,562)</b>	<b>(210,196,059)</b>	<b>(50,016,189)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Dividend payment	(59,400,000)	(54,000,000)	(59,400,000)	(54,000,000)
Dividend payment to minority interest	(47,571,475)	(4,585,205)	-	-
Cash received from minority interest of subsidiary	12,251,500	9,801,200	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(94,719,975)</b>	<b>(48,784,005)</b>	<b>(59,400,000)</b>	<b>(54,000,000)</b>
<b>Cash and cash equivalent classified as non-current assets held for sale</b>	<b>(5,570,588)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENT INCREASE (DECREASE) - NET</b>	<b>(49,485,146)</b>	<b>(8,860,802)</b>	<b>(27,758,686)</b>	<b>52,310,435</b>
Cash and cash equivalent - beginning of the year	148,679,634	157,540,436	125,749,417	73,438,982
<b>CASH AND CASH EQUIVALENT AS OF 31 DECEMBER</b>	<b>99,194,488</b>	<b>148,679,634</b>	<b>97,990,731</b>	<b>125,749,417</b>

**ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS :**

Significant non-cash items consist of :

- Unrealized gain (loss) on revaluation of available- for-sale securities	(16,710,044)	26,461,906	(16,710,044)	26,461,906
- Actuarial loss	(9,974,893)	-	(7,792,570)	-
- Recognize - increasing of deferred tax assets	15,865,199	3,371,945	15,711,052	5,730,902
- Recognize - increasing (decreasing) of deferred tax liabilities	330,164	(5,292,382)	2,546,489	(5,292,382)
- Transfer of inventories to fixed assets	-	113,474	-	-
- Payable for fixed assets acquisition	724,344	1,345,613	-	391,451

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

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**1. GENERAL INFORMATION**

- 1.1** Registration      Textile Prestige Public Company Limited (“The Company”) is a juristic person incorporated in Thailand and listed on the Stock Exchange of Thailand on 22 July 1987.
- 1.2** Office locations      The registered office and its factory is located at 704/1-9 Rama 3 Road, Kwaeng Bangpongpan, Khet Yannawa, Bangkok, Thailand. The Company has 5 branches located as follows:-
- 600 Moo 11, Sukhapiban 8 Road, Nongkham, Sriracha, Chonburi, Thailand.
  - 624/5-8 Moo 11, Sukhapiban 8 Road, Nongkham, Sriracha, Chonburi, Thailand.
  - 600/3 Moo 11, Sukhapiban 8 Road, Nongkham, Sriracha, Chonburi, Thailand.
  - 111/2 Moo 5, Suwanasorn Road, Nonsee, Kabinburi, Prajinburi, Thailand
  - 600/49 Moo 11, Sukhapiban 8 Road, Nongkham, Sriracha, Chonburi, Thailand.
- 1.3** Main activities      - Manufacturing of embroidery, knitting and weaving all kind of yarns, non-weaving clothes and dyeing.
- Sales of accessories for ready-made garments and hire of works.
- Investing in associated and subsidiary companies.

**2. BASIS FOR PRESENTATION OF THE FINANCIAL STATEMENTS**

- 2.1** The financial statements are prepared in accordance with Thai Accounting Standards (“TAS”) and Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and the presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011 under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission (SEC).
- 2.2** The financial statements have been prepared on the historical cost basis except where otherwise disclosed in the accounting policies.

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**2.3 Using of accounting estimates**

The preparation of financial statements in conformity with TAS and TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

**2.4** 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.

**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.

**3.1 APPLICATION OF NEW FINANCIAL REPORTING STANDARDS**

The FAP issued the following financial reporting standards that are effective for fiscal years beginning on or after 1 January 2015, as follows :-

**Accounting standards**

TAS 1 (revised 2014)	Presentation of Financial Statements
TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of Cash Flows
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2014)	Events after the Reporting Period
TAS 11 (revised 2014)	Construction Contracts
TAS 12 (revised 2014)	Income Taxes
TAS 16 (revised 2014)	Property, Plant and Equipment
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 19 (revised 2014)	Employee Benefits
TAS 20 (revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

TAS 23 (revised 2014)	Borrowing Cost
TAS 24 (revised 2014)	Related Party Disclosures
TAS 26 (revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2014)	Separate Financial Statements
TAS 28 (revised 2014)	Investment in Associates and Joint Ventures
TAS 29 (revised 2014)	Financial Reporting in Hyperinflationary Economics
TAS 33 (revised 2014)	Earnings per Share
TAS 34 (revised 2014)	Interim Financial Reporting
TAS 36 (revised 2014)	Impairment of Assets
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2014)	Intangible Assets
TAS 40 (revised 2014)	Investment Property

**Financial Reporting Standards**

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

**Accounting Standard Interpretations**

TSIC 10 (revised 2014)	Government Assistance-No specific Relation to Operating Activities
TSIC 15 (revised 2014)	Operating Leases-Incentives
TSIC 25 (revised 2014)	Income Taxes-Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2014)	Service Concession Arrangements : Disclosures
TSIC 31 (revised 2014)	Revenue-Barter Transactions Involving Advertising Services



**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

TSIC 32 (revised 2014)	Intangible Assets-Web Site Costs
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**Financial Reporting Standards Interpretations**

TFRIC 1 (revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2014)	Applying the Restatement Approach under TAS29 (revised 2014) Financial Reporting in Hyperinflationary Economics
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2014)	Service Concession Arrangements
TFRIC 13 (revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 (revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2014)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2014)	Transfers of Assets from Customers
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

These financial reporting standards do not have any significant impact on the financial statements.

**3.2 NEW ACCOUNTING STANDARDS ISSUED AND NOT YET EFFECTIVE**

In addition to financial reporting standards issued and revised as mentioned in note 3.1, the FAP has also issued and revised the other number of financial reporting standards which will become effective for annual financial periods beginning on or after 1 January 2016. The Group does not plan to adopt these TFRS early. These standards are as follows :-

**Accounting standards**

TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events after the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Cost
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investment in Associates and Joint Ventures
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economics
TAS 33 (revised 2015)	Earnings per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 40 (revised 2015)	Investment Property
TAS 41	Agriculture

**Financial Reporting Standards**

TFRS 2 (revised 2015)	Share-based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 4 (revised 2015)	Insurance Contracts
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangements
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**Accounting Standard Interpretations**

TSIC 10 (revised 2015)	Government Assistance-No specific Relation to Operating Activities
TSIC 15 (revised 2015)	Operating Leases-Incentives
TSIC 25 (revised 2015)	Income Taxes-Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2015)	Service Concession Arrangements : Disclosures
TSIC 31 (revised 2015)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (revised 2015)	Intangible Assets-Web Site Costs

**Financial Reporting Standards Interpretations**

TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2015)	Applying the Restatement Approach under TAS29 (revised 2015) Financial Reporting in Hyperinflationary Economics
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2015)	Service Concession Arrangements
TFRIC 13 (revised 2015)	Customer Loyalty Programmes
TFRIC 14 (revised 2015)	TAS 19 (revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2015)	Transfers of Assets from Customers
TFRIC 20 (revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

The Group's management is in the process to assess the impact on the financial statements for the year in which they are effective.

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**4.1 Revenue and expenses recognition**

Sale of goods is recognized in the statement of comprehensive income when the significant risks and rewards of ownerships have been transferred to the customers. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Sales of goods are the invoice value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Dividend income is recognized when the right to receive the dividend is established.

Other income and other expenses are recognized by accrual basis.

**4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand, call deposits 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 and allowance for doubtful accounts**

Trade accounts receivable are stated at net realizable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is based on analysis of debtor aging and the current status of receivables outstanding at the statement of financial position date.

**4.4 Inventories**

Inventories are valued at the lower of cost (moving average) or net realizable value.

Cost of inventories are comprised of all costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In case of finished goods and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realizable value is estimated selling price in the ordinary course of business less estimated costs to complete and to make the sale.

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**4.5 Non-current assets and liabilities held for sale**

Assets and liabilities are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is met only when the sale is highly probable and the asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets. Management must commit to the sale of the assets and they must be actively marketed at a price that is reasonable compared to their current fair value, with the expectation that sale should be recorded as completed within one year from the date of classification. The assets and liabilities classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

The Group ceases to depreciate and amortize property, plant and equipment and intangible assets from the date the assets meet the criteria for classification as assets held for sale. The Group continues to recognize liabilities, including interests and other expenses attributable to liabilities classified as held for sale.

**4.6 Investments**

- Investments in securities held for trading are stated at fair value. Gains or losses arising from changes in the carrying amounts of the securities are included in the statements of comprehensive income.
- Investments in available-for-sale securities mean investments in listed securities stated at fair value, with the objective for long-term investments. Changes in the carrying amounts of securities are recorded as separate item in the other comprehensive income until the securities are sold, and the changes are then included in the statements of comprehensive income.
- 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 by the effective rate method with the amortised amount presented as an adjustment to interest income.
- Investments in associated companies mean the company in which the parent company in the group companies has shareholding from 20% to 50% of the total voting rights or has significant influence under the parent company in the group companies; that is, it has power to participate in determining relating to the financial and operating policies of the enterprise but not up to the level of governing such policies. Investments in associated companies are stated by equity method for the consolidation and cost method for the separate financial statements.
- Investments in subsidiary companies mean those companies in which the parent company in the group companies, directly or indirectly, has power more than one half of the total voting rights or power to govern the financial and operating policies of the subsidiaries. Investments in subsidiaries are presented by cost method in the separate financial statements.

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- Investments in related companies mean those companies in which the group companies have shareholding less than 20% and/or the companies which directly or indirectly have some common management, major shareholders or such related persons. Investments in related companies are stated at cost net after provision for diminution in value of the investments.
- Investments in other companies are those companies in which the group companies have shareholding but have no power to govern or participate in setting up any policy. Investments in other companies are stated at cost net after provision for diminution in value of the investments.

The fair value of marketable securities is based on the latest bid price of the last working day of the year quoted on the Stock Exchange of Thailand. The fair value of unit trusts is determined from their net asset value.

Weighted average method is used for the computation of cost of investments.

**4.7 Investment properties**

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, (if any).

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalized borrowing costs.

Depreciation is charged to the statement of comprehensive income on the straight-line basis over the estimated useful life of each asset. The estimated useful lives of the assets are as follows :-

Land	Not depreciated
Land improvements	5 years
Building and structures	20 years

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**4.8 Property, plant and equipment**

Properties are stated at cost, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, (if any).

