

An aerial night photograph of a city, likely Tokyo, featuring a prominent highway with light trails from traffic. The city is illuminated with various lights, and a network of white, glowing lines connects different points across the skyline, suggesting a global or digital network. The image is partially covered by a dark blue diagonal band that runs from the bottom left towards the top right.

2018

ANNUAL REPORT

TPCORP

ENVISIONING AHEAD, INNOVATING FORWARD

TPCORP

Textile Prestige Public Co., Ltd. was established on July 7th 1976. First in Thailand to introduce spandex incorporated with raw materials to satisfy the rising demand for automotive raw materials and to introduce non-woven fabrics. TPCORP achieved the international standards and became a leading manufacturer in the automotive sector for international brands. Welcare brand was introduced in 2009, entering the growing healthcare industry in Thailand later expanding on to the bedding products.

At the beginning of 2018, TPCORP introduced Wellap brand, which is a new technology of non-woven material in Thailand with better properties such as lighter weight, higher flexibility, pressure distribution and durability thus, an ideal material for products that require sitting in the same position for a long time. Baby Castle was introduced, to produce high quality playpens and accessories by using Wellap material.

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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 or at the company website www.tpcorp.co.th

Report of the Directors

In the year 2018, the Thai economy has improved from 3.9 percent in 2017 to 4.2 percent as reported by the Bank of Thailand. Which is mainly due to the expansion of investment in both public and private sectors as well as increased exports due to the recovery of the global economy since mid-2017 until mid-2018. However, it began to slow down and is expected to continue into 2019. The risks remain mainly from external factors. Which could affect domestic economic expansion such as the impact of the trade war between the United States and China, the appreciation of Thai Baht and the outcome of BREXIT, then, impact the economic direction.

The performance of the company in the year 2018 appeared in the financial statements showing total operating income of 933.7 million Baht, a decrease of 9.0 million Baht from 942.7 million Baht in the previous year, representing a 1 percent decrease and net profit for the year 2018 at 81.1 million Baht compared to 126.3 million Baht, a decrease of 35.8 percent, mainly due to the decrease in sales. There is an increase in cost of sales of 12.5 million Baht or 1.7 percent increase. And the total other income decreased from 113.4 million Baht to 94.1 million Baht, representing a decrease of 17 percent because in the year 2017, the company has sold fixed assets in the amount of 20.97 million Baht while selling expenses and administration increased slightly from 144.1 million Baht in 2017 to 146.9 million Baht in 2018 and the share of loss from investment in associates increased by 6.93 million Baht.

In the corporate governance that encourages the company to participate responsibly and to care for the society and the environment, the Board of Directors has encouraged the management to join in the department of industrial work project to promote a sustainable and continuous social and community responsibility (CSR-DIW) and has followed the management to prepare to renew the membership of the Thai Private Sector Collective Action Coalition Against Corruption to ensure the stakeholders' confidence in the intention of the Board of Directors to conduct business in a transparent and fair manner. In addition, the Board of Directors has approved policies such as information disclosure policy, tax policy, and policy on supervision of subsidiaries and associated companies, etc. They are for the company's personnel to adhere to and see the importance of performing their duties ethically. It also increases the efficiency of supervision for various departments within the company and adhere to practice in the same direction.

For the year 2019, the Board still insists on the vision of being a leader in the production of textiles for a variety of industries. With the goal of supervising the business of the shareholders to grow appropriately and to sustain, overcome obstacles and various changes in geographic, political or social environment, including technology change that has a rapid impact and severe today.

The foresaid intention of the Board's accomplishment depends on the support, cooperation and understanding from shareholders and stakeholders throughout the business chain of the company which the Board of Directors, the executives and employees of the Company have always been received.

Finally, the Board of Directors would like to thank the shareholders and all stakeholders, who have always supported, The Board of Directors sincerely hope to lead the company to the goal amidst this fluctuation of economic and social conditions in 2019.

Report of the Audit Committee

To: The shareholders,

The Audit Committee of Textile Prestige Public Company Limited consisted of 3 independent directors who are competent, experienced and qualified pursuant to the requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), namely Mr. Padoong Techasarintr, the committee chairman and Mr. Krisada Visavateeranon and Mr. Pisit Leeahtam, the committee members. With the Internal Audit Manager acting as the Secretary to the Audit Committee

The Audit Committee has performed duties as per assigned by the Company's Board of Directors and pursuant to the Audit Committee Charter which are corresponding to the requirements of the Office of the SEC. During 2018, the Audit Committee held 12 meetings with details on participation of each member as follows:

	Number of meetings	Number of meeting attendance
Mr. Padoong Techasarintr	12	12
Mr. Krisada Visavateeranon	12	12
Mr. Thanavat Pugavanaja	4	4
Mr. Pisit Leeahtam	7	7

Note: Mr.Thanavat Pugavanaja, completed the term of the Audit Committee on 24 April 2018

Mr. Pisit Leeahtam , was appointed as the Audit Committee on 10 May 2018

The Audit Committee has attended the meetings to discuss and exchange opinions with the Management and the external auditor by adhering to the corporate governance principles and adequacy of the internal control system. The operating results have been reported to the Board of Directors every quarter and material information can be summarized as follows:

- **Review of Financial Statements**

The Audit Committee has reviewed quarterly and annual financial statements of the Company and its subsidiaries of the year 2018 which have already been reviewed and audited by the external auditor. The Audit Committee was of opinion that financial positions and operating results presented in such financial statements were correctly and adequately pursuant to the financial reporting standards. Material accounting policies and information were completely and adequately disclosed. The external auditor has expressed opinions without any significant conditions and observation. Additionally, the Audit Committee also attended the meeting with the external auditor without attendance of the Company's Management to discuss about duties, independence and observation in material issues obtained from review and audit operations.

- **Internal Control System and Internal Audit Operations**

The Audit Committee has reviewed the internal control system by considering and assessing from the operating information and internal audit report by applying the operating guidelines on internal control assessment specified by the Office of the SEC. In this regard, the Committee has provided recommendations to the Management on improvement and rectification of the internal control system to make it adequately and suitably, as well as encouraged for better efficiency on control and operation. No issue or deficiency which may significantly impact to the Company was found. Moreover, the Audit Committee has supervised to ensure that operations of the Internal Audit Office are independently, having adequate workforce, and there is an arrangement for knowledge development on duties performed as per specified in the Internal Audit Office Charter and the specified plan, and internal control system and internal audit have been extensively and adequately in place. The Audit Committee also assessed appropriateness and operating results of the Manager of Internal Audit Office as well as reviewed the Audit Committee Charter and Internal Audit Office Charter to make them conform to the internal audit professions standards and international standards.

- **Review of Connected Transactions or Transactions which may have Conflict of Interest**

The Audit Committee has reviewed the connected transactions or the transaction which may have conflict of interest that could be regarded as the connected transaction during the year between the Company, its subsidiaries or the connected persons, and it was deemed that such transactions have been performed pursuant to general business conditions and normal trade practices, and information had been disclosed pursuant to the notifications of the Office of the SEC and the requirements of the SET. Additionally, the Audit Committee placed importance on supervision and reviewing of the connected transaction relating to obligation under building lease agreement and rendering of operation service, so that the transfer/disposition business could be undertaken continually. In this regard, it was found that both parties have performed duties pursuant to the agreed contract.

- **Risk Management**

The Audit Committee has considered risk management guidelines and work plans from business operations by considering from risk factors and risk management guidelines in order to be able to manage and control risks in acceptable level (risk appetite) and in accordance with the Company's policies including provided recommendations to improve them to be more efficiency.

- **Corporate governance**

The Audit Committee constantly reviewed operations to ensure compliance with the laws governing securities and exchange, requirements of the SET and laws pertaining to the Company's business. In addition, changes in laws and regulations have also been monitored to make sure that the Company has complied with such changes. The Audit Committee also considered and approved formulation of the Company's tax policy which will support efficiency of tax operations and in accordance with the corporate governance principles.

- **Appointment of the External Auditor**

The Audit Committee selected and appointed the external auditor for the year 2019 by taking into consideration performance, reliability, independence and qualifications as per specified by the Office of SEC and was of opinion that the current external auditor has delivered satisfactory works and auditing fee proposed was reasonable. Therefore, it was deemed appropriated to propose the Board of Directors to request for approval from the shareholders to appoint Mr. Prasitporn Kesama, certified public accountant no. 9910 or Mr. Satis Kiatgungwalgri, certified public accountant no. 9760 or Mr. Anusorn Kiatgungwalgri, certified public accountant no. 2109 or Ms. Kwunjai Kiatgungwalgri, certified public accountant no. 5875, of ASV & Associates Limited, as the external auditor for the year 2019 and specified that either one of them can express opinion and sign in the Company's financial statements.

The Audit Committee has independently performed duties and supervised preparation of the Company's financial statements pursuant to the accounting standards with adequate information disclosure. The Committee also encouraged for compliance with good corporate governance principles with effective internal control system suitable with the current business conditions and appropriate and adequate risk management by receiving good cooperation from all parties.

Dated February 12, 2019

On behalf of the Audit Committee

.....
Mr. Padoong Techasarintr

Mr. Padoong Techasarintr
Chairman of the Audit Committee

Report of the Nomination Committee

In 2018, the Nomination Committee consists of

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

The Nomination Committee held 1 meeting in February. 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 2018, there was not a nominating of any director submitted.

Therefore, the Nomination Committee proceeded on considering the qualified candidates to replace the directors who retired by rotation in the Annual General Meeting of Shareholders (AGM) no. 43 The AGM was held on April 24, 2018. There were 3 retiring directors consisted of Mr. Manu Leelanuwatana, Mr. Chanin Ratanavijai and Mr. Thanavat Pugavanaja. The 2 retiring directors were nominated to be directors for another term were Mr. Manu Leelanuwatana and Mr. Chanin Ratanavijai. The meeting appointment Dr. Pisit Leehtam to replace the other director who had completed his term.

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

Mr. Boonsithi Chokwatana

.....
(Mr. Boonsithi Chokwatana)
Chairman of the Nomination Committee

Report of the Remuneration Committee

Textile Prestige Public Company Limited has appointed the Remuneration Committee, according to Good Corporate Governance Principles, to support the operation of The Board of Directors for determining the limits and criteria for the allocation of directors' remuneration. The Remuneration Committee consists of 3 members as follows:

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

In 2018, The Remuneration Committee held 2 meetings. The committee had performed its duties as assigned by the Board of Directors in compliance with the Charter of the Remuneration Committee to set a compensation limit and criteria of remuneration for directors. The Remuneration should be appropriate to effectively motivate and maintain personnels who has the knowledge and talented to stay with the company.

The Remuneration Committee has set the remuneration limits for directors by comparing with other companies in the same industry, growth and operating results of the company. The limit was approved by the Annual General Meeting of Shareholders in the past year. The amount of compensation actually allocated to directors in the Board and in the sub committees will be determined by the authority, responsibility and performance within the limit approved by the shareholders.

Remuneration of Directors and sub committee have already been disclosed in the annual report. The Remuneration Committee considers that it is appropriate and it complies with the duties, responsibilities and the policy of the company.

Ms. Sirikul Dhanasarnsilp
.....
(Ms. Sirikul Dhanasarnsilp)
Chairman of the Remuneration Committee

Report of the Corporate Governance and Risk Management Committee

The Corporate Governance and Risk Management Committee (the Committee) consisted of 5 directors where 3 of them are the independent directors and 2 are the executive directors. Dr. Pisit Leeahtam, the independent director, is the Chairman. The Committee has independently perform duties pursuant to the scope of responsibilities and duties as per specified in the Corporate Governance and Risk Management Committee Charter.

During 2018, the Corporate Governance and Risk Management Committee held 2 meetings where all of committee members attended the meetings. The operations of this Committee have been divided into 2 parts: corporate governance which is under responsibility of the Corporate Governance Sub-committee and risk management which is under responsibility of Risk Management Sub-committee. Both sub-committees support operations of the Corporate Governance and Risk Management Committee. Summary of material operations is as follows:

Corporate Governance:

1. Consider and review the policies currently implemented by the Company, such as:
 - Corporate governance policy, corporate governance principles, code of conduct and ethics of the Company's directors, executives and employees;
 - Anti-corruption policy, practices on compliance with anti-corruption policy and operating procedures on prevention and anti-corruption;
 - Quality policy;
 - Environment policy, and
 - Social responsibility policy.
2. Consider and approve policies which were deemed to be beneficial for corporate governance operations then propose to the Board of Directors for consideration, such as:
 - Policy on supervision of subsidiary and associated company;
 - Information technology security policy;
 - Information disclosure policy, and
 - Policy on succession plan for highest level management and top level management

The objectives are to make them conform to the 2017 Corporate Governance Code for Listed Companies (CG Code) and to strengthen confidence of all groups of shareholders and stakeholders as well as to enhance and support the Company on compliance with corporate governance principles. Information and contents relevant to corporate governance guidelines were disclosed in the annual registration statement (Form 56-1), annual report (56-2) and CSR Report. In addition, the annual general meeting of shareholders has been transparently and efficiently arranged.
3. Consider and review the adaption of the Corporate Governance Code for Listed Companies 2017 (CG Code) with the Company where most of them can be well adapted with the Company. However, the Company will conduct study in more details on matters that cannot be currently implemented.
4. Support and encourage the Company's directors, executives and employees to comply with corporate governance principles and anti-corruption policy. Communication and training have been provided for the employees at all levels and the relevant persons. Stakeholders have been placed importance to and taken care of. Consequently the Company's assessment results of various projects have been in satisfactory level, for instance:
 - "Very Good" level from the assessment result from 2018 Corporate Governance Report of Thai Listed Companies (CGR) arranged by the Thai Institute of Directors.

- “Excellent” level from the assessment result on quality for the arrangement of the 2018 Annual General Meeting of the Shareholders as assessed by the Thai Investors Association.
5. The Company’s Factory No. 5 for manufacturing of raw material to be used as automotive parts received certificate including 2018 CSR-DIW Continuous Award from the Department of Industrial Works, for 4 consecutive years. In addition, Factory No. 2 which has been participated in this project for the first year also received honorable certificate including CSR-DIW award from the Department of Industrial Works. The project’s objectives are to promote the industrial operators’ business operations with social responsibility and sustainable development.

Risk Management:

1. Consider and review risk management policy and promote enterprise-wide risk management by providing knowledge and understanding by means of arrangement of workshop.
2. Consider and approve 2019 risk management target and plan.
3. Consider and approve adequacy of risk management system which is appropriated with the current situations of the Company.
4. Monitor risk management results in various aspects. This is the continual operation in order to keep risks in acceptable level (risk appetite), such as:
 - Risk on security of IT system;
 - Risk on fire prevention and suppression;
 - Strategic risk management and operational risk at enterprise level.

The Company has planned the meeting of the Corporate Governance and Risk Management Committee in advance every year. In addition, the Committee has performed duties as per assigned by the Board of Directors as well as complied with the Corporate Governance and Risk Management Committee Charter.

Dr.Pisit Leeahtam

(Dr.Pisit Leeahtam)

Chairman of the Corporate Governance and Risk Management Committee

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 Authority of 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 Authority of 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.

.....*Mr. Manu Leelanuwatana*.....

(Mr. Manu Leelanuwatana)

Chairman

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 and goal in the future 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.

Value

- T = Team Work
P = Positive Thinking
C = Creative
O = Organized
R = Responsibility
P = Professional

2. COMPANY HISTORICAL BACKGROUND & DEVELOPMENT

Textile Prestige Public Co., Ltd. was established on July 7th 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.

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 Oko-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 consecutive year “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.) to A Tech Textile Co., Ltd. On closing date 1 February 2016.
- 2016 - The company sold and transferred its business only that related to the production of the underwear business and entirely sold the business of its 3 subsidiaries (T.U.C. Elastic Co., Ltd., Prestige Plus Co., Ltd., and Prestige Embroidery Co., Ltd.) and an affiliate (Value Added Textile Co., Ltd.) since February 1, 2016. The Subsidiaries and the Affiliate were registered to dissolve the company on 25 February 2016 and now under liquidation and the company has disclosed such information to the public via SET’s web site.
- On October 14, 2016, the company was certified and accepted as a member of The Private Sector Collective Action Coalition Against Corruption (CAC)



- 2017 - The company has opened another non-woven fabric factory in Saha Group Industrial Park –Sriracha. The factory of manufacturing raw materials for industrial and hygiene and household Product. This is an extension of Non Woven Fabric products to related industries by modern machinery and high technology.

2018: - The Company launched the brand “Wellap” and “Baby Castle”, which is a new technology of non-woven material in Thailand with better properties features. Baby Castle was produced with high quality playpens and accessories by using Wellap material.