Cost of property, plant and equipment include purchase price and other direct costs relating to the acquisition of such asset item.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and its subsidiaries and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Depreciation is charged to the statement of comprehensive income on the straight-line basis over the estimated useful life of each asset. The estimated useful lives of the assets are as follows :-

Building and structures	20 years
Machineries	5-10 years
Other fixed assets	3-5 years
Fixed assets obtained from merging with subsidiary company	
Building	10 years
Machineries (acquired before 1998)	5 years
Machineries (acquired since 1998)	10 years
Other fixed assets	5 years

The Group does not provide depreciation on land and assets under installation.

Finance cost which related to construction or machinery under installation are recorded as cost of assets.

The Group has reviewed useful lives and residual values at least at each financial year-end. In case that the residual value or estimated useful lives differs from those originally estimated, such changes are considered changes in accounting estimates.

**4.9 Intangible assets and amortization**

Intangible assets are computer software amortized by the straight-line method in 5 years (acquired before 2009) and 10 years (acquired since 2009).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life. The amortisation expense is charged to the comprehensive income statements.

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**4.10 Leasehold right**

Leasehold right is stated at cost less accumulated amortization. Amortisation is calculated by reference to cost on the straight-line basis over the leasehold period.

Amortisation is charged to the comprehensive income statements.

**4.11 Impairment of assets**

At each reporting date, the Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment loss is recognized in the comprehensive income statements. (An asset's recoverable amount is the higher of fair value less costs to sell and value in use).

**4.12 Operating lease**

Lease in which substantially all the risks and rewards of ownership of assets remain with the lessor is accounted for as operating lease. Rentals applicable to such operating leases are charged to the statement of comprehensive income over the lease terms.

**4.13 Provision**

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

Presentation for a provision in statement of comprehensive income is the net amount which can be reimbursed.

**4.14 Related party transactions**

Related parties and related companies with the Group means the parties or the companies that have the controlling power to the Group, controlled by the Group either directly or indirectly, or under the same control with the Group. Furthermore, the related parties and related companies also means the associated companies and the parties who have holding interest with voting rights, either directly or indirectly, and have significant influence to the Group, important management, being directors or employees of the Group who have the power to manage and control the Company's operations and subsidiary companies including the family members close to the said persons which could persuade or to act in compliance with the said persons and businesses that the said persons have controlling power or significant influence, either directly or indirectly.



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**4.15 Foreign currency transactions**

Foreign currency transactions are translated into Baht at the rates ruling on the occurrence dates. Assets and liabilities in foreign currency outstanding on the statement of financial position date are translated into Baht at the reference exchange rates as determined by the Bank of Thailand on the statement of financial position date, except the transactions of forward exchange contracted with the banks will be recognised at fair value.

Exchange gains or losses are included as incomes or expenses in the statements of comprehensive income.

**4.16 Employee benefits**

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

- **Defined contribution plans**

**Provident fund**

The Group operates a provident fund, being a defined contribution plan, the assets for which are held in a separate trust fund and managed by a fund manager. The provident fund is contributed by payments from employees and by the Group. The Group contributions to the provident fund are charged to the statement of comprehensive income in the years to which they relate.

- **Defined benefit plans**

**Termination and retirement benefits**

Under Labor Laws applicable in Thailand and the Group's employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement age of 55. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at a maximum rate of 300 days of final salary. And employees who have provided the services to the Group more than 20 years, the special severance pay on termination or retrenchment without cause will be compensated at the rate specified.

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The Group provides provision regarding the employee benefits under defined benefits plan by using the actuarial technique. The present value of the defined benefits obligation is determined by discounting estimated future cash flows using yields on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, length of service and other. The costs associated with providing these benefits are charged to the statements of comprehensive income so as to spread the cost over the employment period during which the entitlement to benefits is earned.

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

**4.17 CORPORATE INCOME TAX**

**Income tax expenses**

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 tax authorities, based on taxable profit 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 recognizes deferred tax liabilities for all taxable temporary differences while they recognize 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 such deductible temporary differences and tax losses carried forward that can be utilized.

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

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

**4.18 Fundamental earnings per share**

Fundamental earnings per share are calculated by dividing net income by the number of ordinary shares outstanding at the end of the year.

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**4.19 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 Group applies a quoted market price in an active market to measure their 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 Group 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 Group 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.

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**5. BASIS OF THE CONSOLIDATION OF FINANCIAL STATEMENTS**

These consolidated financial statements include the financial statements of Textile Prestige Public Company Limited and four subsidiaries (“The Group”).

As of 31 December 2015 and 2014, the structure of shareholding in subsidiaries is as follows:-

	Percentage of shareholding		Incorporated in	Type of businesses
	2015	2014		
Prestige Plus Co., Ltd.	99.9998	99.9998	Thailand	Dyeing
Prestige Embroidery Co., Ltd.	99.9998	99.9998	Thailand	Manufacturing lace fabric
T.U.C. Elastic Co., Ltd	52.2375	52.2375	Thailand	Manufacturing “stretch fabric” and elastic tape
TPCNIC Co., Ltd.	50.9940	50.9940	Thailand	Manufacturing and sales of industrial spare parts

- Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
- Subsidiaries’ financial statements are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- The subsidiaries’ financial statements are prepared on the same reporting period as the Company’s, using consistent significant accounting policies.
- Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- Non-controlling interest represents the portion of net income or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated statements of comprehensive income and in the shareholders’ equity in the consolidated statements of financial position.

**6. RELATED PARTY TRANSACTIONS**

The Company had transactions with its subsidiaries and related parties, given that those companies having the same group of shareholders or mutual directors. Significant inter-company transactions and outstanding balances are summarized below :-

Related companies	Type of business relationship
1. Associated companies	See Note 13
2. Subsidiary companies	See Note 14
3. Related companies	See Notes 15.1 and 15.2

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The details of related companies, type of businesses, and relationships are as follows :-

Related companies	Type of business	Relationship
1. Thai Wacoal Plc.	Ladies' lingerie manufacturer	Co-directors, Co-shareholders
2. Wacoal Lampoon Co., Ltd.	Ladies' lingerie manufacturer	Co-directors, Co-shareholders
3. Wacoal Kabinburi Co., Ltd.	Ladies' lingerie manufacturer	Co-directors, Co-shareholders
4. Thanulux Plc.	Garment manufacturer	Co-directors, Co-shareholders
5. Pattaya Lamphun Co., Ltd.	Ladies' lingerie manufacturer	Co-directors, Co-shareholders
6. Pattaya Manufacturing Co., Ltd.	Ladies' lingerie manufacturer	Co-directors, Co-shareholders
7. Pattaya Kabinburi Co., Ltd.	Ladies' lingerie manufacturer	Co-directors, Co-shareholders
8. Saha Pathanapibul Plc.	Consumer goods distributor	Co-directors, Co-shareholders
9. SR.W.Garment Co., Ltd.	Garment manufacturer	Co-directors, Co-shareholders
10. Thai Takeda Lace Co., Ltd.	Lace fabric manufacturer	Co-directors, Co-shareholders
11. Racha Uchino Co., Ltd.	Household textile	Co-directors, Co-shareholders
12. Grand Star Industry Co., Ltd.	Garment manufacturer	Co-directors, Co-shareholders
13. Pitakkij Co., Ltd.	Services	Co-shareholders
14. Thaisecom Pitakkij Co., Ltd.	Security system	Co-directors, Co-shareholders
15. Thai Itokin Co., Ltd.	Garment manufacturer	Co-directors, Co-shareholders
16. Eastern Thai Consulting 1992 Co., Ltd.	Environmental consultation	Co-shareholders
17. MBTS Broking Services Co., Ltd.	Agency	Co-directors, Co-shareholders
18. Sun 108 Co., Ltd.	Importer and distributor automated machines	Co-shareholders
19. S D K C Co., Ltd	Distributor of consumable goods	Co-directors, Co-shareholders
20. Kabin Pattanakij Co., Ltd	Distributor of consumable goods	Co-shareholders
21. Siam Samsung Assurance Co., Ltd	Insurance	Co-shareholders
22. PTK Multi Service Co., Ltd	Security and gardening management	Co-shareholders
23. Sariraporn Co., Ltd	Investment	Co-directors, Co-shareholders

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**Outstanding balances of assets and liabilities with related companies can be summarized as follows:**

	<b>UNIT : BAHT</b>			
	Consolidated financial statements		Separate financial statements	
	As of 31 December		As of 31 December	
	2015	2014	2015	2014
<b>1. Trade receivables</b>				
- Subsidiary companies	-	-	2,212,510	7,014,164
- Associated companies	41,458	131,036	41,458	16,639
- Related companies	106,067,511	147,068,908	106,067,511	147,068,908
Total	106,108,969	147,199,944	108,321,479	154,099,711
<b>2. Other receivables</b>				
- Subsidiary companies	-	-	2,646,016	2,926,133
- Associated companies	125,276	91,315	125,276	91,315
Total	125,276	91,315	2,771,292	3,017,448
<b>3. Accrued income</b>				
- Subsidiary companies	-	-	140,000	4,110
- Associated companies	108,821	7,850	108,821	7,850
Total	108,821	7,850	248,821	11,960
<b>4. Short term loans</b>				
- Subsidiary companies	-	-	-	10,000,000
- Related companies	30,000,000	30,000,000	30,000,000	30,000,000
Total	30,000,000	30,000,000	30,000,000	40,000,000
<b>5. Prepaid expenses</b>				
- Related companies	129,903	109,503	109,503	109,503
<b>6. Purchase of fixed assets</b>				
- Related companies	198,031	109,842	198,031	109,842
<b>7. Disposal of fixed assets</b>				
- Subsidiary companies	-	-	828,172	100
- Associated companies	286,374	-	280,374	-
Total	286,374	-	1,108,546	100

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**UNIT : BAHT**

	Consolidated financial statements		Separate financial statements	
	As of 31 December		As of 31 December	
	2015	2014	2015	2014
<b>8. Trade payables</b>				
- Subsidiary companies	-	-	48,347,259	100,608,631
- Associated companies	787,589	2,815,017	787,589	2,815,017
- Related companies	13,232,140	8,409,405	5,639,311	8,366,747
Total	14,019,729	11,224,422	54,774,159	111,790,395
<b>9. Accrued expenses</b>				
- Related companies	5,433,260	7,153,172	5,101,041	6,758,011

**Income and expenses with related companies are as follows:-**

**UNIT : BAHT**

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2015	2014	2015	2014
<b>1. Sales</b>				
- Subsidiary companies	-	-	45,053,286	42,741,903
- Associated companies	492,533	772,061	141,246	183,342
- Related companies	405,521,510	403,896,225	405,521,510	403,896,225
Total	406,014,043	404,668,286	450,716,042	446,821,470
<b>2. Hire of work income</b>				
- Subsidiary companies	-	-	2,799,288	464,521
- Associated companies	145,206	204,835	145,206	204,835
- Related companies	9,868,817	12,016,622	9,868,817	12,016,622
Total	10,014,023	12,221,457	12,813,311	12,685,978
<b>3. Rental income</b>				
- Subsidiary companies	-	-	13,521,868	13,832,718
- Associated companies	2,052,880	1,982,880	2,052,880	1,982,880
Total	2,052,880	1,982,880	15,574,748	15,815,598

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**UNIT : BAHT**

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2015	2014	2015	2014
<b>4. Dividend income</b>				
- Subsidiary companies	-	-	64,528,525	7,514,795
- Related companies	14,152,278	15,427,916	14,092,278	15,352,916
Total	14,152,278	15,427,916	78,620,803	22,867,711
<b>5. Other income</b>				
- Subsidiary companies	-	-	4,716,137	5,804,184
- Associated companies	1,902,835	1,621,246	1,902,835	1,621,246
- Related companies	1,390,274	1,425,000	1,390,274	1,425,000
Total	3,293,109	3,046,246	8,009,246	8,850,430
<b>6. Purchase of goods and raw materials</b>				
- Subsidiary companies	-	-	640,597,535	691,197,458
- Associated companies	20,519,266	19,448,274	20,519,266	19,448,274
- Related companies	68,081,073	66,272,318	27,442,647	23,124,036
Total	88,600,339	85,720,592	688,559,448	733,769,768
<b>7. Purchase of fixed assets</b>				
- Subsidiary companies	-	-	160,545	94,985
- Associated companies	7,000	3,625	7,000	3,625
- Related companies	20,340	18,540	-	18,540
Total	27,340	22,165	167,545	117,150
<b>8. Subcontract expenses</b>				
- Subsidiary companies	-	-	8,710,842	10,875,479
- Associated companies	9,808,280	10,443,412	9,808,280	10,443,412
- Related companies	5,996,720	6,860,941	5,996,720	6,860,941
Total	15,805,000	17,304,353	24,515,842	28,179,832



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**UNIT : BAHT**

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2015	2014	2015	2014
<b>9. Rental expenses</b>				
- Subsidiary companies	-	-	767,940	872,940
- Related companies	1,226,753	1,145,288	823,685	823,685
Total	1,226,753	1,145,288	1,591,625	1,696,625
<b>10. Other expenses</b>				
- Subsidiary companies	-	-	2,149,365	1,321,113
- Associated companies	-	1,800	-	1,800
- Related companies	79,035,716	92,582,057	73,048,631	86,683,609
Total	79,035,716	92,583,857	75,197,996	88,006,522

Income from sales, purchase of goods and raw materials, selling expenses, other revenues and expenses shown in the statements of comprehensive income are in accordance with general trading conditions under fixed prices or at market prices. For transactions with no reference of market prices, the agreed prices according to the agreements are applied.

**7. CASH AND CASH EQUIVALENTS**

**UNIT : BAHT**

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash on hand	621,052	355,892	454,111	241,228
Call deposits	18,644,024	7,823,742	12,036,620	5,008,189
Certificates of deposits	20,500,000	40,500,000	20,500,000	40,500,000
Bill of exchanges	65,000,000	60,000,000	65,000,000	40,000,000
Short-term debentures	-	40,000,000	-	40,000,000
Classified as Non-current assets held for sale (Note 12)	(5,570,588)	-	-	-
<b>Total</b>	<u>99,194,488</u>	<u>148,679,634</u>	<u>97,990,731</u>	<u>125,749,417</u>

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**8. TEMPORARY INVESTMENTS**

	Consolidated financial statements		Separate financial statements		Interest rates per annum	
					UNIT : BAHT	
	2015	2014	2015	2014	2015	2014
Investments in Open-ended Fund-						
Debt securities	434,465,093	230,065,959	405,572,227	175,495,891		
<u>Add</u> Allowance for revaluation of						
the investments	1,351,156	904,157	1,268,710	771,188		
Net investments in Open-ended Fund	435,816,249	230,970,116	406,840,937	176,267,079		
Certificates of deposits	79,500,000	59,500,000	79,500,000	59,500,000	2.50-3.25%	2.60-2.75%
Bill of exchanges	60,000,000	130,000,000	60,000,000	80,000,000	5.10-5.40%	5.35-5.50%
Classified as Non-current assets						
held for sale (Note 12)	(22,111,258)	-	-	-		
<b>Total</b>	<b>553,204,991</b>	<b>420,470,116</b>	<b>546,340,937</b>	<b>315,767,079</b>		

Investments in Open-end Fund are trading securities. The unrealized gain between fair value and cost, and gains on sales of the investments in Open-end Fund during the year are included in the statements of comprehensive income.

**Level of fair value and valuation techniques**

The fair value measurement of investments in Open-end Fund has been categorised as a Level 2, the fair value determined from their net asset value (NAV) at the measurement date of investment.

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**9. TRADE AND OTHER RECEIVABLES**

	<b>UNIT : BAHT</b>			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Trade receivables</b>				
Current	261,546,018	329,723,950	264,325,679	335,740,927
Overdue within 3 months	72,326,824	56,328,802	70,906,320	55,866,742
Over 3 to 6 months	434,994	6,060	434,994	6,060
Over 6 to 12 months	-	90,564	-	90,564
Over 12 months	3,824,592	4,229,592	3,824,592	4,229,592
Total	338,132,428	390,378,968	339,491,585	395,933,885
<u>Less</u> allowance for doubtful accounts	(3,824,592)	(4,464,593)	(3,824,592)	(4,464,593)
Trade receivables - net	334,307,836	385,914,375	335,666,993	391,469,292
<b>Other receivables</b>				
Prepaid expenses	1,342,254	1,330,773	943,289	1,075,341
Receivable from related companies	125,276	91,315	2,771,292	3,017,448
Others	1,267,492	2,162,475	1,298,791	1,337,962
Total other receivables	2,735,022	3,584,563	5,013,372	5,430,751
Classified as Non-current assets				
held for sale (Note 12)	(165,510,721)	-	(169,559,126)	-
<b>Total trade and other receivables</b>	<b>171,532,137</b>	<b>389,498,938</b>	<b>171,121,239</b>	<b>396,900,043</b>

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**10. SHORT – TERM LOANS TO RELATED COMPANIES**

	<b>UNIT : BAHT</b>			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Beginning balance				
Erawan Textile Co., Ltd.	30,000,000	30,000,000	30,000,000	30,000,000
Prestige Plus Co., Ltd.	-	-	10,000,000	47,000,000
Total beginning balance	30,000,000	30,000,000	40,000,000	77,000,000
<u>Add</u> increase during the year				
Prestige Plus Co., Ltd.	-	-	21,500,000	-
TPCNIC Co., Ltd.	-	-	15,700,000	-
Total increase during the year	-	-	37,200,000	-
<u>Less</u> decrease during the year				
Prestige Plus Co., Ltd.	-	-	31,500,000	37,000,000
TPCNIC Co., Ltd.	-	-	15,700,000	-
Total decrease during the year	-	-	47,200,000	37,000,000
<b>Ending balance</b>	<b>30,000,000</b>	<b>30,000,000</b>	<b>30,000,000</b>	<b>40,000,000</b>
Interest (per annum)	4.50-4.75%	4.75%	1.75-4.75%	2.25-4.75%

Short - term loans to related companies are unsecured and payable at call.

**11. INVENTORIES**

	<b>UNIT : BAHT</b>			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Finished goods	82,354,321	116,758,150	50,847,774	90,676,079
Work in process	39,349,055	63,069,042	16,606,528	29,817,645
Raw materials	114,324,636	129,004,417	47,506,434	57,365,114
Supplies and spare parts	34,045,835	37,011,136	16,350,783	15,744,216
Goods in transit	2,920,853	3,615,974	2,867,893	3,527,507
Classified as Non-current assets				
held for sale (Note 12)	(186,049,796)	-	(56,085,635)	-
<b>Total</b>	<b>86,944,904</b>	<b>349,458,719</b>	<b>78,093,777</b>	<b>197,130,561</b>

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**12. NON-CURRENT ASSETS HELD FOR SALE**

On 12 October 2015, the extraordinary shareholders' meeting No.1/2015 approved the Company, the subsidiary companies (T.U.C. Elastic Co., Ltd., Prestige Plus Co., Ltd. and Prestige Embroidery Co., Ltd.) and the associated company (Value Added Textile Co., Ltd.) to sell and transfer the assets, liabilities, employees, rights and obligations and encumbrances concerning the textile businesses which specifically relating to underwear manufacturing, in the amount of not exceeding Baht 863.5 million, to a newly formed company (A Tech Textile Company Limited, which has the related parties holding 40 percent of the total registered capital of Baht 1,000 million and has mutual directors) effectively on 1 February 2016 or the date of business transfer which will be defined. The Company will transfer part of its businesses to A Tech Textile while the subsidiary companies and the associated company will transfer their entire businesses to A Tech Textile. After such business transfer, the subsidiary companies and the associated company will be dissolved.

Non-current assets held for sale as of 31 December 2015 is as follows:-

	<b>UNIT : BAHT</b>	
	Consolidated	Separate
	financial statements	financial statements
Cash and cash equivalents	5,570,588	-
Temporary investments	22,111,258	-
Trade and other receivables	165,510,721	169,559,126
Inventories	186,049,796	56,085,635
Other current assets	1,751,066	-
Investment properties - net	-	25,242,859
Property, plant and equipment - net	230,707,936	50,185,230
Intangible assets - net	132,600	-
Deferred tax assets	6,542,874	4,869,404
Other non current assets		
Deposits and guarantees	210,530	-
<b>Total</b>	<b>618,587,369</b>	<b>305,942,254</b>

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Liabilities directly associated with assets classified as non-current assets held for sale as of 31 December 2015 is as follows:-

	<b>UNIT : BAHT</b>	
	Consolidated	Separate
	financial statements	financial statements
Trade and other payables	76,654,927	63,491,066
Accrued corporate income tax	724,796	-
Other current liabilities	2,997,121	1,038,560
Retirement benefit obligation	52,809,655	24,347,020
Deferred tax liabilities	3,011,845	795,520
Other non current liabilities	47,040	-
<b>Total</b>	<b>136,245,384</b>	<b>89,672,166</b>

The Company has sold and transfer all the non-current assets held for sale as of 31 December 2015 on 1 February 2016 (Note 34).