The company specializes in the manufacture and distribution of raw materials in the market, which can extend to the Textile industry. TPCORP a variety of products from well-known both at home and abroad. It also shows the potential to produce new innovations to the market regularly. To meet the needs of even more customers. The company continues to strive to develop products and brands. And satisfaction to our customers with quality products. To strengthen and stabilize the organization. This will lead to a sustainable competitive advantage.

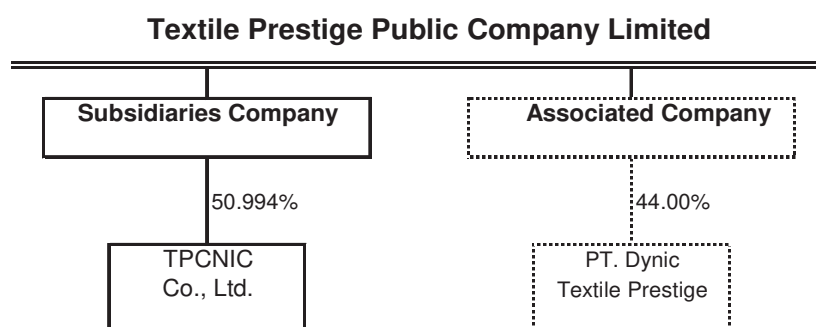
3. The shareholding structure of the company group

Business allotment policy for the company group

The company

The company Produces and distribution of non-woven fabric products. The procurement of raw materials, information technology, accounting & finance, personnel management, The company has supported marketing and distribution of its subsidiaries company.

The shareholding structure of the company, subsidiaries and associated companies as follows:



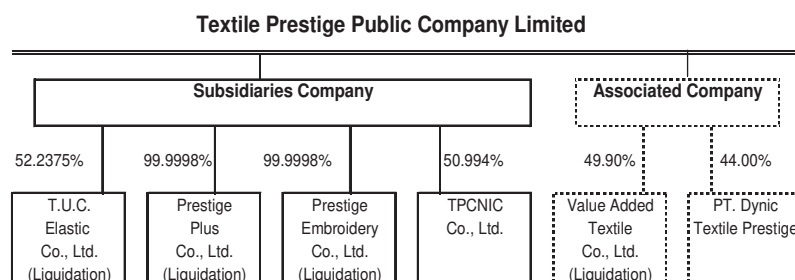
TPCNIC CO., LTD.

- 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.

PT. DYNIC TEXTILE PRESTIGE

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

The shareholding structure of the company before transfer (specific transaction involving the production of underwear) as follow;



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
1. Shareholdings exceeding 50%		
(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.		
2. Shareholding exceeding 25% but not exceeding 50%		
(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.		
3. Shareholding not exceeding 25% ***		
(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%		
(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%		
1. Saha Pathana Inter-Holding PLC.	0.09%	12.03%
2. I.C.C. International PLC.	0.46%	10.43%
3. Sahapat Properties Co., Ltd.	2.50%	0.00046%

Note * The Subsidiaries and the Affiliate's to transfer and Dissolution of the company on February 25, 2016 and Liquidation.

** Associated companies that have completed the liquidation registration on 8 January 2019

***Data only shown for companies with cross-shareholding.

Nature of Business

The Company and its subsidiaries have revenue from production and distribution of the following products.

Revenue Structure of company and its subsidiary company

(Unit : Million Baht)

Products	2018	%	2017	%	2016	%
1. Products for Industrial	875.51	93.77	896.30	95.08	1,133.69	94.88
2. Products for Hygiene and household	58.17	6.23	46.42	4.92	61.13	5.12
Total	933.68	100.00	942.72	100.00	1,194.82	100.00

Geographical areas at the end of 31 December

(Unit : Million Baht)

Consolidated financial statements	2018	%	2017	%	2016	%
Domestic sales	654.18	70.23	649.58	68.96	787.66	66.03
Export sales	277.35	29.77	292.34	31.04	405.25	33.97
Total	931.53	100.00	941.92	100.00	1,192.91	100.00

Change From The Previous Year

The Company launched the brand “Wellap” and “Baby Castle”, which is a new technology of non-woven material in Thailand with better properties features. Baby Castle was produced with high quality playpens and accessories by using Wellap material.

Market Situation

The company’s market and competitiveness, currently, are stable since its major products are made from Non Woven Fabric. The lack of new comers and specific type of the market itself has support the market stability and do not impact the company’s market share.

Competition Strategy

After the business transfer early this year, the company has been able to concentrate in businesses that relates to Non Woven Fabric. Most of the finished goods are sold to the automobile related companies. The long and good relationships with the customers and product development are the keys to maintain the company’s sustainable growth, furthermore, the company will continue to explore new business opportunities as it has always been doing.

Target customers

The company has the target customers in the automotive industry both of domestic and international. There were constantly co-developing products with customers. there are increase of sales and expansion in the new product every year. The hygienic product is a new group that is expanding its product range to meet disposable products in hospitals. This will be a high potential for growth in the future.

Risk Management Policy

Textile Prestige Public Company Limited (“the company”) realizes the importance of managing risks that may affect corporate objectives, thereby implementing enterprise risk management system to reduce possible loss and increase management potentiality by establishing risk management process which covers all aspects and is aligned with good corporate governance and anti-corruption policy. The company sets the risk management policy as follows:

- Setting up a risk management committee which includes representatives from all sections with Authority of include gather risks, assessment and support the risk management framework in order to report to the Executive Board and Corporate Governance and Risk Management Committee (CG&RC).
- Developing an enterprise risk management system and process by setting up enterprise risk management manual which includes process, guidelines and risk management methods and shall be implemented to become culture and normal operations of the organization.
- All executives and staff must be a part of the risk management process and must promoting the recognition and risk prevention throughout the organization so that the risk shall be mitigated into the acceptable risk level.
- Monitoring and evaluating the risk management policy by continued reviewing and developing the process to align with internal and external changing environments.

The Board of Directors, the management and the employees shall strictly affirm to promote effective risk management processes with continued operations.

The Corporate Governance and Risk Management Committee shall constantly verify and review appropriateness of corporate risk management policy at least once a year to ensure that contents in such policy conform to the objective and strategy of the Company’s risk management.

This risk management policy has been reviewed by the Meeting of the Board of Directors No. 6/2017 held on December 26, 2017 and it became effective since December 27, 2017.

.....*Mr. Manu Leelanuwatana*.....
(Mr. Manu Leelanuwatana)
Chairman

Risk Factors

Textile Prestige Public Co., Ltd. recognizes that risk management is very crucial for business operations because it is an important tool for managing business, supporting the Company to achieve desired business targets effectively and efficiently and strengthening its competitive advantage. The Company therefore specified risk management policy that the employees at all levels must participate in and also established the Risk Management and Governance Committee (as appointed by the Board of Directors) and the Risk Management Sub-committee (at management level) to oversee and ensure that overall risks will be managed appropriately and for maximum efficiency.

Risk Management Strategy

The Company has integrated enterprise risk management systems to make them conform to good governance principles by taking into account expectation, interest and responsible roles of each stakeholder group within the Company by classifying risk management hierarchy into 3 levels as follows:

1) Corporate Strategy Level: Risk management at this level is to place importance on the review of a change in long-term business landscape, corporate strategy and direction of each business, and long-term risks are then defined and handled for sustainability of business. The Company has appointed the Corporate Strategy Risk Management Working Group to oversee and ensure that risks will be effectively managed. Besides, proper communication and operation channels are specified so that the Board of Directors, the Managing Director and top management can take part in.

2) Business Process Level: This is about managing risks of business supply chain which is the process to create and deliver value to the Company's customers and of important business processes which support the creation and delivery of such value. Risks at business process level will be managed via annual enterprise risk management which is held continually, where the Board of Directors, top management and middle management will consider and determine management guidelines together.

3) Functional Process Level: This is the fundamental risk management on operations that all functional units have to take responsibility in order to enhance the Company's operational excellence. This risk level shall be mainly managed by functional unit heads under supervision and control of the Company's top management via the annual enterprise risk management channel.

Risk management hierarchy can help the Company consider risks extensively, as it covers short-term and long-term risks, significance and urgency of each risk, related personnel and resources and relevancy of the management in each level and etc., therefore risks can be managed effectively.

Material Risks for the Company's business operations in 2018

Material Risks for the Company's corporate business operations in 2018 can be divided into 2 sections as follows:

1. Risks from general business operations

1) Risks from fluctuation of macroeconomic situations

This kind of risk primarily derives from uncertainty of global economic situations owing to trade wars and economic fluctuation in leading countries of which their impact may obstruct domestic and global economic conditions from growing as per expected, which subsequently may impact overall purchase order volumes of the Company. The Company has managed this risk by developing new businesses and products to make them more diversification together with improving efficiency on operations in order to control or reduce production costs to make them in suitable level. Such efforts will make the Company have enough potential to enter into new markets, domestically and internationally, which still have growth rate despite the gloomy economic conditions and to be able to seek more business opportunity.

2) Risks from fluctuation of exchange rate

In order to perform business operations, the Company has to purchase raw materials or manufacturing machines from foreign countries, therefore risks from fluctuation of foreign exchange rate which might impact efficiency on its cost control operations are unavoidable. Nonetheless, the Company mitigated such risk by allocating some income in foreign currency to pay for raw materials and machinery / equipment without converting currency and also entering into the forward contracts. Thus, the Company can control risks from fluctuation of exchange rate and limit its potential impact in some certain extent.

3) Risks from natural disaster, severe accidents and political circumstances

Even though the opportunity on occurrence of force majeure event, such as severe natural disaster (i.e. the great flood), severe accident (i.e. fire) and political unrest, is quite unlikely but if it does occur to the Company, particularly at the manufacturing plant, it may severely impact the Company, for instance it may delay business operations which could lead to loss of business opportunity and customers. Guidelines for managing risk which has high impact like this are to prepare readiness within the organization, for instance, closely monitor any potential natural disaster, development of personnel and system for prevention and reduction of fire impact and preparation of Disaster Recovery (DR) Site. Other measures are to transfer risks to other parties to mitigate risk impact, for instance, enter into insurance policy or request for cooperation from business partners to provide production support during the time the Company encounters emergency situation and etc.

4) Risks from lack of capable personnel

The increased international cooperation and trade liberalization may lead to fierce competition for capable personnel in the labor markets. Hence, the Company may face risks from recruitment and retention of capable personnel and such risk may lead to lack of personnel, continuity of business operations and loss of business opportunity, respectively. Therefore, the Company puts strong emphasis on preparation of successor development plan, career path development plan and proactive recruitment plan and etc.

5) Cyber Risk

Online theft of material information, i.e. information on finance, products and personnel may impact the Company's businesses and image in wider extent. Hence, the Company places importance on installation and update Intrusion Prevention System (IPS), Firewall system, and anti-virus software on continued basis.

6) Risks from change in laws, rules and regulations

Change in laws, rules and regulations of the public sectors may make the Company's personnel unable to comply or incorrectly comply with such changes that they may make the Company face with fines, penalty or subsequently lose its reputation or image. Hence, the Company has to constantly monitor change in government's policies, laws, rules and regulations.

2. Corporate specific risks

1) Risks from competitive condition in the automotive industry

This risk derives from highly competitive condition in automotive industry which is the main source of income of the Company. Such intense competition in this industry makes all automobile manufacturers give emphasis to development of new type of automobile which can better facilitate and respond to the needs of the automobile users continually. Consequently, development of new products and innovation which can add values to customers and continuous improvement of current features of the Company's products are keys for managing this risk as well as maintaining long-term business relationship with the customers, jointly development of new products with the customers or business partners including enhancement of the Company's expertise on vehicle to new business which has potential to be the Company's new S-curve in the future.

General Information and Other Important Information

1. General Information

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED or securities of symbol “TPCORP”

Issued and paid-up share capital 108,000,000 ordinary shares of par value Baht 1 each

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, air filter, face mask, household products 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

Investor Relations/ Corporate Secretary Contact : investor@tpcorp.co.th

Complaint Channel :

1. Complaint or report of a Corruption, Fraud, Bribery either directly or indirectly to e-mail: cac@tpcorp.co.th
2. Complaint or report of illegal act in Corporate Governance, Business Ethics, Code of Conduct to e-mail: cg@tpcorp.co.th

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

SET Contact Center: (66 2) 009-9999

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

E-mail: 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,

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 4th 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 Entities with over 10 % Shareholding by the company.

Company Name/ Head Office Address	Type of Business	Issued Shares	Amount of Shares	% of Holding	Type of Shares
1. 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	500,000	254,970	50.994	Common
2. 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	100,000	44,000	44.00	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. 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
5. 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
6. 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
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.

** The company that registered the liquidation on 8 January 2019

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 108,000,000 Baht, 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 March 13, 2018.

Distribution of shareholding by nationality and type	Amount of Shareholder	Amount of Share	%
Juristic Persons			
Thai Nationality	36	65,892,494	61.01
Foreign Nationality	2	4,000	0.01
Total Juristic Persons	38	65,896,494	61.02
Natural Persons			
Thai Nationality	1,285	42,015,366	38.90
Foreign Nationality	6	88,140	0.08
Total Natural Persons	1,291	42,103,506	38.98
Total	1,329	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)	24	89,788,912	83.14
Shareholders holding not more than 0.5% but not less than one trading unit. (100 shares to 540,000 shares).	1,140	18,207,282	16.86
Shareholders holding less than one trading unit. (1 share to 99 shares).	165	3,806	0.00
Total	1,329	108,000,000	100.00

Top ten major shareholders of the company	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. Samrerng Manoonpol	7,689,800	7.12
7. I.D.F. Company Limited	5,922,960	5.48
8. Universe Beauty Company Limited	1,391,000	1.29
9. Thai NVDR Company Limited	1,077,804	1.00
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 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

TPCORP

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.

The company has continuously paid dividends every year. Dividend payment is in accordance with the dividend payment policy (and is more than the policy rate). The dividend payment rate for the past 5 years is as follows.

Separate financial statements	2018	2017	2016	2015	2014
Earnings per share attributable to owners of the parent company (Baht)	0.68	1.19	2.71	1.11	0.99
Rate of Dividend per share (Baht)	**0.60	0.70	1.70	0.60	0.55
Dividend Payout Ratio. (%)	88.63	58.97	62.68	54.21	55.59

Note **The company will be paid out of the dividend of 0.60 Baht per share, total 64.80 million Baht, which will be proposed to Shareholders at the 44th AGM on April 23, 2019.

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 2018, 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. Ms. Sirikul	Dhanasarnsilp	Director	July 7, 1976
5. Mr. Chanin	Ratanavijai	Director	May 11, 2016
6. Mr. Padoong	Techasarintr	Independent Director	April 26, 1999
7. Mr. Somnuek	Thungpukdee	Director	November 12, 2018
8. Mr. Pisit	Leeahtam	Independent Director	April 24, 2018
9. Mr. Krisada	Visavateeranon	Independent Director	April 27, 2009

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

The company's independent directors at least one third of all directors and at least three persons.

Summary of Number of Meeting of Directors, Sub-Committee and Executives during 2018.

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

List		Attendance						
		The Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Corporate Governance and Risk Management Committee	The Executive Board	The Shareholders' Meeting
1. Mr.Boonsithi	Chokwatana	-	-	1/1	-	-	-	1/1
2. Mr. Manu	Leelanuwatana	6/6	-	1/1	-	-	-	1/1
3. Mr. Suchai	Narongkananukul	6/6	-	1/1	2/2	2/2	13/13	1/1
4. Mr. Arnut	Rattanapathimakorn	6/6	-	-	-	2/2	13/13	1/1
5. Mr. Wachara	Poomarintr (Resigned from this position since 22 October 2018)	4/4	-	-	-	-	9/10**	1/1
6. Mr.Somnuek	Thungpukdee (Served in this position since 12 November 2018)	1/1					13/13	
7. Miss Sirikul	Dhanasarnsilp	6/6	-	-	2/2	-	-	1/1
8. Mr. Chanin	Ratanavijai	6/6	-	-	-	-	13/13	1/1
9. Mr. Padoong *	Techasarintr	6/6	12/12	-	-	2/2	-	1/1
10. Mr. Thanavat	Pugavanaja (Resigned from this position since 24 April 2018)	2/2	4/4	-	2/2	-	-	-
11. Mr. Pisit*	Leeahtam (Served in this position since 24 April 2018)	3/4**	7/7			2/2		-
12. Mr. Krisada *	Visavateeranon	6/6	12/12	-	-	2/2	-	1/1
13. Ms. Rachanee	Luevipasakul	-	-	-	-	-	13/13	1/1
14. Miss Darunee	Supo	-	-	-	-	-	13/13	1/1
15. Mr. Samai	Moollakote (Served in this position since 10 May 2018)						8/8	-

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. Miss Sirikul | Dhanasarnsilp |
| 5. Mr. Chanin | Ratanavijai | 6. Mr. Somnuek | Thungpukdee |

Report on the company in shareholding of the Directors and Executives as of 31st December The Board of Directors,

Executives together hold does not exceed 25% of the total issued and paid up

Name				Position	Number of shares 2017	Number of shares 2018	Number of Shares of changes of Increase / (Decrease) at 2018	Share- holding in the company (%)
1	Mr. Manu	Leelanuwatana	Chairman	-	-	-	-	
	Spouses and minor children.			-	-	-	-	
2	Mr. Suchai	Narongkananukul	Managing Director	106,260	106,260	-	0.10	
	Spouse and minor children.			1,900	1,900	-	0.00	
3	Mr. Arnut	Rattanapathimakorn	Deputy Managing -	322,140	322,140	-	0.30	
	Spouse and minor children.			Director	24,170	24,170	-	0.02
4	Ms. Sirikul	Dhanasarnsilp	Director	498,120	498,120	-	0.46	
	Spouse and minor children.			-	-	-	-	
5	Mr. Chanin	Ratanavijai	Director	-	-	-	-	
	Spouse and minor children.			-	-	-	-	
6	Mr. Somnuek	Thungpukdee	Director	150	150	-	0.00	
	Spouse and minor children.			-	-	-	-	
7	Mr. Padoong*	Techasarintr	Independent Director,	-	-	-	-	
	Spouse and minor children.			Chairman of the AC	-	-	-	
8	Mr. Pisit*	Leeahtam	Independent Director,	-	-	-	-	
	Spouse and minor children.			AC Member	-	-	-	
9	Mr. Krisada*	Visavateeranon	Independent Director,	19,500	19,500	-	0.02	
	Spouse and minor children.			AC Member	-	-	-	
10	Miss Rachanee	Luevipasakul	Executive Director	70,930	70,930	-	0.07	
	Spouse and minor children.			-	-	-	-	
11	Ms. Darunee	Supo	Executive Director	-	-	-	-	
	Spouse and minor children.			3,970	3,970	-	0.00	
12	Mr. Samai	Moollakote	Executive Director	300	300	-	0.00	
	Spouse and minor children.			-	-	-	-	
13	Mr. Supachai	Taechalapanausmie	Internal Audit -	161,510	161,510	-	0.15	
	Spouse and minor children.			Manager	-	-	-	
14	Mrs. Sukjai	Rachadej	Factory Manager	900	900	-	0.00	
	Spouse and minor children.			-	-	-	-	
15	Mrs. Suwannee	Naipongprasit	Factory Manager	-	-	-	-	
	Spouse and minor children.			-	-	-	-	
Total				1,209,850	1,209,850	0	1.12	

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit.

1. Name	: Mr. Manu Leelanuwatana	: Age 73 years / Nationality Thai
• Position	: Chairman (Director with authority to sign on behalf of the company) : The Nomination Committee Member	
• Date of appointment	: 7 th July 1976	
• Share Holding percentage (%)	: None	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Mechanical Engineering, Chiba University, Japan	
• Training from Thai Institute of Directors Association (IOD)	: Director Accreditation Program (DAP) 3/2003 : Director Certification Program (DCP) 68/2005	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: None	
• Other Listed Companies	: 4 Companies	
Period	Position	Company Name
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 Patthana Interholding Plc.
• Other Non-Listed Companies	: 18 Companies	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

2. Name	: Mr. Suchai Narongkananukul : Age 72 years / Nationality Thai	
• Position	: Chairman of the Executive Board (Director with authority to sign on behalf of the company) : Managing Director : The Nomination Committee Member : The Remuneration Committee Member : The CG-RM Committee Member	
• Date of appointment	: 10 th August 1977	
• Share Holding percentage (%)	: 106,260 Shares (0.10%)	
• Shareholding by spouse and underage children	: 1,900 Shares (0.00%)	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Architecture, Tokyo Kogyo University, Japan	
• Training from Thai Institute of Directors Association (IOD)	: Director Accreditation Program (DAP) 3/2003 : Director Certification Program (DCP) 68/2005	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: 2 Companies	
Period	Position	Company Name
2013-Present	Chairman	TPCNIC Co., Ltd.
2014-Present	Director	PT. Dync Textile Prestige
• Other Listed Companies	: None	
• Other Non-Listed Companies	: 4 Companies	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

3. Name	: Mr. Arnut Rattanapathimakorn : Age 62 years / Nationality Thai	
• Position	: Deputy of Managing Director (Director with authority to sign on behalf of the company) : Executive Board Member : The CG-RM Committee Member : Executive Director Production	
• Date of appointment	: 26 th April 1991	
• Share Holding percentage (%)	: 322,140 Shares (0.30%)	
• Shareholding by spouse and underage children	: 24,170 Shares (0.02%)	
• Indirect Shareholding		
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Chemical and Textile Engineering, Rajamangala Institute of Technology	
• Training from Thai Institute of Directors Association (IOD)	: Director Accreditation Program (DAP) 3/2003	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: 1 Company	
Period	Position	Company Name
2014-Present	Commissioner	PT. Dynic Textile Prestige
• Other Listed Companies	: None	
• Other Non-Listed Companies	: None	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

4. Name	: Miss Sirikul Dhanasarnsilp	: Age 71 years / Nationality Thai
• Position	: Director (Director with authority to sign on behalf of the company) : Chairman of the Remuneration Committee	
• Date of appointment	: 7 th July 1976	
• Share Holding percentage (%)	: 498,120 Shares (0.46%)	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Master Degree in Commerce and Accountancy, Business Administration, Thammasat University : Bachelor Degree in Economics, Thammasat University	
• Training from Thai Institute of Directors Association (IOD)	: Board and CEO Assessment 2/2003 : Director Accreditation Program (DAP) 3/2003 : Director Certification Program (DCP) 68/2005	
• Other training	: Diploma, The Joint State-Private Sector Course (Class 10) from The National Defence College : Certificate, Capital Market Academy, Class 16, The Stock Exchange of Thailand	
• Past 5 years experience		
• Related Company and/or Subsidiary	: None	
• Other Listed Companies	: 1 Company	
Period	Position	Company Name
2004-1 April 2017	Vice Chairman	Thai Wacoal Plc.
2016-Present	Director	Saha Patthana Interholding Plc.
• Other Non-Listed Companies	: 20 Companies	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

5. Name	: Mr. Chanin Ratanavijai	: Age 55 years / Nationality Thai
• Position	: Director (Director with authority to sign on behalf of the company)	
	: Executive Board member	
	: Corporate Secretary	
	: Senior Manager/ Office of CEO	
• Date of appointment	: 11 st May 2016	
• Date of appointment to be Corporate Secretary	: 8 th May 2008	
• Share Holding percentage (%)	: None	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Master Degree in Economic, Cleveland State University	
	: Bachelor Degree in International Economics, Ramkhamhaeng University	
• Training from Thai Institute of Directors Association (IOD)	: Directors Certification Program (DCP) 101/2008	
• Training courses related to the company secretary	: Corporate Secretary Development Program from Thai Listed Companies Association (Thailca)	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: 1 Company	
Period	Position	Company Name
2014-Present	Director	PT. Dynic Textile Prestige
• Other Listed Companies	: None	
• Other Non-Listed Companies	: None	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

6. Name	: Mr. Somnuek Thungpukdee	: Age 52 years / Nationality Thai
• Position	: Director (Director with authority to sign on behalf of the company)	
	: Executive Board Member	
	: Factory Manager	
• Date of appointment	: 12 nd November 2018	
• Share Holding percentage (%)	: 150 Shares (0.00%)	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Engineering, Khon Kaen University	
• Training from Thai Institute of Directors Association (IOD)	: None	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: 2 Companies	
Period	Position	Company Name
2013-Present	Deputy of Managing Director	TPCNIC Co., Ltd.
2018-Present	Vice President Director	PT. Dync Textile Prestige
• Other Listed Companies	: None	
• Other Non-Listed Companies	: None	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

7. Name	: Mr. Padoong Techasarintr	: Age 78 years / Nationality Thai
• Position	: Independent Director (ID)	
	: Chairman of the Audit Committee (AC)	
	: The CG-RM Committee Member	
	: The Remuneration Committee Member	
• Date of appointment	: 26 th April 1999	
• Share Holding percentage (%)	: None	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Accounting and Commerce, Thammasat University	
• Training from Thai Institute of Directors Association (IOD)	: Role of the Chairman Program (RCP) 6/2001	
	: Director Accreditation Program (DAP) 4/2003	
	: Director Certification Program (DCP) 55/2005	
	: Audit Committee Program (ACP) 22/2008	
	: Monitoring the Internal Audit Function (MIA)3/2008	
	: Monitoring the system of Internal Control and Risk Management (MIR) 5/2009	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: None	
• Other Listed Companies	: 4 Companies	
Period	Position	Company Name
1993-Present	ID and Chairman of the AC	The Lanna Resources Plc.
2006-Present	ID and Chairman of the AC	Thanulux Plc.
2018-Present	ID and Chairman of the AC	CP ALL Plc.
2003-Present	ID and AC	Kulthorn Kirby Plc.
• Other Non-Listed Companies	: 2 Companies	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

8. Name	: Mr. Pisit Leeahtam	: Age 67 years / Nationality Thai
• Position	: Independent Director (ID)	
	: The Audit Committee member (AC)	
	: The Chairman of the CG-RM Committee	
• Date of appointment	: 24 th April 2018	
• Share Holding percentage (%)	: None	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Ph.D., M.S. and B.S. in Economics from The Netherlands School of Economics Erasmus University in Rotterdam, Netherlands.	
• Training from Thai Institute of Directors Association (IOD)	: Director Certification Program (DCP) 18/2002	
	: Corporate Governance for Capital Market Intermediaries (CGI) 2/2015	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: None	
• Other Listed Companies	: 4 Companies	
Period	Position	Company Name
2001-Present	ID and Chairman of the AC	KGI Securities Thailand Plc.
2005-Present	ID and Chairman of the AC	Global Connections Plc.
2005-Present	ID and Chairman of the BOARD	Tirathai Plc.
2016-Present	ID and Chairman of the BOARD	Pruksa Holding Plc.
• Other Non-Listed Companies	: 3 Companies	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

9. Name	: Mr. Krisada Visavateeranon : Age 68 years / Nationality Thai	
• Position	: Independent Director (ID) : The Audit Committee member (AC) : The CG-RM Committee Member	
• Date of appointment	: 27 th April 2009	
• Share Holding percentage (%)	: 19,500 Shares (0.02%)	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Master Degree in Electrical Engineering, Kyoto University, Japan	
• Training from Thai Institute of Directors Association (IOD)	: Director Certification Program (DCP) 7/2001 : Audit Committee Program (ACP) 34/2010	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: None	
• Other Listed Companies	: 1 Company	
Period	Position	Company Name
2010-Present	Chairman of the AC	Thai Stanley Electric Plc.
• Other Non-Listed Companies	: 1 Company	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

10. Name	: Miss Rachanee Luevipasakul	: Age 62 years / Nationality Thai
• Position	: Executive Board member	
	: Human Resources and Administration Manager ¹	
• Date of appointment ¹	: 29 th April 2013	
• Share Holding percentage (%)	: 70,930 Shares (0.07%)	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Business administration, Bangkok University	
• Training from Thai Institute of Directors Association (IOD)	: Director Accreditation Program (DAP) 21/2004	
	: Director Certification Program (DCP) 101/2008	
	: Finance for Non-Finance Directors (FND) 23/2005	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: None	
• Other Listed Companies	: None	
• Other Non-Listed Companies	: None	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Note :

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

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

11. Name	: Miss Darunee Supo	: Age 51 years / Nationality Thai
• Position	: Executive Board member	
	: Accounting and Finance Manager ¹ (The person taking the highest responsibility in finance and accounting and also the person supervising accounting)	
• Date of appointment ¹	: 8 th May 2014	
• Share Holding percentage (%)	: None	
• Shareholding by spouse and underage children	: 3,970 Shares (0.00%)	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Accounting, University of the Thai Chamber of Commerce	
• Training from Thai Institute of Directors Association (IOD)	: Director Certification Program (DCP) 246/2017	
• Training on continuous knowledge of accounting (Refresh) 6 hours per calendar year		
• 15 August 2018	: Draft Financial Reporting Standard No. 16 Leases (Hours of CPD 6 hours) [ร่างมาตรฐานการรายงานทางการเงิน ฉบับที่ 16 เรื่องสัญญาเช่า (จำนวนชั่วโมง CPD 6 ชม.)]	
• 2 December 2018	: Account issues, inventories and product counting that the accountant must be careful (Hours of CPD 6 hours) [ประเด็นปัญหาบัญชีสินค้าคงเหลือและการตรวจนับสินค้าที่นักบัญชีต้องระมัดระวัง (จำนวนชั่วโมง CPD 6 ชม.)]	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: None	
• Other Listed Companies	: None	
• Other Companies (Non-Listed Companies)	: None	
• Other Companies (Competitive Business related to Company's Business)	: None	
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant	: None	

Note :

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

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

12. Name	: Mr. Samai Moollakote	: Age 62 years / Nationality Thai
• Position	: Executive Board member	
	: IT Manager ¹	
• Date of appointment ¹	: 10 th May 2018	
• Share Holding percentage (%)	: 300 Shares (0.00%)	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Finance and Banking, Ramkhamhaeng University	
• Training from Thai Institute of Directors Association (IOD)	: None	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: None	
• Other Listed Companies	: None	
• Other Non-Listed Companies	: None	
• Other Companies (Competitive Business related to Company's Business)		: None
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant		: None

13. Name	: Mr. Supachai Taechalaparnarumie	: Age 62 years / Nationality Thai
• Position	: Internal Audit Manager ¹ (Head of Internal Audit)	
• Date of appointment ¹	: 6 th June 2016	
• Share Holding percentage (%)	: 161,510 Shares (0.15%)	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Accounting, University of the Thai Chamber of Commerce	
• Training from Thai Institute of Directors Association (IOD)	: None	
• Other training	: Tax Auditor	
• experience	: Internal audit more than 15 years	
	: Accounting and taxation for more than 35 years	
• Past 5 years experience		
• Related Company and/or Subsidiary	: None	
• Other Listed Companies	: None	
• Other Non-Listed Companies	: None	
• Other Companies (Competitive Business related to Company's Business)		: None
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant		: None

Note :

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

Information of the Board of Directors, Executives, Corporate Secretary, Chief Financial Officer and Accountant and the head of the internal audit (continue)

14. Name	: Mrs. Sukjai Rachadej	: Age 51 years / Nationality Thai
• Position	: Factory Manager ¹	
• Date of appointment ¹	: 21 st October 2010	
• Share Holding percentage (%)	: 900 Shares (0.00%)	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Engineering, Khon Kaen University	
• Training from Thai Institute of Directors Association (IOD)	: None	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: 1 Company	
Period	Position	Company Name
2016-Present	Director	TPCNIC Co., Ltd.
• Other Listed Companies	: None	
• Other Non-Listed Companies	: None	
• Other Companies (Competitive Business related to Company's Business)		: None
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant		: None
15. Name	: Mrs. Suwannee Naipongprasit	: Age 50 years / Nationality Thai
• Position	: Factory Manager ¹	
• Date of appointment ¹	: 21 st April 2017	
• Share Holding percentage (%)	: None	
• Shareholding by spouse and underage children	: None	
• Indirect Shareholding	: None	
• Family Relationship between Executives	: None	
• Education	: Bachelor Degree in Education , Science - Chemistry Srinakharinwirot University	
• Training from Thai Institute of Directors Association (IOD)	: None	
• Other training	: None	
• Past 5 years experience		
• Related Company and/or Subsidiary	: None	
• Other Listed Companies	: None	
• Other Non-Listed Companies	: None	
• Other Companies (Competitive Business related to Company's Business)		: None
• Any position in other business or other organizations in the previous year which has an impact on the time devoted significant		: None

Note :

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

Directors of Subsidiary Company and Associated Company

Name of Director		Subsidiary Company	Associated Company
		TPCNIC Co., Ltd.	PT. DYNIC TEXTILE PRESTIGE
1. Mr. Suchai	Narongkananukul	X	/
2. Mr. Arnut	Rattanapathimakorn		&
3. Mr. Chanin	Ratanavijai		/
4. Mr. Somnuek	Thungpukdee	@	\$
5. Mrs. Sukjai	Rachadej	/	
6. Mr. Yoshio	Oishi	\$	/
7. Mr. Satoshi	Kokubo		X
8. Mr. Toshihisa	Kurita		/
9. Mr. Hiroshi	Endo	/	
10. Mr. Kazuhito	Yokoyama	//	