**13. INVESTMENTS IN ASSOCIATED COMPANIES - NET**

	<b>UNIT : BAHT</b>					
	Percentage of holding		Equity method		Cost method	
Associated companies	2015	2014	2015	2014	2015	2014
Value Added Textile Co., Ltd.	49.90	49.90	1,128,389	2,854,663	7,654,350	7,654,350
PT. DYNIC TEXTILE PRESTIGE	44.00	44.00	52,930,482	66,584,152	71,170,000	71,170,000
Total			54,058,871	69,438,815	78,824,350	78,824,350
<u>Less</u> Allowance for diminution in value of investments						
Value Added Textile Co., Ltd.					(6,937,547)	(621,629)
PT. DYNIC TEXTILE PRESTIGE					(25,635,155)	(4,585,848)
Total allowance for diminution in value of investments					(32,572,702)	(5,207,477)
<b>Total investments in associated companies - net</b>					<b>46,251,648</b>	<b>73,616,873</b>

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Details of the associated companies are as follows :-

		UNIT : BAHT			
Associated companies	Type of business	Paid-up capital		Share of loss from investments for the years	
		2015	2014	2015	2014
Value Added Textile Co., Ltd.	Printing and embroidering	16,500,000	16,500,000	1,726,274	1,426,102
PT. DYNIC TEXTILE	Manufacturing and distributing				
PRESTIGE	Non-woven fabric	USD 5,000,000	USD 5,000,000	13,653,670	4,585,848
			Total	15,379,944	6,011,950

On 29 April 2014, the Company has invested in PT. DYNIC TEXTILE PRESTIGE, a company incorporated in Indonesia in the amount of Baht 71.17 million (USD 2.2 million) for 44 percent shareholding in the company. PT. DYNIC TEXTILE PRESTIGE is the Company's associated company with 2 additional shareholders, namely, Dynic Corporation, Japan, and Saha Pathana Inter-Holding Public Company Limited.

As of 31 December 2015 and 2014, investment in associated company, Value Added Textile Co., Ltd., stated at equity method which was based on the management's financial information.

As of 31 December 2015 and 2014, investment in associated company, PT. DYNIC TEXTILE PRESTIGE, stated at equity method which was based on financial information audited by a foreign auditor.

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**14. INVESTMENTS IN SUBSIDIARY COMPANIES - NET**

**UNIT : BAHT**

Subsidiary companies	Percentage of shareholding		Cost method	
	2015	2014	2015	2014
Prestige Plus Co., Ltd.	99.9998	99.9998	99,999,800	99,999,800
Prestige Embroidery Co., Ltd.	99.9998	99.9998	99,999,800	99,999,800
T.U.C. Elastic Co., Ltd.	52.2375	52.2375	83,942,758	83,942,758
TPCNIC Co., Ltd.	50.9940	50.9940	25,497,000	12,748,500
Total investments in subsidiary companies			309,439,358	296,690,858
<u>Less</u> Allowance for diminution in value of investments				
Prestige Plus Co., Ltd.			(89,489,821)	(37,389,925)
TPCNIC Co., Ltd.			(4,597,109)	-
Total allowance for diminution in value of investments			(94,086,930)	(37,389,925)
<b>Total investments in subsidiary companies - net</b>			<b>215,352,428</b>	<b>259,300,933</b>

Details of the subsidiaries are as follows :-

Subsidiary companies	Type of Business	Paid-up capital		Dividends for the years	
		2015	2014	2015	2014
Prestige Plus Co., Ltd.	Dyeing	100,000,000	100,000,000	-	-
Prestige Embroidery Co., Ltd.	Manufacturing lace fabric	100,000,000	100,000,000	12,499,975	2,499,995
T.U.C. Elastic Co., Ltd.	Manufacturing, stretch fabric ,and elastic tapes	160,000,000	160,000,000	52,028,550	5,014,800
TPCNIC Co., Ltd.	Manufacturing and sales of industrial spare parts	50,000,000	25,000,000	-	-
<b>Total</b>				<b>64,528,525</b>	<b>7,514,795</b>



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**15. OTHER LONG - TERM INVESTMENTS**

**15.1** Investments in related and other companies consist of the followings :

Companies	UNIT : BAHT					
	Percentage of holding		Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014	2015	2014
<b>Related Companies</b>						
1. Thai Staflex Co., Ltd.	14.00	14.00	9,486,330	9,486,330	9,486,330	9,486,330
2. Wien International Co., Ltd.	6.00	6.00	1,800,000	1,800,000	1,800,000	1,800,000
3. Sahapat Properties Co., Ltd.	2.50	2.50	500,000	500,000	500,000	500,000
4. International Leather Fashion Co., Ltd.	6.00	6.00	3,000,000	3,000,000	3,000,000	3,000,000
5. K.Commercial and Construction Co.,Ltd.	1.00	1.00	1,000,000	1,000,000	1,000,000	1,000,000
6. Janome (Thailand) Co., Ltd.	2.00	2.00	2,759,220	2,759,220	2,759,220	2,759,220
7. Treasure Hill Co., Ltd.	2.00	2.00	*4,000,000	*4,000,000	*4,000,000	*4,000,000
8. Thai Shikibo Co., Ltd.	2.37	2.37	5,625,000	5,625,000	5,625,000	5,625,000
9. Thanara Co., Ltd.	0.83	0.83	750,000	750,000	750,000	750,000
10. Bangkok Tokyo Socks Co., Ltd.	7.33	7.33	9,250,000	9,250,000	9,250,000	9,250,000
11. S.T.G.C. Co., Ltd.	10.00	10.00	*150,000	*250,000	*150,000	*250,000
12. Thai Takaya Co., Ltd.	3.33	3.33	1,000,000	1,000,000	1,000,000	1,000,000
13. Thai Gunze Dyeing Co., Ltd.	4.00	4.00	*7,200,000	*7,200,000	*7,200,000	*7,200,000
14. SSDC (Tigertex) Co., Ltd.	0.35	0.35	1,125,000	1,125,000	1,125,000	1,125,000
15. SRP Nanasai Co., Ltd.	4.52	4.52	720,600	720,600	720,600	720,600
16. Saha Seiren Co., Ltd.	1.28	1.28	8,294,693	8,294,693	8,294,693	8,294,693
17. Sriracha Aviation Co., Ltd.	6.06	6.06	2,000,000	2,000,000	2,000,000	2,000,000
18. Waseda Education (Thailand) Co., Ltd.	7.14	7.14	3,200,000	4,000,000	3,200,000	4,000,000
19. Thai Asahi Kasei Spandex Co., Ltd.	5.00	5.00	67,500,000	67,500,000	67,500,000	67,500,000
20. Thai Bunka Fashion Co., Ltd.	4.00	4.00	*1,000,000	*1,000,000	*1,000,000	*1,000,000
21. Erawan Textile Co., Ltd.	3.69	3.69	34,083,212	34,083,212	34,083,212	34,083,212
22. Thai Sakae Lace Co., Ltd.	8.00	8.00	8,799,900	8,799,900	8,799,900	8,799,900
23. Asahi Kasai Spunbond (Thailand) Co., Ltd.	2.88	2.88	*46,000,000	*46,000,000	*46,000,000	*46,000,000
24. Thainaxis Co., Ltd.	1.50	1.50	1,888,140	264,000	1,888,140	-
Total investments in related companies			221,132,095	220,407,955	221,132,095	220,143,955
<u>Less</u> *Allowance for diminution in value of investments			(25,969,797)	(17,287,793)	(25,969,797)	(17,287,793)
Total investments in related companies-net			195,162,298	203,120,162	195,162,298	202,856,162
<b>Other Companies</b>						
1. Sigma Holding Co., Ltd.			*24,000	*24,000	*24,000	*24,000
2. Union Tread Industry Co., Ltd.			559,475	559,475	559,475	559,475
Total investments in other companies			583,475	583,475	583,475	583,475
<u>Less</u> *Allowance for diminution in value of investments			(20,082)	(20,082)	(20,082)	(20,082)
Total investments in other companies-net			563,393	563,393	563,393	563,393
<b>Total investments in related and other companies-net</b>			<b>195,725,691</b>	<b>203,683,555</b>	<b>195,725,691</b>	<b>203,419,555</b>

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Details of related and other companies are as follows :-

UNIT : BAHT						
Companies	Type of business	Relationship	Paid-up capital		Dividends for the years	
			2015	2014	2015	2014
Related Companies						
1. Thai Staflex Co., Ltd.	Manufacturing/ distributing paste lining	Shareholders/ directors	60,000,000	60,000,000	672,000	336,000
2. Wien International Co., Ltd.	Direct sales	Shareholders/ directors	30,000,000	30,000,000	-	225,000
3. Sahapat Properties Co., Ltd.	Investment	Shareholders	20,000,000	20,000,000	150,000	200,000
4. International Leather Fashion Co.,Ltd.	Manufacturing of genuine/synthetic leather	Shareholders/ Directors	50,000,000	50,000,000	240,000	240,000
5. K.Commercial and Construction Co., Ltd.	Construction	Shareholders/ Directors	50,000,000	50,000,000	100,000	100,000
6. Janome (Thailand) Co., Ltd.	Manufacturing sewing machine	Shareholders/ directors	88,000,000	88,000,000	487,000	487,000
7. Treasure Hill Co., Ltd.	Golf course	Shareholders/ directors	200,000,000	200,000,000	-	-
8. Thai Shikibo Co., Ltd.	Manufacturing cotton thread	Shareholders/ directors	237,500,000	237,500,000	450,000	450,000
9. Thanara Co., Ltd.	Real estate	Shareholders	90,000,000	90,000,000	-	-
10. Bangkok Tokyo Socks Co., Ltd.	Sock manufacturer and exporter	Shareholders/ directors	143,200,000	143,200,000	105,000	630,000
11. S.T.G.C. Co., Ltd.	Textile research and development	Shareholders/ directors	2,500,000	2,500,000	-	-
12. Thai Takaya Co., Ltd.	Manufacturing and distributing garments	Shareholders/ directors	30,000,000	30,000,000	-	-
13. Thai Gunze Co., Ltd.	Manufacturing and distributing clothes sheet and garments	Shareholders/ directors	180,000,000	180,000,000	-	-
14. SSDC (Tigertex) Co., Ltd.	Dyeing service	Shareholders/ directors	324,000,000	324,000,000	33,750	50,625
15. SRP Nanasai Co., Ltd.	Designer and decorator	Shareholders/ directors	16,000,000	16,000,000	86,820	36,175
16. Saha Seiren Co., Ltd	Manufacturing/ distributing Auto cushion cover	Shareholders/ directors	780,000,000	780,000,000	1,661,765	4,500,000
17. Sriracha Aviation Co., Ltd.	Machinery and plane maintenance	Shareholders/ directors	33,000,000	33,000,000	-	100,000
18. Waseda Education (Thailand) Co., Ltd.	Language institute	Shareholders/ directors	44,800,000	56,000,000	-	-
19. Thai Asahi Kasei Spandex Co., Ltd.	Manufacturing flexible fiber	Shareholders/ directors	1,350,000,000	1,350,000,000	3,882,755	1,376,260
20. Thai Bunka Fashion Co., Ltd.	Fashion institute	Shareholders/ directors	25,000,000	25,000,000	-	-