Note X = Chairman

\$ = Vice Chairman

// = Managing Director

@ = Deputy of Managing Director

/ = Director

& = Commissioner

Legal offence record

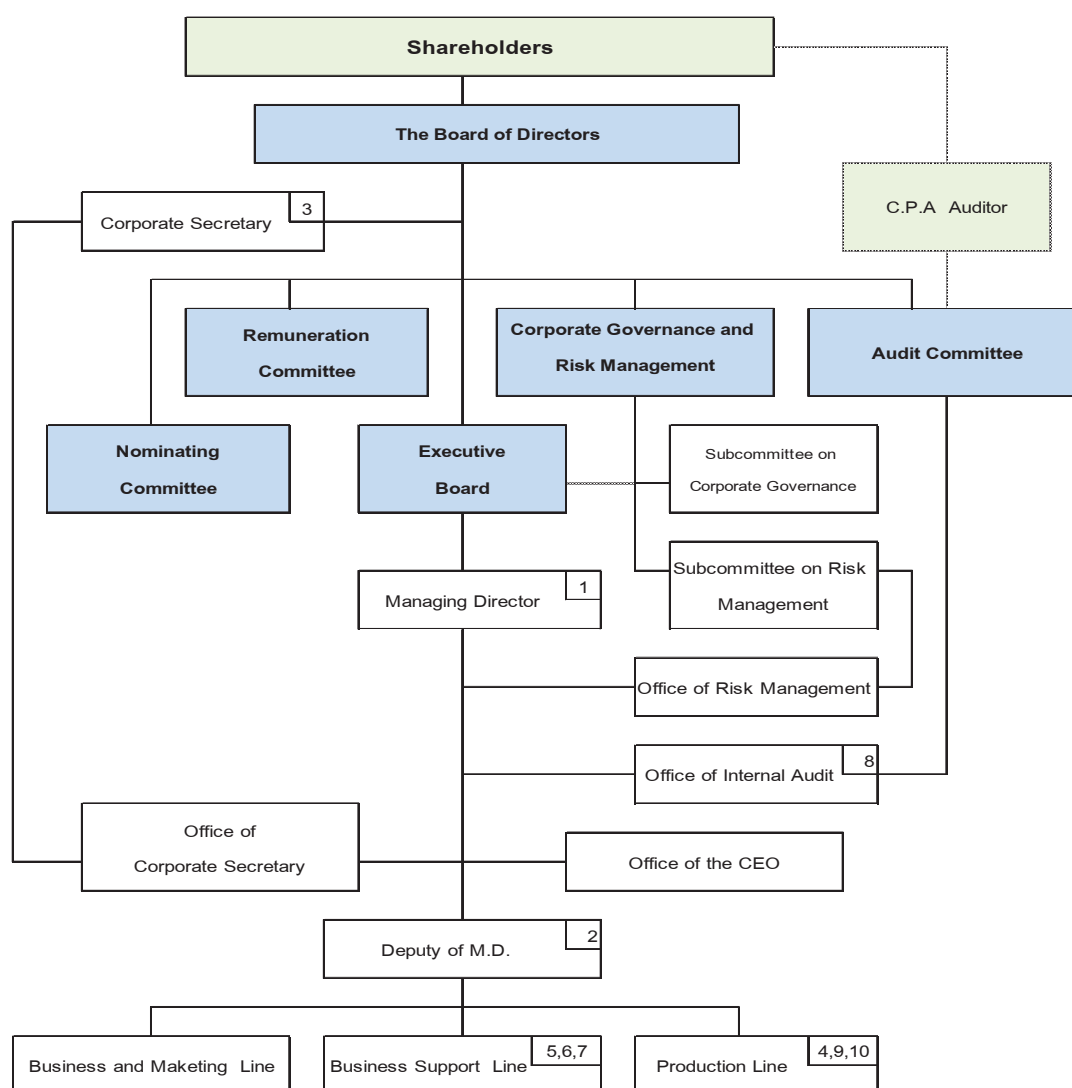
The company hereby warrants that none of its present executives has ever had any legal offence records.

2. The Executives

As of December 31, 2018 as the executive as defined by the Securities and Exchange Commission, consists of 10 members as follow;

	Name	Position
1.	Mr. Suchai Narongkananukul	Chief Executive Officer and Managing Director
2.	Mr. Arnut Rattanapathimakorn	Deputy of Managing Director and Director of Production
3.	Mr. Chanin Ratanavijai	Executive Director and Senior Manager-office of the CEO and Corporate Secretary
4.	Mr. Somnuek Thungpukdee	Executive Director and Factory Manager
5.	Miss Rachanee Luevipasakul	Executive Director and Human Resources and Administration Manager
6.	Miss Darunee Supo	Executive Director and Accounting and Finance Manager (CFO)
7.	Mr. Samai Moollakote	Executive Director and IT Manager
8.	Mr. Supachai Taechalapanarusmie	Internal Audit Manager
9.	Mrs. Sukjai Rachadej	Factory Manager
10.	Mrs. Suwannee Naipongprasit	Factory Manager

Management Structure of company as of December 31, 2018



1. 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” from Thai Listed Companies Association.

Corporate Secretary’s Authority of 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 Authority of assigned by The Board of Directors, as follows;
- Set up the Board of Directors, Executive Board and the shareholders’ meeting.
 - 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.
 - To monitor and report substantial changes of rules and regulations to the directors/ executives
 - To organize the Board of Directors’ Self-Assessment

4. Remuneration for the Directors and Executives In 2018

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 Authority of

- Meeting allowance paid to attending directors;
 - Chairman of the Board of Directors 12,000.- Baht per meeting.
 - Director each person of 10,000.- Baht per meeting.
- Annual Remuneration (Gratuity) paid to every director by the Remuneration Committee to consider allocation.

Performance of Audit Committee Authority of

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

Performance of the Nomination Committee

- Meeting allowance shall be paid to attending directors;

- Chairman of the Nomination Committee		10,000.- Baht per meeting.
- Director	each person of	8,000.- Baht per meeting.

Performance of the Remuneration Committee

- Meeting allowance shall be paid to attending directors;

- Chairman of the Remuneration Committee		10,000.- Baht per meeting.
- Director	each person of	8,000.- Baht per meeting.

Performance of the Corporate Governance and Risk Management Committee

- Meeting allowance shall be paid to attending directors;

- Chairman of the Corporate Governance and Risk Management		10,000.- Baht per meeting.
- Director	each person of	8,000.- Baht per meeting.

4.1 Monetary remuneration

Remuneration of the Board of Director

In 2018 the company paid remuneration to the Board of Directors 9 persons consist of

1. Meeting allowance	6 meetings	Total of	532,000.-Baht
2. Annual Remuneration		Total of	7,000,000.-Baht

Remuneration of Sub-Committee

In 2018 the company paid remuneration to Sub-Committee consist of

1. Meeting allowance	Number of persons	Number of times	Amount (Baht)
- The Audit Committee	3 persons	12 meetings	658,000.-
- The Nomination Committee	3 persons	1 meeting	26,000.-
- The Remuneration Committee	3 persons	2 meetings	52,000.-
- The Corporate Governance and Risk Management Committee	5 persons	2 meetings	84,000.-
2. Annual Remuneration	– None –		

Remuneration of the Executives

In 2018 the company paid remuneration to the Executive consist of Salary, Bonus and Meeting allowance to 11 persons total of Baht 38,005,191.-

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 2018 the company has contributed the Provident funds for the Executives 4 persons a total of Baht 318,135.-

5 Employee

The company had 540 employees (as of 31 December 2018). In 2018, the company paid employees a total of 214.56 million Baht. The amount included salaries, overtime, meeting allowances, living expenses, bonuses, special allowances, contribution into social security, contribution into provident fund and retirement fund, etc. In addition, the subsidiaries paid compensation to employees in the same manner as the company in the amounts as follows:

- TPCNIC Co., Ltd. had 36 employees and paid employees a total of 8.82 million Baht.

Policy on Employee Development

The company recognizes the importance of developing human resources by developing a workforce with the knowledge and skills needed in the direction of the business in order to increase the competitiveness of current and future development of the knowledge, skills and attributes. Knowledge and skills are applied to the person in charge or the exchange of knowledge and new skills to work together to convey by supervisors or mentors who provide guidance / training and gain knowledge. Skills training to its employees by conducting training both inside and outside the curriculum as follow;

1. The knowledge courses for vision, strategy and sustainable management, such as
 - Next Step Thailand : EEC , E-commerce Big Bang
 - Thai economy moves - Prepare to technology change [เศรษฐกิจไทยขยับ เตรียมรับเทคโนโลยีเปลี่ยน]
 - Making Financial Projection to evaluate the value of the company [การทำ Financial Projection เพื่อประเมินมูลค่าบริษัท]
 - Smart Manufacturing Experience 2018
 - New dimension of the future of Thai medical equipment for Medical Hub [มิติใหม่อนาคตเครื่องมือแพทย์ไทยก้าวไกลสู่ Medical Hub]
 - Sustainable growth in the information based on account and tax[เติบโตอย่างยั่งยืนในยุคแห่งข้อมูลบนพื้นฐานความเข้าใจบัญชีและภาษีอากรฯ]
 - ISO 13485 : 2016 , IATF 16949 : 2016
2. The basic courses For employees in each position, such as
 - Basic knowledge of non-woven textiles and the company's products [ความรู้พื้นฐานสิ่งทอเทคนิค (Non Woven) และความรู้เกี่ยวกับผลิตภัณฑ์ของบริษัท]
 - Review the implementation of anti-corruption and corruption policies [ทบทวนการปฏิบัติตามนโยบายการต่อต้านการทุจริตและคอร์รัปชัน]
 - Overall system tax related to sales promotion [ภาษีทั้งระบบที่เกี่ยวข้องกับการส่งเสริมการขาย]
 - Electrical equipment assembly level 1 (PLC), Electrical system maintenance [งานประกอบอุปกรณ์ไฟฟ้า ระดับ 1 (PLC), การบำรุงรักษาระบบไฟฟ้า]
 - Systematic Audit
 - Paper working for anti-corruption review in the organization [กระดาษทำการเพื่อมาตรการต่อต้านการคอร์รัปชันในองค์กร]
 - Energy conservation in the organization [การอนุรักษ์พลังงานในองค์กร]
3. The course is compulsory under the law and the ISO system, such as
 - Standard quality management by ISO 9001:2015 and IATF 16949:2016
 - Work safety and CCCF, Energy management for managers and control buildings
 - Basic fire prevention and suppression [การป้องกันและระงับอัคคีภัยเบื้องต้น]
 - Medical Device Regulatory Updates
 - Laws and guidelines according to the Factory Act B.E.2535, the operator of water pollution treatment systems [กฎหมายและแนวทางปฏิบัติตาม พรบ.โรงงาน 2535, ผู้ปฏิบัติงานประจำระบบบำบัดมลพิษน้ำ]
 - Guidelines for compliance with the Skill Development Act [แนวทางการดำเนินงานตาม พรบ.ส่งเสริมการพัฒนาฝีมือแรงงาน]

4. The course of management for training needs and supports the work of the organization, such as
 - Cloud on Board, Stop Building Data Centers Start Building Clouds
 - 5 S. Roots of increasing productivity, risk assessment for medical products [5 ศ. รากฐานของการเพิ่มผลผลิต, การประเมินความเสี่ยงสำหรับผลิตภัณฑ์ด้านการแพทย์]
 - Technician as a speaker, EMT – Effective Minutes Taking, Financial system improvement and development techniques [เทคนิคการเป็นวิทยากร, EMT–Effective MinutesTaking, เทคนิคการปรับปรุงและพัฒนาระบบการเงิน]
 - How to manage wages to be legal and fair, ready to receive significant changes in financial reports. [การบริหารค่าจ้างอย่างไรให้ถูกกฎหมายและเป็นธรรม, พร้อมรับการเปลี่ยนแปลงที่สำคัญเกี่ยวกับรายงานทางการเงิน]

Corporate Governance

The Board of Directors approved the good corporate governance policy in writing on February 27, 2014 and has regularly reviewed this policy and practices every year. The company has consistently complied with its principles.

The latest revision of the policy and its practices were performed by the Corporate Governance and Risk Management Committee in the meeting no. 2/2561 on December 4, 2018. They shall be practicing guidelines and manual for the management thus the resources of the company would be efficiently and effectively utilized in line with the target and could fairly optimize benefits to all stakeholders.

The Board of Directors had reviewed the implementation of “the 2017 principles of good corporate governance for listed companies” of the company in the meeting no. 6/2561 on December 26, 2018. The policies and guidelines that were revised are integrated into company vision, missions, corporate value, policies, corporate governance manual, business operation ethics and code of conduct for directors and all staff are as follows;

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 Authority of 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, Authority of 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.

Chapter 1: Shareholder Right

The Board of Directors attaches great importance to the rights of shareholders, without infringing upon or depriving the shareholders of their rights. Both of the shareholders who are major shareholders and minority shareholders, Thai shareholders or foreign shareholders, by the fundamental rights of shareholders including the right to trade and transfer the company's shares, the right to have access to adequate business information, the right to share of the profits of a business, the right to be treated fairly in shares buy back by the company, the right to elect and remove directors, the right to consider on remuneration of directors in all forms, the right to approve the appointment of independent auditor annually, and the right to attend and vote at a shareholder meeting in order to make decision on significant issues that may affect the company such as dividend allocation, amendment to the memorandum and/or articles, reduction or increase of capital, approve the special items, and so on, which are typically defined by state law.

The Board of Directors does not hold shares more than 25% of the issued and paid-up shares. To allow minor shareholders to freely vote on various matters

In addition, the Board of Directors has set a policy to facilitate and promote the attendance of shareholders for supporting the shareholders of the Company. Including institutional of the investors and have exercised their basic rights to attend the meeting and exercise their right to vote at the shareholders' meeting as follows:

1) Pre-shareholder Meeting

- The opportunity for shareholders to send their opinions, questions or propose agenda items in advance of the shareholders' meeting. With clearly defined criteria by the information system of the Stock Exchange of Thailand. Also available on the company's website.
- Opportunity for shareholders to nominate persons to be elected as directors in advance of the shareholders' meeting. With clearly defined criteria by the information system of the Stock Exchange of Thailand. Also available on the company's website.
- Arrangement the meeting invitation and supporting documents to the shareholders at least 21 days (or any other time as required by the law) and announce the newspaper no less than 3 consecutive days for inform the date to appointment of the shareholders meeting according to the law. The meeting invitation and the supporting documents in both Thai and English versions had been published on the Company's website at least 30 days before meeting date.
- Identify important information in the meeting invitation, such as date, time, Place of the meeting. Agenda details. Be supporting documents with the Board of Directors' opinion Rules for vote counting on each agenda to be in accordance with the law. Proxy form as required by law list of independent directors, so that shareholders can choose to appoint a proxy to attend the meeting. Statement on how to appoint a proxy to attend the meeting and the voting in the shareholders meeting. A map of the meeting and place. Including the company's regulations about the meeting of shareholders and voting.

2) Action on Shareholders Meeting

- Fix date, time and place of meeting. Taking into account the convenience of the shareholders. And to provide personnel. And technology is adequate for the number of shareholders.
- Provide the bar code system and arrange for independent auditors to count the votes or check votes and disclose to the meeting also recorded in the minutes.
- The Chairman will explain the rules used in the meeting. Voting procedure to allocate the meeting time appropriately. Include an opportunity for all shareholders to ask. Provide comments and suggestions. Fully the Board of Directors, Audit Committee, sub-committees, relevant executives, and auditors attended the shareholders' meeting to answer the questions in the meeting. Including senior executives, Corporate secretary attend to the meeting.
- In case the shareholders could not attend the meeting by themselves, the Company gives the shareholders the opportunity to appoint a proxy to the independent director or any person as they attend the meeting instead.

In 2018, the Company held general shareholders' meeting for the year 2018 dated on April 24, 2018, at Chao Praya Room 2, The Montien Riverside Hotel, 372 Rama 3 Road, Bangkok, Bangkoklaem, Bangkok 10120 There were every director of committees, Directors, Executives, Corporate Secretary, Auditor and management executives participating to explain meeting agenda and answer questions from shareholders.



The Company assigned Thailand Securities Depository as registrar to send letter of shareholders meeting and related documents to shareholders for at least 21 days in advance before meeting takes place. The Company also published letter of shareholders meeting and related documents via company's website, www.gunkul.com, for at least 30 days in advance, so shareholders can reach related information regarding shareholders' meeting as convenient and as quick as possible.

For registering and voting, the Company uses barcode system and provides revenue stamp for shareholders to send proxy to company with aim to make it fast and convenient to shareholders. In the meeting, the Company explains voting criteria before meeting starts and gives shareholders opportunity to express their opinions and raise questions in relation to the company and agenda.

3) After the Shareholders Meeting

- Disclosure of the resolutions of the shareholders' meeting and the voting results by the date of the shareholders' meeting. Or slowly by 9.00 am on the next business day from shareholders' meeting. By the information system of the Stock Exchange of Thailand. Also available on the company's website.
- Do the minutes of the meeting shall be prepared with accurate and complete information stating the issues raised by the shareholders and the Board of Directors' replies to such questions within 14 days from the date of the shareholders' meeting. And submit the minutes of the meeting to the relevant authorities within the time limit. Also disclose the minutes on the Company's website for shareholders and related parties to verification.

Chapter 2: Equally Treatment among Shareholders

The Board has set policies and procedures in various matters. To ensure that all shareholders are treated and protected equally, they are equally protected including the information before the shareholders' meeting, the protection of the rights of minority shareholders Prevention of internal data usage and the prevention of Conflict of Interest, inter-transactions as well as internal controls and internal audits as follows:

1) Pre-meeting information and protection of minority shareholders' rights

- Prepare meeting invitation and meeting documents both in Thai and English by put on the agenda, and opinion of the Board of Directors in the notice of the meeting. And through the information system of the Stock Exchange of Thailand. Also available on the company's website advance at least 30 days before the date of the shareholders' meeting.
- Inform the shareholders of the procedures and rules used in the meeting. Both how to register a proxy and vote.
- Allow the shareholders to send the inquiries. Propose agenda and nominate candidates to be elected as directors in advance of the meeting date. With clearly defined criteria by the information system of the Stock Exchange of Thailand. Also available on the company's website.
- Conduct the shareholders' meeting, according to the agenda set forth in the invitation letter. Without adding unnecessary agenda items advance notice.
- Determine whether the shareholders who are directors or executives disclose information about their interests and related persons. And there is no right to vote on such stake.

2) Supervision of the use of inside information

The Company maintains proper use of inside information in accordance with good corporate governance by setting policies and procedures for the support to directors and executives to use internal information of the company. That is not publicly available for personal gain. Including securities trading as follows:

- The Board of Directors has imposed the Directors and Executives of the Company's reporting obligations and report changes in holding of the Company's securities. Both its spouse and its underage children. To the Office of the Securities and Exchange Commission ("SEC") under Section 59 and penalties under Section 275 of the Securities and Exchange Act BE 1992 (as amended) and submit a copy of this report to the Company Secretary on the same day that, the report is sent to the SEC. Also report to the Good Corporate Governance Committee and the Board of Directors meeting every quarter.
- Set the directors, executives and employees who could access to important internal information that may affect the price change of securities do not act to seek benefits for themselves or others from internal information known before public disclosure and during the 1 month period prior to the disclosure of financial statements, the company prohibits directors, executives and employees use internal information to buy or sell securities, accept or transfer of the Company's securities

3) Prevention of Conflict of Interest

- Define those who are involved or have an interest in the item considered, must notify to the Company that about relationship or stake in the list. In case of director, they must not participate in the decision. Including no authority to authorize of the transaction.
- For a transaction that causes a conflict of interest that is a trade agreement is not a general trading condition. That must be presented to the Board of Directors for approval. And must comply with the rules of the Capital Market Supervisory Board of The Securities. And Exchange Commission to The Stock Exchange of Thailand or any other relevant regulatory authority.

4) Connected Transaction

- If there is a connected transaction, The Company has operated fairly according to the market price and in accordance with the fair and at arms' length and the company shall comply with the law governing securities and exchange, also the regulations, notifications, orders or requirements of the Capital Market Supervisory Board. The Securities Commission and stock exchange. The Stock Exchange of Thailand or any other relevant regulatory authority. Including compliance with the disclosure requirements of the connected transaction of the Company. In accordance with accounting standards prescribed by the Federation of Accounting Professions.
- In the case, that the connected transactions are normal business transactions and normal business support transactions. With general trading conditions, include items to give or receive financial assistance. A listed company or a subsidiary provides financial assistance to a juristic person in which a listed company or a subsidiary is a shareholder. In proportion to their own interest in that, legal entity under the terms of trade in general or better. To comply with the operating framework approved by the Board of Directors.
- In case of connected transaction is other types of transactions are proposed to the Board of Directors for consideration. By compliance with the rules of the relevant regulatory bodies.

5) Internal control and Internal audit

- The Board of Directors, the Audit Committee and the management have a direct responsibility to provide and maintain an internal control system. It also conducts regular reviews of the effectiveness of the internal control system. To ensure reliable information and financial information system.
- The Board of Directors assigned the Audit Committee to review operational independence of the internal audit office; approve, appraise, appoint, transfer, or dismiss the head of internal audit office or any other office responsible for internal audit operations. Supervise to ensure that chief of internal audit office has sufficient education, experiences, and training, adequate to such internal audit operations.
- The Board of Directors and the Audit Committee, has appointed Mr. Mr. Supachai Taechalaparnusmie to be the head of internal audit. The information as work experience, please see under the section "Information of the Board of Directors, Executives, Controlling Persons, Chief Financial Officer, Accountant , Corporate Secretary and the head of the internal audit."
- The Company has appointed an internal audit unit. To be responsible for monitoring the performance of the company. To be effective by reporting the results directly to the Audit Committee.
- The Audit Committee has reviewed the appropriateness and adequacy of the internal control system at least once a year and proposed to the Board for consideration and comments in the Annual Report. And Annual Information Disclosure (Form 56-1)

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 the 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.

The 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. The

company has prepared a report on corporate social responsibility (CSR REPORT) by analyzing stakeholders for growing together sustainably.

Channels for Stakeholders' Participation

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. ; are able to contact E-mail : cg@tpcorp.co.th or Telephone : 0-2294-0071 ext. 122, 201 Fax : 0-2294-5627.

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.

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.

Business Ethics

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 Authority of 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 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.

The Company paid dividends regularly and in accordance with the dividend policy, in the 2018, The Company paid the dividend payment for the performance of fiscal year 2017, at the rate of 0.70 Baht per share and it is approved from the General Meeting of Shareholders No. 43 on Tuesday 24 April 2018

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

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, Authority of , 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

Compensation and Employee Welfare

The company has reviewed the compensation and benefits to be allocated to employees annually, to ensure that can compete in the same industry.

In addition, 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.

The company set up the welfare committee in the workplace for employees to participate in the administration of welfare as a mediator to help the welfare of employees for the good quality working life 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, Anti-Corruption Policy.
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'
 - 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.
 - Gift Baskets for visiting sick employees

Work Safety and Occupational Health

Since the company focused on the significance of work safety and occupational health, the Committee of Safety, Health and Environment at Workplace was appointed to provide a welfare for the safety and good health of employees. 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 2018, the company recorded statistics of accidents from work and revealed in CSR Report, which had no serious accidents.

Channel for Employees' Communication

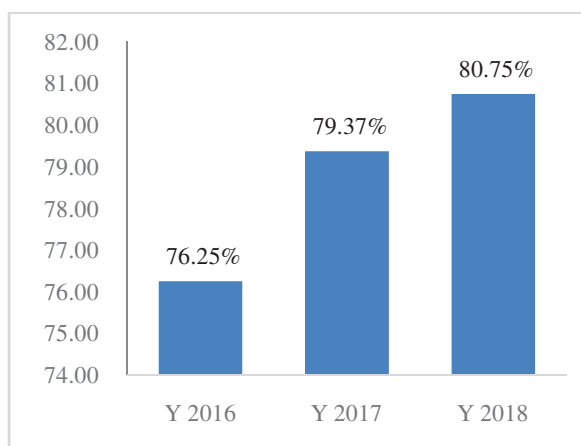
The company has provided a channel of communication for employees to make suggestions and identify problems between the employees and their superiors. And operated by a mechanism that does not affect employees who report such abuse. Which has been preserved as a company secret, are able to contact Executive Directors through directly the Subcommittee of good governance via E-mail: cg@tpcorp.co.th or Telephone: 0-2294-0071 Ext. 122, 201 or Fax no. 0-2294-5627

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 Managing Director through directly the Subcommittee of good governance via E-mail : cg@tpcorp.co.th or Telephone : 0-2294-0071 Ext.122, 201 or Fax no. 0-2294-5627

Results of customer satisfaction surveys regarding products and services between 2016-2018



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.

Screening trading partnership

The company has a standard for selecting, evaluating and examining trading partners fairly and transparently. Adhere to the principles of business stability and the reliability of partners Including being able to meet the needs of the company It very good Which has established the Vender List when having passed the selection of potential business partners to join the company By using the partner evaluation form In assessing the potential of partners Both in terms of the availability of services, production capacity as well as the requirements of relevant standards

Once the partner has been selected and joined the business with the company The company has a process to audit and evaluate suppliers (Supplier Audit) to evaluate the performance. Determination of corrective plans Including evaluation after the implementation of the plan With regard to quality, quantity, safety in production and delivery Compliance with company requirements

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 2018, 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 Executive Directors through directly the Subcommittee of good governance via E-mail: cg@tpcorp.co.th or Telephone: 0-2294-0071 Ext.122, 201 or Fax no. 0-2294-5627

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 Authority of 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, the company conducts to CSR in process continuously. TPCORP by Factory5 has been certified by the Corporate Social Responsibility, Department of Industrial works Continuous (CSR-DIW Continuous) for the 4th year (from 2015 to present).

In 2018, the TPCORP by Factory2 was certified by the Corporate Social Responsibility, Department of Industrial works (CSR DIW), which participated in the first time and the first year. Also, TPCORP2 has been certified

by "Green System (Level 3)" mean equivalent to the Environmental Management System (ISO 14001) from the Department of Industrial Works.



Encouraged to use resources efficiently.

The company had Committee on Energy Conservation with representatives from all departments in the company to foster creativity and encourage employees to monitor the use of resources more efficiently and cost effectively. Provide a control energy system that does not waste energy and awareness for employees and organizations involved in all aspects of the energy savings continuously in electricity savings by using LED lights, oil saving by car pool, and water saving by turn off the water while brushing teeth. Reuse paper etc. Encourage saving behavior both the workplace and in the household.

Policy of Non-infringement of Intellectual Property

The company operates business based on business ethics conducts and integrity principle, the company adheres 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 Authority of 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 Authority of 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.

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. The company was certified and accepted as a member of The Private Sector Collective Action Coalition Against Corruption (CAC) since October 14, 2016.

Although this policy was established for the company, the company has been monitoring and evaluating the implementation of the policy. 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 on September 26, 2018 and October 4, 2018. Internal Audit Officer and Information Technology Officer attended the paper working for anti-corruption review in the organization by the Federation of Accounting Professions on July 16-17, 2018

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.

Whistle-blowing and Complainant

Any stakeholder or Employee, who attempts to act on behalf of the company or was involved in bribery or corruption, either directly or indirectly, shall be deemed to have committed a fraudulent offense against the rules, regulations, and company policies. Failure to follow the Code of Conduct of set out for Directors, Management and

Employees may be reported to the company to act upon the complaint allowing for the accused to be treated fairly in practice.

1. The channels of complaint, practices are as follows:
Direct verbal complaints or complaints in writing.
 - Internal Audit Manager, Tel: 0-2294-0071 Ext. 260
 - HR Manager, Tel: 0-2294-0071 Ext. 122
 - Company Secretary, Tel: 0-2294-0071 Ext. 166
 - Accounting Manager, Tel: 0-2294-0071 Ext. 150
2. Complaint via the company website at www.tpcorp.co.th or E-mail Address: cac@tpcorp.co.th, that will be sent to above complaint recipient.
3. Complaint box: The complaint box will be opened daily by unit manager and the documents will be sent to the Chairman of the Subcommittee on Good Governance.
4. Mail to Textile Prestige Public company Limited No. 704 /1-9 Rama 3 Yannawa, Bangkok 10120.

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.

Informant protection

The company will keep relevant information secret and take into account the safety of the complainant by concealing their names, addresses, or any kinds of information which can identify the complainant. The information shall be confidential limited to only those with the responsibility to investigate the complaint or who shall be deemed to comply with measures to protect the complainant as defined in the Code of directors, management and employees.

Investigation Audit

1. The complaint officer will investigate and gather facts or assign designated individuals or entities acting on behalf of the trustees.
2. Those investigators or receiving complaints can invite employees to give information or to send any documents relating to the investigation.
3. Where a decision is made on the evidence of a complaint, the recipient of the complaint shall report to senior management in order for them to report to the Committee on Good Governance and Risk Management, The Audit Committee and The Board of Directors operates refer the matter to the managing Director for further action.

If the complaint to be true, There will be disciplinary action or laws. HR Department punished according to the regulations of the company or refers the matter for further proceedings.

In the case of complaints, causing damage to anyone, it is proposed to mitigate the damage to the victim's rights and in order to be fair.

For urgent cases the receiving of complaints, reporting directly to the Managing Director to carry out urgent. Then report to senior management to report to the Committee of corporate governance and risk management or audit committee and then informed the Board of Directors.

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 was published in both Thai and English via channels of the Stock Exchange of Thailand (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 and has disclosed an annual report within 120 days after the fiscal year.

- In 2018, the company has published an annual report on the SET on 23 March 2018. 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 launched to the public via the website of the Stock Exchange of Thailand. By The SEC will receive the same information that investors can use as information in considering investment decisions.

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 2018, 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 Management and tax operations of the company

Textile Prestige Public Company Limited realizes the importance on tax practices in order to make tax preparation and management of the Group of Companies appropriate and sustainable and to enhance utmost benefits of the stakeholders by complying with the relevant laws and regulations of the country including implementation of transparent and trustworthy tax policy, hence tax policy has been specified as follows:

1. Guidelines on tax planning and practices

- Tax planning must be correctly undertaken so that taxes shall be completely paid pursuant to criteria, methods and conditions specified by the laws. Tax incentives must be effectively applied for tax saving purposes.
- There must be records on expenses and revenue recognition pursuant to accounting criteria and accounting standards including adjusting entries, so that taxes could be paid as per specified by the laws.
- Transactions and related transactions within the Group of Companies must be supervised to ensure that they shall be as per normal course of business and fair. Tax practices shall be correctly and consistent with business operations and strategies.
- The relevant personnel is encouraged to seek for knowledge and understanding including monitor changes in tax laws which may impact to the Company's businesses on continued basis.
- Assign a responsible person or a person whose works related to taxes and tax planning to be the Company's contact person to coordinate and communicate with the third party including the government sectors.
- Tax performance shall be monitored then assessed for improvement of tax planning and for properly compliance with guidelines specified by the laws.

2. Tax Advisor

The Company shall consider on employment of tax advisor or expert to provide recommendation on taxes in case of necessity for the best benefits of the Company and the stakeholders.

4.7 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"

4.8 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 | Director and Corporate Secretary |
| 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 2018, There were 13 companies in Saha group cooperated with Stock Exchange of Thailand arranged “Analysts and investors meet Saha Group no.10 held on 29 June 2018 at 22nd 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, Authority of 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's 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. Responsibility of the Board of Directors are follow;-

1. The Board of Directors has prescribed a structure for the Board of Directors comprising of persons having a diverse range of knowledge, competencies and experiences, without limitation to gender, and having the qualifications required by law. At least one Company Director is a Non-Executive Director who has experience in the Company's business undertaking. There are also Independent Directors as required under the Notification of the Office of the Securities and Exchange Commission.
2. The Board of Directors has provided a definition for an Independent Director which meets the minimum requirements of the Office of the Securities and Exchange Commission.
3. The Board of Directors has appointed Committees to screen key matters prior to submission to the Board of Directors.
4. The Board of Directors has issued a charter for each Company Committee by prescribing the tenure and scope of powers and duties to clearly demarcate the roles, duties and responsibilities of each Company Committee and the management.
5. The Board of Directors has a policy which requires Company Directors and Executives holding directorial positions in other companies to make a disclosure to the Company Chairman and Chairman of the Audit Committee.
6. The Board of Directors has provided for a Company Secretary to perform duties prescribed by law and as entrusted. The qualifications of a Company Secretary should be a person possessing knowledge of law or accounting, or who has completed training relating to the performance of company secretarial duties. Continual training and knowledge development are also continually provided.
7. The Board of Directors has prescribed policies for governance, business ethics and codes of conduct for Company Directors, Executives and employees to ensure a harmonized approach.
8. The Board of Directors has prescribed a Company vision and mission so that the Company Directors, Executives and employees would strive towards the same goal.
9. The Board of Directors has a policy of continually promoting and sponsoring the development of knowledge amongst Company Directors, Executives and employees.
10. The Board of Directors prescribes an annual meeting schedule in advance every year. The determination of agenda takes into account the fair interests of shareholders and all stakeholders. All Company Directors enjoy independence in the expression of opinions. A Company Director having an interest in an agenda shall not have the right to vote in such agenda.
11. The Board of Directors prescribes a duty for Company Directors to attend all Board Meetings unless there is a necessary cause.
12. The Board of Directors has a policy of encouraging senior Executives to attend Board Meetings.