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UNIT : BAHT

Companies	Type of business	Relationship	Paid-up capital		Dividends for the years	
			2015	2014	2015	2014
21. Erawan Textile Co., Ltd.	Weave cotton and spin thread	Shareholders/directors	621,463,400	621,463,400	-	-
22. Thai Sakae Lace Co., Ltd.	Manufacturing lace fabric	Shareholders/directors	110,000,000	110,000,000	2,639,970	2,639,970
23. Asahi Kasei Spunbond (Thailand) Co., Ltd.	Manufacturing fiber spunbond non woven	Shareholders	1,600,000,000	1,600,000,000	-	-
24. Thainaxis Co., Ltd.***	Label manufacturer	Shareholders/directors	20,000,000	20,000,000	60,000	75,000
<b>Other Companies</b>						
1. Sigma Holding Co., Ltd.	Investment		46,364,000	46,364,000	-	-
2. Union Tread Industry Co., Ltd.	Manufacturing sewing, Weaving, and embroidery thread		200,000,000	200,000,000	15,606	15,606
<b>Total Consolidated financial statements</b>					<b>10,584,666</b>	<b>11,461,636</b>
<b>Total separate financial statements (exclude*** shares holding by subsidiary companies)</b>					<b>10,524,666</b>	<b>11,386,636</b>

**15.2 Investments in available-for-sale securities-net**

UNIT : BAHT

Companies	Percentage of holding		Investment		Dividend for the years	
	2015	2014	2015	2014	2015	2014
<b>Related Companies</b>						
1. I.C.C. International Plc.	0.46	0.46	11,411,573	11,411,573	1,418,676	1,621,344
2. Saha Pathana Inter Holding Plc.	0.09	0.09	2,090,300	2,090,300	100,542	100,542
3. Sahacogen (Chonburi) Plc.	1.29	1.29	22,760,488	22,760,488	2,214,000	2,460,000
Total			36,262,361	36,262,361	3,733,218	4,181,886
Add Unrealized gain on investment revaluation			88,520,129	104,794,173		
Total			124,782,490	141,056,534		
<b>Other Company</b>						
1. Thai Toray Textile Mill Plc.			265,320	265,320	45,000	75,000
2. Bangkok Insurance Plc.			363,000	-	5,500	-
3. PTT Plc.			1,032,000	-	24,000	-
Total			1,660,320	265,320	74,500	75,000
Add Unrealized gain on investment revaluation			2,688,680	3,124,680		
Total			4,349,000	3,390,000		
<b>Total investments in available-for-sale securities-net</b>			<b>129,131,490</b>	<b>144,446,534</b>	<b>3,807,718</b>	<b>4,256,886</b>

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Details of investments in available-for-sales securities in related companies are as follows:-

				UNIT : BAHT
Companies	Type of business	Relationship	Paid-up capital	
			2015	2014
<b>Related companies</b>				
1. I.C.C. International Plc.	Trading	Co-directors/ shareholders	290,633,730	290,633,730
2. Saha Pathana Inter Holding Plc.	Holding company	Co-directors/ shareholders	494,034,300	494,034,300
3. Sahacogen (Chonburi) Plc.	Generating and distributing electricity	Shareholders	955,000,000	955,000,000

**Level of fair value**

The fair value measurement of investments in available-for-sales securities has been categorized as a Level 1.

**15.3 Investments in debt securities held to maturity**

<b>UNIT : BAHT</b>					
Companies	Consolidated and separate financial statements		Interest rates per annum		Maturity date
	2015	2014	2015	2014	
1. Debentures of Charn Issara Development Plc.	20,000,000	-	5.35 %	-	29 May 2018
2. Debentures of Property Perfect Plc.	10,000,000	-	5.15 %	-	20 August 2018
3. Debentures of Inter Far East Energy Corporation Plc.	10,000,000	-	5.40 %	-	5 November 2017
4. Debentures of Nusasiri Plc.	20,000,000	-	5.60 %	-	15 August 2017
Total	60,000,000	-			
Fair value - ending balance	60,471,629	-			

**Level of fair value and valuation techniques**

The fair value measurement of investments in debt securities has been categorized as a Level 2, the fair value is determined by using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.

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**16. INVESTMENT PROPERTIES - NET**

**UNIT : BAHT**

	Consolidated financial statements		Separate financial statements		
	Land	Total	Land and land improvements	Building and structures	Total
<b>Cost</b>					
1 January 2014	140,482,475	140,482,475	160,150,779	75,049,260	235,200,039
Increase	-	-	-	-	-
31 December 2014	140,482,475	140,482,475	160,150,779	75,049,260	235,200,039
Increase	-	-	-	-	-
Classified as Non-current assets held for sale					
(Note 12)	-	-	(19,668,304)	(75,049,260)	(94,717,564)
31 December 2015	140,482,475	140,482,475	140,482,475	-	140,482,475
<b>Accumulated depreciation</b>					
1 January 2014	-	-	107,000	63,024,916	63,131,916
Depreciation for the year	-	-	-	3,634,407	3,634,407
31 December 2014	-	-	107,000	66,659,323	66,766,323
Depreciation for the year	-	-	-	2,708,382	2,708,382
Classified as Non-current assets held for sale					
(Note 12)	-	-	(107,000)	(69,367,705)	(69,474,705)
31 December 2015	-	-	-	-	-
<b>Net book value</b>					
31 December 2015	140,482,475	140,482,475	140,482,475	-	140,482,475
31 December 2014	140,482,475	140,482,475	160,043,779	8,389,937	168,433,716
Appraised value (million Baht)	* 194.00	194.00	*** 222.09	** 50.78	272.87

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The Group has appraised the value of the investment properties by an appraiser approved by the SEC as follow :-

- \* The appraised value was determined by an independent appraiser, report dated 6 December 2013.
- \*\* The appraised value was determined by an independent appraiser, report dated 20 July 2015.
- \*\*\* The appraised value was determined by an independent appraiser, report dated 6 December 2013 and 20 July 2015.

**Level of fair value and valuation techniques**

The fair value measurement of land has been categorized as a Level 2, the fair value is based on the market approach to the valuation technique used.

The fair value measurement of building has been categorized as a Level 2, the fair value is based on the cost approach to the valuation technique used.

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**17. PROPERTY, PLANT AND EQUIPMENT - NET**

	Consolidated financial statements										UNIT : BAHT
	Land	Land development	Building	Furniture and fixtures	Office equipment	Machineries	Vehicles	Equipment	Pool	Assets under installation	Total
<b>Cost</b>											
1 January 2014	74,333,934	9,590,410	352,654,389	79,167,260	121,400,270	2,787,513,680	39,127,768	389,469,769	19,983,577	87,659,880	3,960,900,937
Acquisition	-	-	257,600	259,400	3,059,089	15,887,069	89,000	6,257,891	140,000	17,041,625	42,991,674
Disposal	-	-	(501,200)	-	(1,549,915)	(10,448,806)	(1,534,031)	(6,553,586)	-	(62,800)	(20,650,338)
Transferred in/(out)	-	-	18,104,517	-	1,001,502	68,093,671	-	644,670	-	(87,934,647)	(90,287)
31 December 2014	74,333,934	9,590,410	370,515,306	79,426,660	123,910,946	2,861,045,614	37,682,737	389,818,744	20,123,577	16,704,058	3,983,151,986
Acquisition	-	-	-	583,482	2,320,295	6,373,874	2,885,244	2,626,835	89,000	11,386,869	26,265,599
Disposal	-	-	(65,000)	(13,750)	(22,058,322)	(5,966,400)	(5,553,132)	(12,684,365)	(223,000)	-	(46,563,969)
Transferred in/(out)	-	-	-	-	2,175	12,687,369	-	572,324	300,000	(13,563,618)	(1,750)
Classified as Non-current assets held for sale											
(Note 12)	(54,312,585)	(5,455,061)	(190,469,949)	(31,791,853)	(39,877,884)	(1,754,824,613)	(6,064,467)	(299,313,785)	(20,144,642)	-	(2,402,254,839)
31 December 2015	20,021,349	4,135,349	179,980,357	48,204,539	64,297,210	1,119,315,844	28,950,382	81,019,753	144,935	14,527,309	1,560,597,027

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**UNIT : BAHT**

	Consolidated financial statements										Total
	Land	Land development	Building	Furniture and fixtures	Office equipment	Machineries	Vehicles	Equipment	Pool	Assets under installation	
<b>Accumulated depreciation</b>											
1 January 2014	-	9,590,376	241,631,234	73,920,811	113,371,328	2,332,205,012	27,842,951	355,867,374	12,685,974	-	3,167,115,060
Depreciation for the year	-	-	14,619,306	2,414,259	3,802,719	111,912,330	3,639,430	13,089,563	1,620,469	-	151,098,076
Depreciation on disposal	-	-	(159,817)	-	(1,510,183)	(9,770,411)	(1,534,027)	(6,558,715)	-	-	(19,533,153)
31 December 2014	-	9,590,376	256,090,723	76,335,070	115,663,864	2,434,346,931	29,948,354	362,398,222	14,306,443	-	3,298,679,983
Depreciation for the year	-	-	11,939,070	1,621,893	3,121,911	91,073,686	3,267,038	10,235,389	1,245,164	-	122,504,151
Depreciation on disposal	-	-	(60,860)	(13,749)	(22,024,090)	(5,857,623)	(5,487,984)	(12,641,371)	(222,995)	-	(46,308,672)
Classified as Non-current assets held for sale (Note 12)	-	(5,455,056)	(150,910,278)	(30,976,524)	(36,799,836)	(1,636,829,655)	(5,823,349)	(289,568,525)	(15,183,680)	-	(2,171,546,903)
31 December 2015	-	4,135,320	117,058,655	46,966,690	59,961,849	882,733,339	21,904,059	70,423,715	144,932	-	1,203,328,559
<b>Net book value</b>											
31 December 2015	20,021,349	29	62,921,702	1,237,849	4,335,361	236,582,505	7,046,323	10,596,038	3	14,527,309	357,268,468
31 December 2014	74,333,934	34	114,424,583	3,091,590	8,247,082	426,698,683	7,734,383	27,420,522	5,817,134	16,704,058	684,472,003