13. The Board of Directors provides Non-Executive Directors with opportunities to meet among themselves in the absence of the management when necessary. The Managing Director shall be notified of the meeting outcome.
14. The Board of Directors has a policy of promoting the Company Directors' access to essential additional information from the Managing Director, Company Secretary or other assigned Executives within the scope of the set policies. In the event of necessity, the Board of Directors may obtain independent opinions from advisors or external professionals on the Company's expenses.
15. The Board of Directors has implemented measures pertaining to conflicts of interest which are prudent, rational and in compliance with the rules and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
16. The Board of Directors prohibits Company Directors and Executives from trading in Company shares in the 1-month period prior to the public disclosure of financial statements.
17. The Board of Directors has directed Company Directors and Executives as well as their spouses and children who have not attained legal age to have the duty to disclose shares holdings and changes in holdings of the Company shares to the Office of the Securities and Exchange Commission, and to submit a copy to the Company Secretary for reporting to the Board of Directors in the subsequent Board Meeting.
18. The Board of Directors has directed Company Directors and Executives to disclose personal interests and interests of connected persons in accordance with the prescribed rules.
19. The Board of Directors has established an internal audit unit as an internal agency accountable to the Audit Committee.
20. The Board of Directors requires an annual assessment of the Board of Directors' performance.
21. The Board of Directors prepares a report on the responsibilities of the Board of Directors pertaining to the financial statements submitted in the Annual Report.
22. The Board of Directors oversees and determines the payment of appropriate remuneration to each committee member pursuant to the powers, duties and responsibilities and draws comparison to the operation levels in the same business sector.
23. The Board of Directors has prescribed a succession plan for employees in various positions in view of their advancement to higher positions.
24. The Board of Directors provides an orientation for first term Company Directors.
25. The Board of Directors has established an internal control system and risk management system.
26. The Board of Directors has provided for the monitoring and assessment of corporate governance.

As a consequence, the following **“Code of Conduct for Company Directors Executives and Employees”** has been prescribed.

Conduct for Company Directors Executives and Employees

- **Company Directors and Executives**

1. Authority of shall be performed responsibly, prudently, honestly and in good faith in compliance with the law, Company Articles and relevant notifications.
2. Authority of 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. Authority of 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. Authority of 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. Authority of 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.

5.1 Roles, Authority of 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 2018, 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.

5.1.1 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 Authority 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.

5.1.2 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

5.1.3 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 2018, 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 2018, All Directors and Executives have already filed such reports, including any amendments thereto.

5.1.4 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. The details were in the CSR Report.

5.1.5 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 Authority of 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. Internal Control, Risk Assessment, Control Activities, information & communication and Monitoring Activities.

In Board of Directors' meeting no. 1/2562, held on 26 February 2019, 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 2018, 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.

5.1.6 Risk Management

The company has set up The Corporate Governance and Risk Management Committee, to manage probable company risks in a systematic and efficient manner. Provide the risk management manual as a guideline for risk management across the enterprise according to the vision and missions of the company. The company has set up a Risk Management Sub-Committee to follow and update risk-factors internally and externally to observe and pinpoint any probable risk which may impact the business, to prevent and mitigate any loss that may arise. The Risk Management Working Groups are divided to monitor and cover risks that may arise from each department for the entire company and subsidiaries. The Corporate Governance and Risk Management Committee will be reporting directly to the Board of Directors.

5.1.7 Appointment of the Audit Committee, the Nomination Committee, the Corporate Governance and Risk Management Committee.

The Audit Committee must consist of not less than 3 members, they must be the directors and independent directors which a qualified audit by The Securities and Exchange Commission and appointed by the Board of Directors or the Shareholders' Meeting. The term of position of one year.

The Nomination Committee and the Corporate Governance and Risk Management Committee must not less than 3 members. The Board of Directors shall appoint from Director and / or other persons whose status as employees of the companies and / or individuals from the external that in the position must have a knowledgeable and experienced enough to act properly. The term of position of one year.

5.1.8 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 has scheduled a meeting of the Board of Directors in advance by meeting at least 3 months per meeting. And may call additional meetings as necessary which the number of meetings is Appropriateness and adequacy for the duties of the Board of Directors and the nature of business 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 2018, the company has held the Board of Directors Meeting 6 meetings

- The audit committee and internal audit have to a meeting with the CPA Auditor of the company without management in attendance at least once a year regularly and the report shall be informed the executives for information and take action.

5.1.9 Self-Assessment of the Board of Directors

Every year, all directors must assess work performance of each director. Each director must assess his or her own performance by referring to the SET performance assessment form. The director will then notify the results to the board of director.

With a scoring system of 100%;

More than 90% = very good,

More than 70% = good,

More than 50% = fair

Less than or equal 50% = poor

In the Board of directors meeting No.1/2562 on February 26, 2019, all directors assessed work performance of the board of director and Sub-committee in year 2018 and acknowledgement. The summary of this assessment was presented to the Board as follows;

- 1) Self-Assessment to evaluate entire of the Board of Directors which has topics as the structure and qualification of the directors, the roles and responsibilities, the meeting, the duty and acting, the relationships with the management and the skill development of the director and the executive. The overall summary of assessment findings showed an average of 79.06 %, regarded as Good.

- 2) Self-Assessment to evaluate sub-committees which has topics as the structure and qualification of the sub-committees, the meeting, the roles responsibilities and duty. The overall summary of assessment findings showed as follows;

- The Nomination Committee	had the average score	70.00 %	rated	Fair
- The Remuneration Committee	had the average score	73.33 %	rated	Good
- The Audit Committee	had the average score	100.00 %	rated	Very good
- The Corporate Governance and Risk Management Committee	had the average score	88.47 %	rated	Good
- The Executive Board	had the average score	80.45 %	rated	Good

- 3) Self-Assessment to evaluate individual of the Audit Committee which has topics as the structure and qualification of the AC, the roles and responsibilities, the meeting, the duty and acting, etc. The summary of individual assessment findings showed of 100 %, regarded as Very Good.

5.1.10 Remuneration of the Directors and Executives

The Remunerations Committee would determine the appropriate remunerations limit after taking into account the experience, Authority of, 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 43th annual general meeting of shareholders held on Tuesday, 24th April 2018, approved a Directorial remunerations limit of 12 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.

5.1.11 Development of Directors and Executives

The Board of Directors and executive officers have appreciated their roles, Authority of 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

In 2018, the company has appointed 2 newly directors was Mr.Pisit Leeahtam and Mr.Somnuek Thungpukdee. 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. 8 Directors from total of 9 Directors, or 88.88% underwent such courses, and participation in more such

courses are in the works, both concerning directors' Authority of 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.

- Directors and Management Executives attended "the risk management for Basic and applied" on 16 August 2018 at the Montien riverside Hotel (speaker by Mr. Pawasak Kotpratum, Department Manager)
- Ms. Rachanee Luevipasakul, Executive Director attended the seminar as follow;
 - "Thai economic reform to the future" organized by Prachachat Business by Dr. Urairat, Minister of Industry and Ms. Kan Hunnun, Director of SCG, SCB, BDMS, is a lecturer
 - Big Data and Consumer Products Forum organized by PCL. Saha Pathanapibul
- Ms. Darunee Supo, Executive Director and Accounting and Finance Manager (CFO) attended the training
 - "Draft Financial Reporting Standard No. 16, Lease Agreement" on 15 August 2018, organized by Saha Group Accounting and Finance Management Club
 - Training on account issues, inventories and product counting that the accountant must be cautious on December 2, 2018, organized by Dharmaniti Training and Seminar Co., Ltd.
 - "Ready to receive significant changes in financial reports" organized by the Stock Exchange of Thailand
- Mr. Supachai Taechalapanarusmie, Internal Audit Manager joined the seminar Re: Connected Transactions of Listed Companies and acquired on 25 September 2018, organized by Saha Pathana Inter-Holding Plc. The speakers from the Securities and Exchange Commission (SEC)
- Mr. Samai Moollakote, Executive Director and IT manager joined in the seminar "The Digital Future 2019 Transformation Now" organized by AIS, with executives AIS, CS Loxinfo, Microsoft Thailand as Speaker (joint)
- Mrs. Sukjai Rajadej, Factory Manager Attended the seminar on "Next Step Thailand: EEC, Thai Strategies to Connect the World" organized by Bangkok Business by Dr. Kobsak Phutrakul, Minister of the Prime Minister's Office, Mr. Arkom Termpittayapaisith Minister of Transport And Mr. Veerasak Kowsurat, Minister of Tourism and Sports as Speaker

Relevant Parties in Corporate Governance

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

2018, Ms. Amornrath Piriyanachoti, Assistant Section Manager to Corporate Secretary Office, and Ms. Amilada Sae-Phu attended as the follow;

- CGR Workshop organized by the Thai Institute of Directors (IOD)
- Sharing Session "Guidelines for the disclosure of CG Code according to the Apply or explain principle" on June 11, 2018, organized by the Listed Companies Association and Ms. Amornrath also joined;
- Seminar on the disclosure of information according to the new CG Code on May 17, 2018, organized by the Securities and Exchange Commission (SEC)
- the EMT-Effective Minutes Taking on 5-6 July 2018, organized by the Thai Institute of Directors (IOD)
- Corporate Secretary Officer and Internal Audit officer attended the seminar Re: Connected Transactions of Listed Companies and acquired on 25 September 2018, organized by Saha Pathana Inter-Holding Plc. The speakers from the Securities and Exchange Commission (SEC)

5.1.12 Succession Plan

Policy on Succession Plan of Highest Management and Top Management Positions

The Board of Directors realizes the importance on selection of appropriated and qualified persons to hold the highest management and top management positions in order to keep business operations running continually and leading the organization to achieve the planned targets. Hence, the Company has specified the policy on succession plan of the highest management and top management as follows:

- The Company shall arrange to have the succession plan in place in case the highest management and top management of the Company cannot perform duties, by assigning the executive in lower level or closest level to be in charge of such position until the Company can recruit and select the person who is fully qualified pursuant to the law, capable with vision and experiences suitable with the Company's business to fill in such position.
- Highest management position: This position will be considered by the Nomination Committee, then it will be further proposed for the Board of Directors' consideration and approval.
- Top management position: This position will be jointly considered by the management and Human Resources Department, then it will be approved by the Managing Director.

The company has implemented a succession planning by setting up a preparation processes for management and staff as detailed below:

1. Study and pinpoint all key executive positions as well as the critical positions of the organization.
2. Prepare the Job Competency and Characteristics Descriptions of key positions According to the competency set.
3. Analyze and compare candidates to suit each position based on
 - Performance
 - Potential
4. Set up each successor's development plan (IDP – Individual Development Plans) for each individual replacement required by the organization.
5. Develop successor in the framework and guidelines.
6. Continue monitoring, evaluating and modifying the capability of employees' development and improvement methods as planned.

The company is aware of the availability of management skilled and knowledgeable employees to sustain and enhance the company's strength and competitiveness.

2. Sub - Committee

The Board of Directors has appointed 5 sub-committees which has the appropriate expertise, responsible. The company has the operations and scrutinize carefully. The 5 sub-committees which comprise of the Audit Committee, the Remuneration Committee, the Nomination Committee, the Corporate Governance and Risk management Committee and The Executive 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 2018, there are 9 directors consisting of:-

	Person(s)			(%)
	Male	Female	Total	
Executive Director	4	-	4	44.44
Non-Executive Director	1	1	2	22.22
Independent Director	3	-	3	33.33
Total	8	1	9	100.00

In 2018, 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 6 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. Krisada Visavatheeranon

However, the Directors and Executives have never been employed nor being a partner of the external audit firm during two years previous.

Authority of the Board of Directors :-

1. Appoint, remove, and assign authority to advisors to The Board of Directors, the Managing Director, and various committees, to carry out the assigned Authority of.
2. Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.
3. Approve loan transaction to be used as the company's working capital, for such portion exceeding the authority of The Executive Board.
4. Approve or cancel credit facility, for such portion exceeding the authority of The Executive Board.
5. Approve loan extension to companies having business connection with the company, either as the shareholder or the company engaging in business transaction, or other companies, for such portion exceeding the authority of The Executive Board.
6. Approve the entering into guarantee for credit facility, for companies having business connection with the company, either as the shareholder or the company engaging in business transaction, or other companies, for such portion exceeding the authority of The Executive Board.
7. Approve the set-up, merger, or dissolution of subsidiary company.
8. Approve the investment for the purchase or sales of common shares, and/or other securities, for such portion exceeding the authority of The Executive Board.
9. Approve the procurement and investment transactions of fixed asset, for such portion exceeding the authority of The Executive Board.

10. Approve the adjustment, disposal, and write-off for fixed assets, and/or intangible assets no longer in use, or being subject to damage, loss, destruction, deterioration, out-of-date, or no longer function able, for such accounting value exceeding the authority of The Executive Board.
11. Approve the settlement of conflicts by reconciliation or by the resolution through arbitration, petition, lawsuit, and/or court proceedings on the company's behalf, for such case not considered as normal business practice, and/or such case considered as normal business practice, for such portion exceeding the authority of The Executive Board.
12. Approve the entering into such transaction not considered as normal business practice, for such portion exceeding the authority of The Executive Board.
13. Propose the capital increase or capital decrease, or the change in par value, change or amendment to memorandum of association, articles of association, and/or objectives of the company to the shareholders for consideration.
14. Approved the Executive Board to define the Operational Manual, other procedures as deemed appropriate.
15. Authorize The Executive Board members, management members, managers or other persons, to act on their behalf.
16. Authorize to summon management members or employees concerned to provide explanation or opinion, to join the meeting, and to submit those documents deemed necessary.
17. Appoint and remove Company Secretary.
18. The authority scope for The Board of Directors pertaining to the acquisition and disposal of assets and connected transactions, shall comply with the Notification of The Capital Market Supervisory Board.

Duties and Responsibilities of the Board of Directors:-

1. Set the direction, goal, and business policy for the company.
2. Approve the annual business plan and annual budget, as well as supervising the operations by the management to well comply with the laws, policies, and plans in an efficient and effective manner.
3. Promote the establishment of corporate governance policy, business ethics, and business morality in writing, to serve as guidelines for the directors, the management, and the employees, in carrying out their business practices, while regularly following up to ensure their strict adherence and compliance accordingly.
4. Set up adequate internal control systems, so as to ensure that all transactions receive proper approval from the authorized persons, and that proper accounting review and bookkeeping practice are carried out, while proper checking systems are in place to safeguard against unauthorized exploitation of company assets.
5. Ensure that careful consideration is given to the issue of conflict of interests, and that clear practice guidelines are in place to safeguard the interests of the shareholders and the company. Also ensure that the persons having interests at stake do not take part in adopting the decision, and that all concerned parties strictly follow the procedures and regulations to disclose relevant information in a proper manner.
6. Grant approval to financial statements already audited and verified by the certified public accountant, and earlier approved by The Audit Committee.
7. Being accountable to all shareholders on an equal basis, while ensuring that information are disclosed to the shareholders and investors in an accurate, reliable, and transparent manner.
8. Acknowledge the corporate management report prepared by The Executive Board.

9. Set the date, time, and place for the annual shareholders' general meeting, and convene said meeting accordingly. Also set the rate for dividend payments (if any), and provide comments relating to the meeting agenda to the shareholders. In that regard, the company may suspend shares transfer registration for the period of 21 days leading up to the meeting, whereby the company is required to post such announcement to the shareholders at the company's head office and its subsidiaries for the period of no less than 14 days prior to such suspension. Otherwise, the company may set the date to finalize the shareholders' list (Record Date) no longer than 2 months prior to the meeting, to entitle the shareholders to attend the meeting, and to be eligible for dividend payments.
10. Prepare The Board of Directors' responsibility report toward financial statements compilation, and disclose said report in the company's annual report (form 56-2) and the annual registration statement (form 56-1).
11. Supervise the compilation of the documents required to be submitted to concerned regulating agencies, to ensure that all information contained therein are true and accurate in accordance with the information appearing in the accounting books, the registration book, and other official documents of the company. Endorse the Charter of the Board of Directors and/or other committees.
12. Grant approval to the charter for The Board of Directors, and/or other committees.
13. Engage in those acts lying beyond The Executive Board's authority, or as deemed necessary 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 is nominated by BOD. And have authority and duty 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 2018, the Audit Committee held 12 meetings.

Name		Position
1. Mr. Padoong	Techasarintr**	Chairman
2. Mr. Pisit	Leeahtam	Director
3. Mr. Krisada	Visavateeranon	Director

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

Authority of the Audit Committee :-

1. Coordinate to facilitate common understanding regarding company operations among the certified public accountant, The Board of Directors, and the internal control office.
2. Authorized to summon the management and company staff to provide comments and clarification, to take part in meetings, and to submit documents deemed necessary, while being allowed to gain access to all levels of information.
3. Authorized to carry out investigation on concerned persons relating to such matters lying within the authority and duty scope of The Audit Committee.

4. Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.

Duties and Responsibilities of the Audit Committee :-

1. Review the company's financial statements to ensure that they are accurate and adequate by reviewing the company's major accounting policies, and supervising information disclosure in such manner complying with Thai Financial Reporting Standards.
2. Review the company's internal control system to ensure that it is suitable and review fraud and corruption prevention and internal audit system to ensure that they are effective.
3. Review operational independence of the internal audit office; approve, appraise, appoint, transfer, or dismiss the head of internal audit office or any other office responsible for internal audit operations. Supervise to ensure that chief of internal audit office has sufficient education, experiences, and training, adequate to such internal audit operations.
4. Grant approval to the Internal Audit Charter.
5. Grant approval and monitor the progress made in relation to the internal audit plan.
6. Review to ensure that the company duly follows the laws on securities and stock exchange, the regulations of The Stock Exchange of Thailand, and the laws concerning the company's business operations.
7. Review, select, nominate and/or dismiss independent persons to serve as the company auditor, and propose related remuneration. Also take part in joint meeting with the company auditor, in the absence of the management for at least once a year.
8. Review connected transactions or transactions with possible conflict of interests, to ensure that they follow the laws, the regulations of the Stock Exchange of Thailand, and the notification of the Capital Market Supervisory Board and that they are justified and are of maximum benefits to the company.
9. Prepare the report by the Audit Committee and disclose it in the company's annual report. Said report requires the signature of the Audit Committee Chairman, and needs to contain at least the following information:
 - a. Opinion regarding the accuracy, complete coverage and reliability of the company's financial statements
 - b. Opinion regarding the adequacy of the company's internal control, fraud and corruption and the risk management system
 - c. Opinion regarding the practices in compliance with the law on securities and stock exchange, the regulations of the Stock Exchange of Thailand, or other laws concerning the company's businesses operations
 - d. Opinion regarding the suitability of the company auditor and the chief of internal audit office.
 - e. Opinion regarding the transaction with possible conflict of interests
 - f. The number of the Audit Committee's meetings, and the attendance record of each member
 - g. Overall opinion or comment provided by the Audit Committee out of its practices in accordance with the Charter
 - h. Other items deemed to benefit the shareholders and general investors, in accordance with the authority and duty scope assigned by the Board of Directors.
10. During the course of its duty, should The Audit Committee come across or have any doubt relating to below transactions that they may significantly affect the company's financial position or performances, they are then required to report the matter to The Board of Directors, in order for necessary remedial actions to taken within the timeframe decided upon by The Audit Committee:
 - a. Transaction incurring conflict of interests.
 - b. Significant fraud and corruption, irregularity or deficiency within the internal control system.

- c. Breach of laws concerning securities and stock exchange, the regulations of The Stock Exchange of Thailand, and other laws concerning the company's businesses operations.

In the case where The Board of Directors or the management fail to rectify the items within the timeframe assigned by The Audit Committee, and member of The Audit Committee may report said problems to The Securities and Exchange Commission or Stock Exchange of Thailand.

11. Encourage and follow-up to ensure that the company has effective risk management system.
12. Supervise to ensure that the company has adequate channel to take care of complaints or tips relating to suspicious or improper items contained in the financial statements or fraud and corruption. At the same time, ensure that the company has protective confidential measurement for whistleblower, transparency and independence investigation process, and appropriate follow up.
13. Supervise to ensure that the company implements adequate management system in accordance with the good corporate governance practice.
14. Review, revise and amend the Audit Committee Charter for further submission to The Board of Directors for approval.
15. Implement self-appraisal review at least once a year.
16. Engage in other acts as assigned by The Board of Directors and deemed justified by The Audit Committee in accordance with company regulations and the law.

In carrying out its above duties, The Audit Committee is directly responsible to The Board of Directors, who in turn is responsible to the shareholders and general investors.

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 2018, The Remuneration Committee has the meeting 2 times annually.

	Name	Position
1.	Ms. Sirikul Dhanasarnsilp	Chairman
2.	Mr. Suchai Narongkananukul	Director
3.	Mr. Thanavat Pugavanaja	Director
	<i>Mr. Padoong* Techasarintr</i>	

Note: * Appointed to replace Mr. Thanavat Pugavanaja on May 10, 2018.

Authority of the Remuneration Committee :-

1. Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.
2. Authorized to summon the management and company staff to provide comments and clarification, to take part in meetings, and to submit documents deemed as necessary.

Duties and Responsibilities of the Remuneration Committee :-

1. Review the remuneration policy and criteria for the company directors and if deemed necessary, propose the suggestion or revision to existing criteria, in order to make them more suitable.
2. Review the remuneration budget earmarked for the company directors, by taking into account the practices by other companies in the same business category, the business growth and the company's performances, the remuneration budget approved by the shareholders' meeting, and the actual remuneration amount for the

previous year, for further presentation to The Board of Directors for consideration, and for final approval by the shareholders' meeting.

3. Review the remuneration budget for the company directors, the Audit Committee members, the Nomination Committee members, the Remuneration Committee members and the Corporate Governance and Risk management Committee members by taking into account their duty and responsibility scope and related performances, based on the remuneration budget approved by the shareholders' meeting.
4. Review the remuneration budget for the Nomination Committee members, the Remuneration Committee members and the Corporate Governance and Risk management Committee members (who do not serve as company directors), by taking into account their duty and responsibility scope, and related performances.
5. Review and revise the charter for The Remuneration Committee, and present to The Board of Directors for approval.
6. Engage in other acts as assigned by The Board of Directors.

2.4 The Nomination Committee

Nomination 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, Nomination Committee may select and appoint a candidate to replace. Each member has 1 year term. In 2018, The Nomination Committee has the meeting 1 time annually.

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

Authority of the Nomination Committee :-

1. Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.
2. Authorized to summon the management and company staff to provide comments and clarification, to take part in meetings, and to submit documents deemed as necessary.

Duties and Responsibilities of the Nomination Committee:-

1. Set the criteria and method in selecting the persons to be nominated as directors and top management.
2. Review the background and relevant information of the persons to be nominated as directors and top management, by considering their knowledge, experiences, and expertise from various professions, so as to secure qualified persons according to the selection criteria, company regulations, and related laws.
3. Select and evaluate the candidates qualified to be nominated as company directors, for The Board of Directors to consider and approve. However, in the case of the director retiring upon term completion, such nomination needs to be submitted to the shareholders' meeting for approval.
4. Prepare comment and suggestion to serve as references for The Board of Directors' consideration.
5. Review and revise the charter for The Nomination Committee, to be proposed to The Board of Directors for consideration and approval.
6. Engage in other acts as assigned by The Board of Directors.

2.5 The Corporate Governance and Risk management Committee

The Corporate Governance and Risk management Committee of at least 3 directors who appointed from Board of Directors and/or others persons both as employees or employees of the company and / or any third party with knowledge. Sufficient experience to serve the good governance and risk management. Each member has 1 year term. In 2018, The Corporate Governance and Risk management Committee has the meeting 2 times annually.

	Name	Position
1. Mr. Pisit	Leeahtam	Chairman
2. Mr. Padoong	Techasarintr	Director
3. Mr. Krisada	Visavateeranon	Director
4. Mr. Suchai	Narongkananukul	Director
5. Mr. Arnut	Rattanapathimakorn	Director

Authority of the Corporate Governance and Risk management Committee :-

1. To have the authority to call for any related Management or Employees of the company for an explanation, giving their opinion, meeting attendance or document submission as deemed necessary.
2. To consult with experts or consultants with the company (if any) or hire the external consultant or experts at the expense of the company if necessary.
3. To have the authority to appoint the working team in order to implement in good governance and risk management across the organization.

Duties and Responsibilities of the Corporate Governance and Risk management Committee:-

Good Governance

1. Review and update the Good Corporate Governance, Good Principles of Good Corporate Governance, Code of Ethics, and Code of Conducts for Executives and Employees, Anti-corruption Policy and Procedure in order to be in line with the changes in related business, regulations, announcement, rules, and laws.
2. Set the operational guidelines in accordance with the Principles of Good Governance, Anti-corruption, and to monitor, supervise, and assess the operation.
3. Promote and support the Board of Directors, Executives, and Employees to comply with the Principles of Good Governance and Anti-corruption.

Risk Management

- 1 clearly and continuously determine the policy and targets, plan, assess the risk, and provide the risk management system of the company in order to deal with any significant risk and report to the Board of Director.
- 2 Promote and encourage cooperation in risk management at all levels in the organization.
- 3 Monitor, supervise, and assess the performance in order to have appropriate and effective risk management by paying attention to all possible warning signs and irregularities.
- 4 Continuously develop effective risk management throughout the organization.

Also includes reviewing the Charters of Good Governance and Risk management Committee and proposing to the Board of Directors for approval and to perform any operation as assigned by the Board of Directors.

2.6 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 2018, The Executive Board has the meeting 13 times annually.

	Name	Position
1. Mr. Suchai	Narongkananukul	Chairman
2. Mr. Arnut	Rattanapathimakorn	Director
3. Ms. Rachanee	Luevipasakul	Director
4. Mr. Chanin	Ratanavijai	Director
5. Mr. Somnuek	Thungpukdee	Director
6. Ms. Darunee	Supo	Director
7. Mr. Samai	Moollakote	Director

Authority of the Executive Board :-

1. Appoint, remove, transfer, and evaluate the performances, as well as deciding on the remuneration and benefits to be granted to the employees at all levels.
2. Appoint and remove any committee assigned to carry out duties for the benefits of the company.
3. Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.
4. Issue the rules and announcement pertaining to company operations, and assign the authority to executive directors and/or staff members acting in the management position, to sign their names approving the disbursement of company assets.
5. Approve loan transaction to be used as the company's working capital, not to exceed an amount specified in the charter and short term under annual budget.
6. Approve or cancel credit facility, with credit amount not to exceed an amount specified in the charter.
7. Approve loan extension to companies having business connection with the company, either as the shareholder or the company engaging in business transaction, or other companies, with such loan extension for each company not to exceed an amount specified in the charter.
8. Approve the entering into guarantee for credit facility, for companies having business connection with the company, either as shareholders or companies engaging in business transaction, or other companies, with such loan guarantee for each company not to exceed an amount specified in the charter.
9. Approve investments and sales of investments in capital instruments and/or debt instruments, each transaction not exceeding an amount specified in the charter.
10. Approve procurements and investments in fixed assets, each transaction not exceeding an amount specified in the charter.
11. 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. 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. 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. Approve transactions not part of the normal business, each transaction not exceeding an amount specified in the charter.
15. Assign management members, managers or other persons, to act on their behalf.
16. Authorize to summon management members or employees concerned to provide explanation or opinions, to join the meetings, and to submit those documents deemed necessary.
17. Issue work guidelines deemed necessary and appropriate.
18. The authority scope for The Executive Board pertaining to the acquisition or disposal of assets and connected transactions, shall comply with the Notification of The Capital Market Supervisory Board.

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.

2.7 Duty and Responsibility 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 Criteria for the selection of independent directors and the recruitment process.

The company has The Nomination Committee which is responsible for the selection of qualified candidates, taking into account the knowledge, skills, experience and expertise from various professions. The Nomination Committee also consider their leaderships, visions, ethics, transparency, and must not be prohibited by laws and regulations of the company 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 and not being sexual prejudice for their nominations to the Board of Directors for approval, unless In the case of independent directors retired by rotation to propose to the AGM for approval individually.

3.2 Determination of Independent Directors'

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

The company has given the definition of each "independent director" of the company equal to the announcement of the Capital Market Supervisory Board No. Tor Chor. 4/2552 as follows:

- (1) holding shares not exceeding one percent of the total number of shares with voting rights of the company, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director;
- (2) neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of appointment as an independent director. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the company;
- (3) not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the company or its subsidiary company;
- (4) neither having nor used to have a business relationship with the company, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment as an independent director.

The term 'business relationship' under the first paragraph shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as

collateral, and any other similar actions, which result in the company or his counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;

- (5) neither being nor used to be an auditor of the company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment as an independent director;
- (6) neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of appointment as an independent director;
- (7) not being a director appointed as representative of directors of the company, major shareholder or shareholder who is related to major shareholder;
- (8) not undertaking any business in the same nature and in competition to the business of the company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the company or its subsidiary company;
- (9) not having any other characteristics which cause the inability to express independent opinions with regard to the company's business operations.

After being appointed as independent director with the qualifications under (1) to (9), the independent director may be assigned by the board of directors to take part in the business decision of the company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, provided that such decision shall be in the form of 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 Authority of 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	Name of Director
4	Mr. Manu Leelanuwatana
4	Mr.Padoong Techasarintr *
	Mr.Pisit Leeahtam*
1	Miss Sirikul Dhanasarnsilp
1	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.

Authority, duty, and responsibility scope of the Chairman

1. Take responsibility as the leader of The Board of Directors in monitoring and supervising the operations of The Board of Directors and various committees.
2. Preside at The Board of Directors' meeting. In case of tie, the Chairman adds an additional vote as a casting vote.
3. Summon The Board of Directors' meeting or may assign another person to act on own behalf.
4. Preside at the shareholders' meeting and control the meeting to be in accordance with the company's regulations regarding the meeting. Conduct the meeting according to the agenda specified in the invitation to the meeting, unless the meeting resolves to change the order of the agenda by votes of not less than two-thirds of the shareholders present at the meeting.
5. Engage in other acts as assigned by The Board of Directors.

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 Authority of 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 The recruitment of Directors and senior management.

The Nomination 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 Nomination 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)

3.7 The Executives Selection Process

1. The management carries out the duty of selecting persons with suitable qualifications as executive by considering the following criteria
 - Being an employee or employee of the company
 - Have knowledge, ability, skills, professional experience, various specific qualifications corresponding to the position And is most beneficial to the company
 - Experience in business And effective team management
 - High leadership
 - morality and ethics In management

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

Policy on Supervision of the Subsidiary and the Associated Company

The Board of Directors puts emphasis on supervision of the subsidiary and the associated company that the Company has invested in with the intention of protection of the Company's interests of such investments. Therefore, the Company has specified policy on supervision of the subsidiary and the associated company as follows:

1. Appointment of personnel to be the director of the subsidiary and/or the associated company. The Board of Directors has assigned the Executive Committee to consider the director or the executive in the Group of Companies who is knowledgeable, capable and has expertise in such relevant businesses to represent the Company as a joint venture pursuant to shareholder proportion or joint venture agreement.
2. The appointed person who shall be the Company's representative shall perform duties for the best interests of the subsidiary or the associated company that he/she holds office.
3. The Company's appointed person is required to supervise the subsidiary on compliance with and disclosure of material information in the same criteria complied by the Company, such as connected transaction, asset acquisition or disposition transactions and etc.
4. Supervise on keeping of information and accounting records of the subsidiary and the associated company, so that the Company can inspect and use for preparation of the consolidated financial statement on time.
5. Monitor financial positions and performance of the subsidiary and the associated company constantly.
6. Supervise to ensure that the subsidiary has appropriated and adequate internal control system.

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 occur 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 2018

6.1 Audit Fee

Auditor Name	Company Payer	Audit Fee (Baht)
Ms.Kwunjai Kiatgungwalgri and/or Mr. Anusorn Kiatgungwalgri From ASV & Associates Limited.	1. Textile Prestige Plc.	820,000.-
	2. TPCNIC Co., Ltd.	150,000.-
Total		970,000.-

6.2 Remuneration for other services (Non-Audit Fee)

Provider	Company Payer	Type of Work Other services	Fee (Baht)
ASV & Associates Limited.	1 Textile Prestige Plc.	BOI promoted business	27,000.-
	2 TPCNIC Co., Ltd.	The Financial Statements (English Version)	3,000.-
Total Non-Audit Fee			30,000.-

7. Apply good corporate governance.

According to the latest release of the “Corporate Governance Code for Listed Companies 2017” by the Securities and Exchange Commission, it was intended to replace the former corporate governance guidelines and practice.


In 2018, the Board of Directors reviewed the implementation of the CG Code by applying to the business context of the company. The part that is taken from CG principles for listed companies 2012 (CG principles), the company has maintained almost all of the current practices and adding CG Code policies and new practices by integrating them as part of the vision, mission, values, policies and manuals for corporate governance, Business ethics and Code of conduct for directors, executives and employees as shown under the heading "Corporate Governance". The company remains committed to sustainable development in accordance with the CG Code.