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**UNIT : BAHT**

Separate financial statements											
	Land	Land development	Building	Furniture and fixtures	Office equipment	Machineries	Vehicles	Equipment	Pool	Assets under installation	Total
Cost											
1 January 2014	39,019,836	9,590,410	164,469,065	47,635,707	93,277,749	1,512,791,419	36,064,157	147,213,315	6,754,916	74,037,856	2,130,854,430
Acquisition	-	-	35,000	176,800	1,944,241	8,422,124	69,500	4,742,184	140,000	-	15,529,849
Disposal	-	-	-	-	(828,072)	(780,330)	(1,477,000)	(727,390)	-	-	(3,812,792)
Transferred in/(out)	-	-	17,544,517	-	928,652	54,929,067	-	635,620	-	(74,037,856)	-
31 December 2014	39,019,836	9,590,410	182,048,582	47,812,507	95,322,570	1,575,362,280	34,656,657	151,863,729	6,894,916	-	2,142,571,487
Acquisition	-	-	-	465,212	1,392,812	1,483,018	2,800,000	1,553,661	-	1,321,176	9,015,879
Disposal	-	-	-	-	(19,101,193)	(3,483,914)	(5,553,132)	(9,297,643)	(103,000)	-	(37,538,882)
Transferred in/(out)	-	-	-	-	-	1,320,451	-	725	-	(1,321,176)	-
Classified as Non-current assets held for sale											
(Note 12)	(18,998,488)	(5,348,061)	-	(73,181)	(13,582,947)	(466,601,932)	(4,164,490)	(63,251,765)	(6,646,981)	-	(578,667,845)
31 December 2015	20,021,348	4,242,349	182,048,582	48,204,538	64,031,242	1,108,079,903	27,739,035	80,868,707	144,935	-	1,535,380,639

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	Separate financial statements										UNIT : BAHT
	Land	Land development	Building	Furniture and fixtures	Office equipment	Machineries	Vehicles	Equipment	Pool	Assets under installation	Total
<b>Accumulated depreciation</b>											
1 January 2014	-	9,590,376	107,335,233	44,562,196	87,151,820	1,180,269,310	26,514,932	126,469,433	6,587,723	-	1,588,481,023
Depreciation for the year	-	-	4,970,633	1,443,219	2,837,661	77,458,228	3,131,555	8,404,883	77,105	-	98,323,284
Depreciation on disposal	-	-	-	-	(826,552)	(780,325)	(1,476,998)	(725,635)	-	-	(3,809,510)
31 December 2014	-	9,590,376	112,305,866	46,005,415	89,162,929	1,256,947,213	28,169,489	134,148,681	6,664,828	-	1,682,994,797
Depreciation for the year	-	-	4,752,787	1,030,628	2,422,571	65,421,887	2,821,939	7,043,878	65,373	-	83,559,063
Depreciation on disposal	-	-	-	-	(19,092,581)	(3,483,899)	(5,487,984)	(9,286,119)	(102,996)	-	(37,453,579)
Classified as Non-current assets held for sale (Note 12)	-	(5,348,057)	-	(69,354)	(12,551,524)	(438,336,231)	(4,164,478)	(61,530,697)	(6,482,274)	-	(528,482,615)
31 December 2015	-	4,242,319	117,058,653	46,966,689	59,941,395	880,548,970	21,338,966	70,375,743	144,931	-	1,200,617,666
<b>Net book value</b>											
31 December 2015	20,021,348	30	64,989,929	1,237,849	4,089,847	227,530,933	6,400,069	10,492,964	4	-	334,762,973
31 December 2014	39,019,836	34	69,742,716	1,807,092	6,159,641	318,415,067	6,487,168	17,715,048	230,088	-	459,576,690

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**18. INTANGIBLE ASSETS – NET**

As of 31 December 2015 and 2014, computer software consist of :-

	<b>UNIT : BAHT</b>			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Cost</b>				
1 January	32,501,061	32,418,011	21,554,049	21,480,599
Acquisition	63,850	83,050	30,050	73,450
Disposal/written off	-	-	-	-
Classified as Non-current assets				
held for sale (Note 12)	(10,980,811)	-	-	-
31 December	21,584,100	32,501,061	21,584,099	21,554,049
<b>Accumulated amortization</b>				
1 January	27,388,618	26,573,150	16,624,127	15,932,867
Amortization expenses for the year	778,946	815,468	695,225	691,260
Disposal/written off	-	-	-	-
Classified as Non-current assets				
held for sale (Note 12)	(10,848,211)	-	-	-
31 December	17,319,353	27,388,618	17,319,352	16,624,127
<b>Net book value - 31 December</b>	<b>4,264,747</b>	<b>5,112,443</b>	<b>4,264,747</b>	<b>4,929,922</b>

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**19. TRADE AND OTHER PAYABLES**

	<b>UNIT : BAHT</b>			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Trade payables</b>				
Related companies (Note 6)	14,019,729	11,224,422	54,774,159	111,790,395
Others	129,408,274	160,279,595	87,737,187	85,466,310
<b>Total trade payables</b>	<b>143,428,003</b>	<b>171,504,017</b>	<b>142,511,346</b>	<b>197,256,705</b>
<b>Other payables</b>				
Accounts payable of fixed assets	2,722,469	3,325,614	-	391,452
Accrued bonus	19,643,700	19,725,701	15,669,037	15,833,683
Accrued utilities	7,468,926	9,152,337	6,082,115	6,820,050
Accrued royalties	7,210,077	6,300,000	7,210,077	6,300,000
Accrued expenses	6,942,666	5,211,540	5,649,645	5,092,974
Others	8,956,210	11,719,573	6,296,603	6,377,424
<b>Total other payables</b>	<b>52,944,048</b>	<b>55,434,765</b>	<b>40,907,477</b>	<b>40,815,583</b>
Classified as liabilities directly associated with non-current assets held for sale (Note 12)	(76,654,927)	-	(63,491,066)	-
<b>Total trade and other payables</b>	<b>119,717,124</b>	<b>226,938,782</b>	<b>119,927,757</b>	<b>238,072,288</b>

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**20. RETIREMENT BENEFIT OBLIGATION**

Movements of retirement benefit obligation for the years ended 31 December 2015 and 2014 are as follows:-

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Retirement benefit obligation				
- beginning balance - 1 January	112,809,173	100,369,944	85,311,192	78,012,863
Employee benefit expenses for the year	39,749,438	17,226,641	32,108,814	11,111,422
Employee benefit paid during the year	(35,503,471)	(4,787,412)	(30,877,375)	(3,813,093)
Adjustment of retirement benefit obligation (presented in statements of comprehensive income)	(26,111,019)	-	(22,572,983)	-
Actuarial gain (presented in statements of other comprehensive income)	9,974,893	-	7,792,570	-
Classified as liabilities directly associated with non-current assets held for sale (Note 12)	(52,809,655)	-	(24,347,020)	-
Retirement benefit obligation				
- ending balance - 31 December	48,109,359	112,809,173	47,415,198	85,311,192

Employee benefit expenses were recognized in statements of income for the years ended 31 December 2015 and 2014 are as follows:-

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current service costs	36,395,170	13,594,547	29,679,610	8,334,164
Interest costs	3,354,268	3,632,094	2,429,204	2,777,258
Total	39,749,438	17,226,641	32,108,814	11,111,422

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The principle actuarial assumption used to calculate the defined benefit obligations are as follows:-

	Consolidated and separate financial statements	
	2015	2014
Discount rate	2.38% - 2.86%	3.56% - 4.14%
Disability rate	5.00% (TMO 2008)	5.00% (TMO 2008)
Salary increase rate	1.50% - 3.00%	1.50% - 3.00%
Turnover rate	Age-related scale	Age-related scale

**21. LEGAL RESERVE**

The legal reserve is set aside under the Public Companies Act B.E. 2535 which requires a public company to set aside as a legal reserve at least 5 per cent of its net income after accumulated deficit brought forward (if any) until the reserve reaches 10 per cent of the authorized capital. This reserve is not available for dividend distribution.

**22. GENERAL RESERVE**

The Company has appropriated part of its net profit for general reserve with no specific objective.

**23. DIVIDEND PAYMENT, DIRECTORS' REMUNERATION AND GENERAL RESERVE**

On 28 April 2015, the Ordinary General Shareholders' Meeting resolved as follows:-

- Authorized to pay dividend at Baht 0.55 per share for 108 million shares, totaling of Baht 59.4 million by paying from the BOI-promoted businesses. The dividend will be paid on 22 May 2015.
- Authorized to pay directors' remuneration at the maximum of Baht 8.1 million.
- Authorized to set aside as general reserve amounting to Baht 5.34 million.

On 22 April 2014, the Ordinary General Shareholders' Meeting resolved as follows:-

- Authorized to pay dividend at Baht 0.50 per share for 108 million shares, totaling of Baht 54 million by paying from the BOI-promoted businesses. The dividend will be paid on 16 May 2014.
- Authorized to pay directors' remuneration at the maximum of Baht 8.1 million.
- Authorized to set aside as general reserve amounting to Baht 5.0 million.

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**24. PROVIDENT FUND**

The Group have set up a provident fund for their employees under the Provident Fund Act B.E. 2530 (1987), for the staff's welfare as well as security upon their resignation or retirement as defined by the Company's regulations, which is contributed by its employees and by the Company at the rate of 3-4% of salary. The Group has also appointed a finance company to act as the fund manager.

The Group's contributions to the employee provident fund were recorded as expenses in the statements of comprehensive income for the years ended 31 December 2015 and 2014 as follows :-

Companies	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Textile Prestige Plc.	3,037,515	3,041,076	3,037,515	3,041,076
T.U.C. Elastic Co., Ltd.	664,717	666,017	-	-
Prestige Embroidery Co., Ltd.	171,058	144,012	-	-
Prestige Plus Co., Ltd.	240,895	236,111	-	-
TPCNIC Co., Ltd.	30,271	6,615	-	-
<b>Total</b>	<b>4,144,456</b>	<b>4,093,831</b>	<b>3,037,515</b>	<b>3,041,076</b>

**25. FOREIGN CURRENCY TRANSACTIONS**

The Company has entered into selling and buying forward exchange contracts with local commercial bank for hedging against risk in exchange rate fluctuation which may affect to Baht receivable or Baht payable which can be summarized as follows:-

**25.1 Selling forward exchange contracts**

(Unit : Thousand)

Currencies	Consolidated and separate financial statements					
	2015			2014		
	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)
USD	933.63	33,723.97	36.04 – 36.19	1,344.00	44,292.40	32.83 - 33.05
JPY	4,726.74	1,411.88	0.2987	-	-	-

As of 31 December 2015 and 2014, the Company has entered into selling forward exchange contracts which deliveries are to be made during January to June 2016 and January to June 2015, respectively.

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**25.2 Buying forward exchange contracts**

(Unit : Thousand)

Separate financial statements						
Currencies	2015			2014		
	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)
USD	413.71	14,903.96	35.93 - 36.22	295.81	9,752.23	32.91 - 33.19
JPY	1,171.83	346.74	0.2959	1,471.75	405.47	0.2755
EUR	3.10	122.37	39.50	0.64	26.02	40.53

(Unit : Thousand)

Consolidated financial statements						
Currencies	2015			2014		
	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)
USD	413.71	14,903.96	35.93 - 36.22	295.91	9,755.52	32.91 - 33.19
JPY	3,431.69	1,026.75	0.2959 - 0.3020	3,195.75	1,209.66	0.2755 - 0.2775
EUR	3.10	122.37	39.50	0.64	26.02	40.53

As of 31 December 2015 and 2014, the Company has entered into buying forward exchange contracts which deliveries are to be made during January to March 2016 and January to February 2015, respectively.



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**25.3 Uncovered assets and liabilities**

The Group have outstanding assets and liabilities denominated in foreign currencies not covered by any hedging against exchange risks as follows:

(Unit : Thousand)

Currencies	Consolidated financial statements				Separate financial statements			
	2015		2014		2015		2014	
	Foreign currency	Converted to Baht	Foreign currency	Converted to Baht	Foreign currency	Converted to Baht	Foreign currency	Converted to Baht
<b>Assets</b>								
USD	165.07	5,914.25	21.23	694.85	165.07	5,914.25	21.23	694.85
IDR	8,639	21.19	3,039.00	7.50	8,639	21.19	3,039.00	7.50
SGD	0.07	1.76	0.02	0.42	0.07	1.76	0.02	0.42
JPY	0.004	0.001	23.00	6.22	0.004	0.001	23.00	6.22
<b>Total Assets</b>		<b>5,937.20</b>		<b>708.99</b>		<b>5,937.20</b>		<b>708.99</b>
<b>Liabilities</b>								
USD	0.92	31.08	1.32	43.72	0.92	31.08	1.32	43.72
<b>Total liabilities</b>		<b>31.08</b>		<b>43.72</b>		<b>31.08</b>		<b>43.72</b>

**26. COMMITMENTS AND CONTINGENT LIABILITIES**

**26.1** As of 31 December 2015 and 2014, the Group has commitments and contingent liabilities as follows:-

(Unit : Baht)

Particulars	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Bank guarantees	15,757,300	15,709,300	13,821,600	13,821,600
Letters of credits	-	1,168,565	-	605,309

**26.2** The Company has entered into three trademark licenses contracts for manufacturing and distributing goods with agreed payment terms. The Company has been granted a royalty for manufacturing and distributing goods under the trademark from a foreign company and agreed to share certain benefits with the contracting party at the rate of 20 per cent of sales less cost of manufacturing and technician expenses.

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**26.3** The 28th Ordinary General Shareholders' Meeting held on 21 April 2003 resolved to allocate loan facilities and guarantees to related companies for the amount not exceeding Baht 550 million.

As of 31 December 2015 and 2014, the Company has total outstanding guarantees amounting to Baht 304 million and Baht 249 million, respectively for its four subsidiaries and a associated company for ordinary course of businesses.

**26.4** During the second quarter 2010, the Company had entered into lease agreements regarding commercial building and land, rental of furniture and equipment, and parking space commencing as from 1 July 2010 to 30 June 2013 with a monthly charges totaling of Baht 234,400.

On 13 June 2013, the Company had extended the rental period of the above mentioned agreement for 2 years which starting from 1 July 2013 to 31 December 2013 with a monthly charges totaling of Baht 234,400 and starting from 1 January 2014 to 30 June 2016 with a monthly charges totaling of Baht 252,500.

**27. PROMOTIONAL PRIVILEGES**

The Company and the three subsidiary companies have been granted promotional certificates under Investment Promotion Act, B.E. 2520 by the Board of Investment as follows:-

Companies	Promotional certificate No.	Effective dates	Promotional businesses	Privileges granted	
				Exemption periods of corporate income tax	Maximum of exempted corporate income tax (Million Baht)
<b>Textile Prestige Plc.</b>	1056(2)/2550	1 Mar 2007	Textiles and related goods	7 years	117.63
	1182(2)/2550	1 Mar 2007	Textiles and related gods, genuine and synthetic leather	7 years	165.74
	1774(2)/2550	1 Sep 2007	Manufacturing compound fragment for garment, car interior decoration and medical equipment	8 years	17.54
	1021(1)/2553	8 Jan 2010	Manufacturing sanitary face masks	8 years	Unlimited
	1598(2)/2553	1 Jul 2010	Textiles and related parts	7 years	167.00
	2667(2)/2555	1 Mar 2013	Textiles and related parts	7 years	288.22
<b>Prestige Plus Co.,Ltd</b>	1123/2539	1 Apr 1996	Bleaching, dyeing fabric and yarn	8 years	Unlimited
	1736(2)/2548	26 Jan 2006	Bleaching dyed yarn and fabrics	8 years	29.53

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Companies	Promotional certificate No.	Effective dates	Promotional businesses	Privileges granted	
				Exemption periods of corporate income tax	Maximum of exempted corporate income tax (Million Baht)
<b>Prestige Embroidery Co., Ltd.</b>	1234/2538	2 Jan 1996	Embroidery lace fabrics	8 years	Unlimited
	1451/2539	2 Jan 1997	Embroidery lace fabrics	8 years	Unlimited
	1582(1)/2544	2 Jan 2002	Embroidery lace fabrics	8 years	Unlimited
	1685(2)/2545	1 Nov 2002	Embroidery lace fabrics	8 years	43.93
<b>T.U.C. Elastic Co., Ltd.</b>	1449/2539	1 Jul 1998	Elastic tapes	8 years	Unlimited
	1457/2539	1 Jul 1998	Elastic tapes	8 years	Unlimited
	1577/2539	1 Jul 1998	Fabric sheet	8 years	Unlimited
	1451(2)/2545	1 Aug 2002	Fabric knitting	8 years	56.28
	1052(2)/2550	3 Mar 2007	Fabric knitting	8 years	90.59
	1516(2)/2550	10 Jul 2007	Manufacturing thread, tape, braided fabric, and Torchon lace	8 years	38.68

**Other privileges and benefits granted are as below:-**

- 27.1** Exemption of income tax for dividend income from promoted businesses throughout the promoted periods of every promotional certificate.
- 27.2** Exemption of corporate income tax from the promoted net profit at the rate of 50 per cent of the normal rate for additionally 5 years after the expiration of the exemption periods. This privilege applies to promotional certificates of Prestige Plus Co., Ltd., Prestige Embroidery Co., Ltd., T.U.C. Elastic Co., Ltd., and Textile Prestige Plc. only promotional certificate No. 1774(2)/2550, 1021(1)/2553.
- 27.3** The companies are entitled to offset losses from operation incurred during the exemption periods against profits derived after the expiration promoted periods for another 5 years. The carried losses can be utilized by offsetting against profits derived in one or several years for all promoted certificates.

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**27.4** The companies are entitled for allowance to double deduction of annual utility expenses (electricity, water supplies, and transportation) for corporate income tax calculation for 10 years. This privilege applies to all promoted certificates of Prestige Plus Co., Ltd., Prestige Embroidery Co., Ltd., T.U.C. Elastic Co., Ltd. and for Textile Prestige Plc. only promotional certificate No. 1774(2)/2550, 1021(1)/2553.

As a promoted industry, the Group must strictly comply with certain terms and conditions stipulated in the promotional certificates.

**28. EXPENSES CLASSIFIED BY NATURE OF EXPENSES**

Significant expenses by nature are as follows:-

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
Particulars	2015	2014	2015	2014
(Increase) decrease in finished goods				
and work in process	59,429,569	(13,225,005)	53,039,422	(33,470,512)
Net purchase of finished goods	84,196,325	77,895,315	535,746,830	521,315,123
Raw materials and supplies used	833,057,157	908,578,515	664,071,957	768,947,411
Executive remuneration expenses	47,191,481	41,211,649	37,867,206	32,930,781
Employee benefit expenses	365,716,019	360,026,567	221,941,636	224,195,693
Depreciation and amortization expenses	123,318,950	151,949,397	86,998,525	102,684,805
Other expenses	284,787,841	267,552,608	292,484,366	217,519,230

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**29. OPERATING 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 Group's business operation involves 2 principal segments: (1) Fabric and yarn products (2) Non - woven fabric products with geographical segments of both local and export sales.

During the year 2015, the Group approved the Company, the subsidiary companies (T.U.C. Elastic Co., Ltd., Prestige Plus Co., Ltd. and Prestige Embroidery Co., Ltd.) and the associated company (Value Added Textile Co., Ltd.) to sell and transfer the assets, liabilities, employees, rights and obligations and encumbrances concerning the textile businesses which specifically relating to underwear manufacturing to a newly formed company (A Tech Textile Company Limited) effectively on 1 February 2016 or the date of business transfer which will be defined. The Company will transfer part of its businesses to A Tech Textile while the subsidiary companies and the associated company will transfer their entire businesses to A Tech Textile. The Group will operate under one geographical activity for segment information which are non - woven fabric products. Therefore, income, gains and assets shown in the financial statements are related to the mentioned business sector and geographical area.

The results of the operation of the fabric and yarn products which is discontinued for the year ended 31 December 2015 and 2014 see note 31.

Geographical operating segment information of 2 principal segments of both local and export sales for the years 2015 and 2014 are as follow:-

**Geographical areas**

Consolidated financial statements	UNIT : BAHT	
	For the years ended 31 December	
	2015	2014
Domestic sales	1,382,640,564	1,442,066,559
Export sales		
- ASIA	400,695,105	364,805,269
- AMERICA	18,446,265	8,640,725
- EUROPE	2,397,842	2,161,596
- AFRICA	1,675,974	82,377

**Information of major customers**

The Company has two major customers from segment of fabric and yarn products and non - woven fabric products for the years ended 31 December 2015 and 2014 in the amount of Baht 379.91 million and Baht 367.50 million, respectively.

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**30. INCOME TAX**

Income tax for the year ended 31 December 2015 and 2014 comprised:

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Current income tax:</b>				
Corporate income tax for the year	(3,366,775)	(5,390,767)	(1,910,240)	(4,410,249)
<b>Deferred tax:</b>				
Relating to origination and reversal of- temporary differences	11,153,648	3,371,945	13,357,018	5,730,902
<b>Income tax (expenses) income reported in- the statements of comprehensive income</b>	<b>7,786,873</b>	<b>(2,018,822)</b>	<b>11,446,778</b>	<b>1,320,653</b>

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2015 and 2014 are as follows:-

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit (loss) before income tax				
Continuing operations	103,180,638	96,988,325	121,680,697	101,333,394
Discontinuing operations	(35,947,439)	(7,542,415)	(13,599,309)	4,200,961
Accounting profit before corporate income tax	67,233,199	89,445,910	108,081,388	105,534,355
Applicable tax rate	20%	10, 20%	20%	20%
Accounting profit before corporate income tax multiplied by applicable tax rate	13,446,640	17,592,106	21,616,277	21,106,871
Effects of:				
Promotional privileges (Note 27)	(16,134,213)	(20,106,889)	(13,381,558)	(17,741,189)
Non-deductible expenses	446,124	1,088,648	426,184	229,671
Effect from un-recording of deferred tax assets	10,275,163	9,859,253	(5,271,973)	-
Exemption of income	(14,878,334)	(5,155,220)	(14,835,708)	(4,916,006)
Effect of elimination entry on the consolidated financial statements	(942,253)	(1,259,076)	-	-
Total	(21,233,513)	(15,573,284)	(33,063,055)	(22,427,524)
<b>Income tax expense (income) reported in the statements of comprehensive income</b>	<b>(7,786,873)</b>	<b>2,018,822</b>	<b>(11,446,778)</b>	<b>(1,320,653)</b>

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The components of income tax expense (income) reported in the statements of comprehensive income are as follows :

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Income tax expense (income)</b>				
Continuing operations	11,277,688	435,616	11,283,688	599,973
Discontinuing operations	(3,490,815)	(2,454,438)	163,090	720,680
<b>Total</b>	<b>7,786,873</b>	<b>(2,018,822)</b>	<b>11,446,778</b>	<b>1,320,653</b>

The components of deferred tax assets and deferred tax liabilities are as follows:

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	As of		As of	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>Deferred tax assets:</b>				
- Allowance for doubtful accounts trade-receivable	764,918	892,919	764,918	892,919
- Allowance for diminution in value of-investments	30,529,902	11,981,055	30,529,902	11,981,055
- Retirement benefit obligation	16,025,914	18,581,561	14,352,444	17,062,238
- Classified as Non-current assets held for sale (Note 12)	(6,542,874)	-	(4,869,404)	-
<b>Total deferred tax assets</b>	<b>40,777,860</b>	<b>31,455,535</b>	<b>40,777,860</b>	<b>29,936,212</b>
<b>Deferred tax liabilities:</b>				
- Unrealized gain on revaluation of available for sale securities	21,253,607	21,583,771	19,037,282	21,583,771
- Classified as liabilities directly associated with non-current assets held for sale (Note 12)	(3,011,845)	-	(795,520)	-
<b>Total deferred tax liabilities</b>	<b>18,241,762</b>	<b>21,583,771</b>	<b>18,241,762</b>	<b>21,583,771</b>

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Corporate income taxes of the Group for the years ended 31 December 2015 and 2014 have been calculated on the net accounting profit adjusted with other revenues and some expenses which are exempted from income tax or being adjusted with disallowable expenses.

The income tax computations are as follows:-

- For the BOI promoted businesses, the corporate income tax was calculated according to the promoted privileges granted (Note 27).
- For non-BOI promoted businesses or promoted privileges granted had expiration,
  - the Company calculated corporate income tax at the rate of 20 per cent of taxable profit.
  - the subsidiaries calculated corporate income tax at the rate of 20 per cent of taxable profit.

**31. DISCONTINUED OPERATIONS**

On 12 October 2015, the extraordinary shareholders' meeting No.1/2015 approved the Company, the subsidiary companies (T.U.C. Elastic Co., Ltd., Prestige Plus Co., Ltd. and Prestige Embroidery Co., Ltd.) and the associated company (Value Added Textile Co., Ltd.) to sell and transfer the assets, liabilities, employees, rights and obligations and encumbrances concerning the textile businesses which specifically relating to underwear manufacturing, in the amount of not exceeding Baht 863.5 million, to a newly formed company (A Tech Textile Company Limited, which has the related parties holding 40 percent of the total registered capital of Baht 1,000 million and has mutual directors) effectively on 1 February 2016 or the date of business transfer which will be defined. The Company will transfer part of its businesses to A Tech Textile while the subsidiary companies and the associated company will transfer their entire businesses to A Tech Textile. After such business transfer, the subsidiary companies and the associated company will be dissolved.

The results of the operation of fabric and yarn products which is discontinued for the year ended 31 December 2015 and 2014 are as follow :-

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Revenues from operation</b>				
Revenue from sales	877,250,653	865,481,933	921,017,756	903,724,866
Revenue from hire of works	14,244,743	19,868,227	17,042,081	20,332,748
Total revenues from operation	891,495,396	885,350,160	938,059,837	924,057,614
<b>Cost of operations</b>				
Cost of sales	(832,012,032)	(810,566,257)	(872,605,130)	(853,834,728)
Total cost of operations	(832,012,032)	(810,566,257)	(872,605,130)	(853,834,728)
<b>GROSS PROFIT</b>	<b>59,483,364</b>	<b>74,783,903</b>	<b>65,454,707</b>	<b>70,222,886</b>



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**UNIT : BAHT**

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Other incomes				
Interest income	1,000,066	898,549	-	-
Rental income	215,040	-	-	-
Dividend income	60,000	-	-	-
Gain on disposal of fixed assets	(90,270)	2,640,264	-	-
Others	3,693,209	1,750,981	2,534,803	1,053,031
<b>PROFIT BEFORE EXPENSES</b>	<b>64,361,409</b>	<b>80,073,697</b>	<b>67,989,510</b>	<b>71,275,917</b>
Selling expenses	(18,145,133)	(16,234,807)	(13,857,143)	(11,816,629)
Administrative expenses	(75,613,656)	(65,617,959)	(64,308,806)	(52,221,083)
Directors' remuneration	(4,822,870)	(4,337,244)	(3,422,870)	(3,037,244)
Finance costs	(914)	-	-	-
Share of loss from investments in associated companies	(1,726,275)	(1,426,102)	-	-
<b>Profit (loss) before income tax from discontinued operations</b>	<b>(35,947,439)</b>	<b>(7,542,415)</b>	<b>(13,599,309)</b>	<b>4,200,961</b>
Income tax (expense) income	(3,490,815)	(2,454,438)	163,090	720,680
<b>Net profit (loss) for the year from discontinued operations</b>	<b>(39,438,254)</b>	<b>(9,996,853)</b>	<b>(13,436,219)</b>	<b>4,921,641</b>
<b>Basic earning per share from discontinued operations</b>				
Owners of the parent company (Unit : Baht)	(0.27)	(0.02)	(0.12)	0.05
Weighted average number of ordinary shares (Unit : shares)	108,000,000	108,000,000	108,000,000	108,000,000

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**32. FINANCIAL INSTRUMENTS**

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

**32.1 Accounting policies and procedure**

See Note 4.

**32.2 Credit risk**

Credit risk refers to the risk that accounts receivable will default on its contractual obligations resulting in a financial loss to the Company.

As at the statements of financial position date there was no other significant credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

**32.3 Interest rate risk**

Interest rate risk arises from the potential of a change in interest rates to have an effect on the operation of the Group in the current reporting year and in future years. The Group is confident that the risk can be managed because the Group has maintained plans and monitor the market situation closely.

**32.4 Risk from currency exchange**

The Group's risk from the fluctuation of foreign exchange rates, due to some debtors and creditors arisen from the trading in foreign currencies. The Group will make the forward exchange contract, in case the Baht currency is highly fluctuated and it is considered appropriate (Note 25).

**32.5 Fair values of financial instruments**

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable willing parties in an arm's length transaction.

The following methods and assumptions were used by the Group in estimating fair value of financial instruments as disclosed herein:

- Cash and cash equivalents, current investments, accounts receivable - trade and short-term loans; the carrying values approximate their fair values.
- Investment in marketable securities; fair value is based on quoted market price. For investment in non-listed companies; fair value is based on net asset value of related security.
- Trade accounts payable; the carrying value approximates fair value.

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**33. CAPITAL MANAGEMENT**

The Board's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

**34. EVENTS AFTER THE REPORTING PERIOD**

On 27 January 2016, the Group has entered into sales and transfer business agreements of the Company, the subsidiary companies (T.U.C. Elastic Co., Ltd., Prestige Plus Co., Ltd. and Prestige Embroidery Co., Ltd.) and the associated company (Value Added Textile Co., Ltd.), of the group's assets, liabilities, employees, rights and obligations and encumbrances concerning the textile businesses which specifically relating to underwear manufacturing, which was approved by the extraordinary shareholders' meeting No.1/2015 on 12 October 2015, in the amount of not exceeding Baht 863.5 million, to a newly formed company (A Tech Textile Company Limited, which has related parties holding 40 percent of the total registered capital of Baht 1,000 million and has mutual directors) effectively on 1 February 2016. The Company will transfer part of its businesses to A Tech Textile while the subsidiary companies and the associated company will transfer their entire businesses to A Tech Textile. After such business transfers, the subsidiary companies and the associated company will be dissolved.

**35. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements have been approved for issuance by the Company's Board of Directors on 24 February 2016.

28 October 2015, Grand Opening Ceremony "PT. Dynic Textile Prestige"

ก้าวอย่างสำคัญของ **TPCORP** ในการรุกเข้าสู่ตลาดรถยนต์ในประเทศอินโดนีเซีย ในการนี้ได้รับเกียรติจากรัฐมนตรีว่าการกระทรวงอุตสาหกรรม ประเทศอินโดนีเซีย Mr.Saleh Husin ร่วมพิธีเปิดและถ่ายภาพร่วมกับผู้บริหารบรรยากาศเต็มไปด้วยความชื่นมื่น



The logo for TPCORP, featuring the company name in a bold, italicized, blue sans-serif font.

***TPCORP***

**TEXTILE PRESTIGE PUBLIC COMPANY LIMITED**

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