In the innovation, the company has a separate Research and Development team working closely with marketing team. In December 20, 2018, an in-house seminar was set up to open up and initiate innovative idea for middle management. It aimed to build their awareness and promote for ideas for innovation in the organization.

8. Compliance with good corporate governance principles in other

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 and has revised every year including training for employees on business and social and environmental responsibilities and good corporate governance (Sriracha) on 24 February 2018 and CSR and CG on 24, 30 March 2018 and 7, 28 April 2018

In 2018, The company has been awarded as the listed company which abided by the Good Corporate Governance Principles and regulations of shareholder’s meeting.

1. Corporate Governance Report of Thai Listed Companies 2018. Award granted by the Thai Institute of Directors Association under the support of the SEC and SET, with total rating score of 86, classified as “Very Good” four Star level. 
2. Assessment of arrangement quality of the Annual General Shareholders’ Meeting 2018 by the Thai Investors Association with total score of 98 is classified at “excellence” level from Thai Investors Association.

Throughout 2018, the company performed in accordance with its policy on good corporate governance, except for the following issues.

1. 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.
2. 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 Authority of 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.
3. 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.
4. The Chairman of The Nomination Committee and the Chairman of The Remuneration Committee are not independent directors, all of them are directors with knowledge and experience who served the positions for a long period of time. They have performed their duties with responsibility and honesty, while never voted when they have conflict of interests.
5. The Company has a cross-shareholding structure. The cross-shareholding structure was part of the Company before listing on The Stock Exchange of Thailand. There are no contradictions to section 14 according to the notification of the Capital Market Supervisory Board Thor Jor 28/2008 regarding the approval of newly issued shares.

Corporate Social Responsibility

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.

The company has a report of the Corporate Social Responsibility was as the book in “CSR REPORT”
or Download from QR Code



Internal Control and Risk Management

The Board of Directors' meeting No.1/2562 on 26 February 2019, attended by the Audit Committee members had evaluated for the company's internal control for the year 2017, and conclusively considered that the company had an internal control system which were sufficient and suitable to its present operation.

Internal Control The company has a suitable organization structure which is divided according to job function and responsibility. Board of Directors has carefully set Policy and viable Target which is clear and measurable for the company's management and personnel to implement. Remuneration for management and staff has also been set at the reasonable rate and in line with the company's target and performance.

The company is operating under Charters for Board of Directors, Audit Committee, Nomination Committee, Corporate Governance and Risk Management Committee, Executive Director Committee and Scope of Authority of and Responsibilities of the Managing Director. The company also has a written Operating Manual with guidelines to Good Practices which prohibit the management and personnel to perform any activity that may step into a conflict of interests. There are written policies and procedures against corruption as operating guidelines to prevent corruption. In addition, the company stressed on loyalty and ethics including fairness in business operation and dealing with customers and trade partners.

The company has an audit committee, who is independent and has qualifications as specified by the Capital Market Supervisory Board, which can review the operation of the company and give opinions independently to the company and shareholders

Risk Assessment The company has set up The Corporate Governance and Risk Management Committee, to manage probable company risks in a systematic and efficient manner. Provide the risk management manual as a guideline for risk management across the enterprise according to the vision and missions of the company. The company has set up Risk Management Sub-Committee to follow and update risk-factors internally and externally to observe and pinpoint any probable risk which may impact the business, to prevent and mitigate any loss that may arise. The Risk Management Working Groups are divided to monitor and cover risks that may arise from each department for the entire company and subsidiaries. The Corporate Governance and Risk Management Committee will be reporting directly to the Board of Directors.

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 result 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. Furthermore, the company has a Disaster and Recovery Site (DR Site) in order to support the business to be able to operate continuously.

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 affect 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 is 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 informed 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 guaranteed against all losses occurring from significant errors. Such a system is merely capable of preventing or guaranteeing against losses at 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 December, 2018 the significant transactions with the connected companies were as following consolidated the notes to the financial statements notes No. 5, 9 and 11 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 2018

1. The Board of Directors at the meeting No. 5/2560 held on 9 November 2017 approved the various transactions entered with connected transactions for the year 2018, details as follow:

1.1 Transaction date: From 1 January 2018 - 31 December 2018

1.2 Connected parties and relationship: 15 companies.

No.	Name of connected parties	Relationship*
1	TPCNIC Co., Ltd.	Subsidiary Company
2	PT. Dynic Textile Prestige	Associated Company
3	Saha Pathana Inter Holding Plc.	The major shareholders
4	I. C. C. International Plc.	The major shareholders
5	Thai Wacoal Plc.	The major shareholders
6	Thai Samsung Life Insurance Plc.	The major shareholder (indirect) : SPI, ICC
7	A Tech Textiles Co., Ltd.	The common major shareholders : SPI, WACOAL
8	G Tech Material Co., Ltd.	The common major shareholders : SPI, WACOAL
9	Eastern Thai Consulting 1992 Co., Ltd.	The common major shareholders : SPI
10	Pitakkij Co., Ltd.	The common major shareholders : SPI
11	Thai Secom Security Co., Ltd.	The common major shareholders : SPI, ICC
12	MBTS Broking Service Co., Ltd.	The common major shareholders : SPI
13	Khi IT Service Co., Ltd.	The common major shareholders : ICC
14	Pitakkij Security Co., Ltd.	The major shareholder (indirect) : SPI
15	Thai Naxis Co., Ltd.	The common major shareholders : WACOAL

* Noted SPI = Saha Pathana Inter Holding Plc.

WACOAL = Thai Wacoal Plc.

ICC = I.C.C. International Plc.

1.3 The General characteristics of transaction:

Company	Types of connected transactions	Example	Total amount	Actual value
15 companies as above	<u>Category 2</u> Supporting normal business transaction without general trading conditions	- Business consultancy fee - Utilities etc.	<u>Revenue item</u> Not over 45 million Baht	<u>Revenue item</u> 4.33 million Baht
	<u>Category 3</u> Transaction regarding rental or lease of immovable property not exceeds 3 years.	- Immoveable property rental fee such as dormitory etc.	<u>Expense item</u> Not over 20 million Baht	<u>Expense item</u> 17.28 million Baht
	<u>Category 4</u> Transaction relating to assets or service	- Movable property rental fee - Administration Services such as Employee Card, Housekeeping etc.		

1.4 Pricing and Compensation policies :

- Business consultancy fee: Fee depends on the difficult and scope of service.
- Immovable property rental fee: Set by cost plus reasonable profit.
- Assets or Service: Set by cost plus reasonable profit.

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 Board of Governors of the Stock Exchange of Thailand, Re: Disclosure of Information and other acts of Listed companies concerning the connected transactions, 2003 (B.E2546) and amendment.

Category 2 Supporting normal business transaction without general trading conditions.

Category 3 Transaction regarding rental or lease of immovable property not exceeds 3 years.

Category 4 Transaction related to assets or service.

as of the category 2, 3 and 4 states that having transaction volume lager than 1 million Baht but less than 20 million Baht, or otherwise more than 0.03% but less than 3% of net tangible assets (NTA), whichever may be greater.

Since 0.03% of the company's NTA as of 30 June 2017, stand at 0.66 million Baht, as compared to 3% of such amount for 66.12 million Baht, 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.

- 1.5 Funding source: From the company's working capital which is adequate and does not affect the company's operations.
- 1.6 Transaction rationale: To support the business which the company invests and are the company's Supply Chain.
- 1.7 Those directors with possible conflict of interest did not attend nor casted votes.
- 1.8 Opinions of the Board of Directors: Agree to approve such transaction intended to support normal business transaction without general trading conditions, transaction regarding rental or lease of immovable property, transaction relating to assets or service to the related company in the year 2018 in revenue an amount not exceed 45 million Baht and expense item an amount not exceed 20 million Baht.

Transaction 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.

- 1.9 Opinions by The Audit Committee and/or Director significantly different from those by The Board of Directors: - None –

2. The Board of Directors of Textile Prestige Public Company Limited at the meeting No.1/2561 held on February 28, 2018 has resolved on the ratification of the Connected Transaction in 2016 as follow;

In 2016, the Company did not request credit line for nor undertook the connected transaction with Pitakkij Co., Ltd., however, the Company has employed Pitakkij Co., Ltd. to renovate areas and factory buildings located in Saha Group Industrial Park, Sriracha with objective to keep them in good, safely and usable conditions. Such employment was impromptu activity directed by the Management in order to complete the work on time and it has been conducted pursuant to the Company's regulation on procurement and disbursement approval authority. When

combining total value of transactions throughout 2016, it equals to 1,032,904.96 Baht (before 7% VAT), so it is regarded as medium transaction as its value is greater than 1 million Baht but less than 20 million Baht, or greater than 0.03% but less than 3% of NTA, whichever is greater. Hence, it is within the authority of the Board of Directors and it is required to disclose information.

Therefore, the Board of Directors had ratified the connected transaction with Pitakkij Co., Ltd. for the year 2016 with details as follows:

1. Date of transaction: From January 1, 2016 to December 31, 2016.
2. Connected persons and nature of relationship:
 - The employer: Textile Prestige Public Co., Ltd. ("TPCORP")
 - The contractor: Pitakkij Co., Ltd. ("PTK")
 - Nature of relationship: The employer and the contractor have common major shareholder, Saha Pathana Inter-Holding Public Co., Ltd. ("SPI").

Saha Pathana Inter-Holding Public Co., Ltd. (SPI)	Holds shares in TPCORP	Holds shares in PTK
	12.03%	33.52%

3. General characteristics of transaction: In 2016, the Company did not request credit line for nor undertook the connected transaction with Pitakkij Co., Ltd., however, the Company employed Pitakkij Co., Ltd. to renovate areas and factory buildings located in Saha Group Industrial Park, Sriracha with objective to keep them in good, safely and usable conditions. Such employment was impromptu activity directed by the Management in order to complete the work on time and it has been conducted pursuant to the Company's regulation on procurement and disbursement approval authority. However, when combining total value of transactions throughout 2016 undertaken with Pitakkij Co., Ltd., the connected person, size of transaction was greater than the approval authority of the Management.
4. Total value of transaction: Total value of transaction throughout 2016 equaled to 1,032,904.96 Baht (before 7% VAT).
5. Criteria on transaction relating to assets acquisition/disposition: When calculation based on total value of consideration criteria, value of transaction is 0.04% of total assets, which is not greater than 15% of total assets, hence it is not regarded as significant transaction, so it does not have to disclose to the Stock Exchange of Thailand. The transaction has been conducted within the approval authority of the Company which was under the authority of the Management.
6. Criteria on connected transaction relating to assets/services: When calculation size of connected transaction against the financial statements lastly disclosed as of the quarter 3/2017, it equals to 0.05% of NTA, which is regarded as medium transaction, as its value is greater than 1 million Baht but less than 20 million Baht, or greater than 0.03% but less than 3% of NTA, whichever is greater (according to the consolidated financial statements of the Company for the quarter 3/2017 ended September 30, 2017, total assets of the Company are 2,614 million Baht, whereas NTA = 2,225 million Baht, 3% of NTA = 66.74 million Baht and 0.03% of NTA = 0.667 million Baht).

And/or when calculation size of connected transaction against the consolidated financial statements for the year 2016, it equals to 0.05% of NTA, which is regarded as medium transaction, as its value is greater than 1 million Baht but less than 20 million Baht, or greater than 0.03% but less than 3% of NTA, whichever is greater (according to the consolidated financial statements of the Company for the year 2016 ended December 31, 2016, total assets of the Company are 2,596 million Baht, whereas NTA = 2,187 million Baht, 3% of NTA = 65.60 million Baht and 0.03% of NTA = 0.656 million Baht).

Hence, it is within the authority of the Board of Directors, so the ratification is undertaken and information is required to be disclosed.

7. Directors and/or persons who have interests: Did not attend the meeting nor have voting right in the meeting for this agenda.
8. Opinion of the Board of Directors: The Board of Directors realized and understood its roles and responsibilities including good corporate governance principles on correct operation, thus the Board of Directors has rectified the connected transaction with Pitakkij Co., Ltd. in 2016 and disclosed details of such transaction.
9. Opinion of the Company's Audit Committee and/or the directors which are different from opinions of the Board of Directors: - None –

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.

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. It must be considered and audited by the Audit Committee of the company's to ensure that such transactions are reasonable and for the best interest of the company. 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

The Board of Directors duly recognized their responsibilities as the directors of public company in carrying out their Authority of toward the shareholders, employees, and all stakeholders, in accordance with good corporate governance practices. Accordingly, those inter-transactions likely to take place in the future, the Company will take into consideration the maximum benefit of the Company, as it is the arm's length basis, with the disclosure of information duly carried out in accordance with The Notification of The Capital Market Supervisory Board, regarding “Rules on Connected Transactions”.

Summary of Financial Information

Textile Prestige Public Company Limited and Subsidiary Companies

1. Information from Financial Statements (Unit : Baht)

Item	2018	2017	2016
Operating Result - Continuing Operations			
Revenue from sales	931,526,317	941,917,129	1,090,336,514
Total Revenue from operation	933,675,352	942,718,835	1,091,494,035
Cost of Sales	758,704,558	746,208,441	852,356,646
Gross Profit	174,970,794	196,510,394	239,137,389
Operating Result - Discontinued Operations			
Revenue from sales	-	-	102,579,409
Total Revenue from operation	-	-	103,326,844
Cost of Sales	-	-	110,975,864
Gross Profit	-	-	(7,649,020)
Net Profit (Owners of the parent company)	80,745,059	129,301,152	307,199,611
<u>Financial Status</u>			
Total Assets	2,723,265,787	2,763,766,748	2,596,262,529
Total Liabilities	318,836,770	360,212,941	261,039,696
Shareholders' Equity	2,404,429,017	2,403,553,807	2,335,222,833

2. Financial Ratio as of December 31

Item		2018	2017	2016
Liquidity Ratio				
Current Ratio	(Times)	6.68	7.94	7.80
Quick Ratio	(Times)	6.02	7.42	7.08
Cash Flows from Operating Activities Ratio	(Times)	0.47	0.77	0.54
Account Receivable Turnover	(Times)	3.84	3.67	5.11
Average Collection Period	(Days)	94	98	70
Inventory Turnover	(Times)	8.59	9.98	10.38
Average Period of Sales	(Days)	42	36	35
Account Payable Turnover	(Times)	5.19	4.57	5.83
Payment Period	(Days)	69	79	62
Profitability Ratio				
Gross Margin	(%)	18.74	20.85	21.91
Rate of Operating Profit	(%)	2.11	4.74	8.96
Net Profit Ratio	(%)	7.86	12.24	22.33
Rate of Return on Net Worth	(%)	3.49	5.69	14.14
Efficiency Ratio				
Return on Total Assets	(%)	3.26	5.52	14.26
Return on Fixed Assets	(%)	20.51	27.01	65.30
Total Assets Turnover	(Times)	0.37	0.39	0.54
Financial Policy Ratio				
Debt to Equity Ratio	(Times)	0.14	0.16	0.12
Dividend Payment Ratio	(%)	**80.00	58.33	59.86
Per Share Data				
Book Value per Share	(Baht)	22.26	22.26	21.62
Earnings per Share	(Baht)	0.75	1.20	2.84

Notes : ** The Board of Directors resolved for further proposal to set dividend payment rate at 0.60 Baht per share which will be proposed to Shareholders at the AGM on April 23, 2019.

3. Summary of financial statements of Textile Prestige Public Company Limited and it subsidiaries.(unit :thousand Baht)

Highlight of financial statement	2018	%	2017	%	2016	%
STATEMENTS OF COMPREHENSIVE INCOME :						
CONTINUING OPERATION						
Total revenues from operation	933,675	90.85	942,719	89.26	1,091,494	79.34
Other income	94,066	9.15	113,440	10.74	284,189	20.66
Total	1,027,741	100.00	1,056,159	100.00	1,375,683	100.00
Cost of sales	758,705	81.26	746,208	79.15	852,357	78.09
Operation Expenses	160,695	15.64	150,140	14.22	141,360	10.28
Total	938,453	91.31	908,205	85.99	1,009,024	73.35
EBITDA	162,843	15.84	212,256	20.10	437,882	31.83
Depreciation and amortization	73,285	7.13	64,303	6.09	71,222	5.18
Profit before finance costs and income tax	89,558	8.71	147,953	14.01	366,660	26.65
Profit (loss) for the year of discontinued operations.	-	-	-	-	(11,234)	(0.82)
Net Profit (owners of the parent company)	80,745	7.86	129,301	12.24	307,200	22.33
CASH FLOW STATEMENTS :						
NET CASH RECEIVED FROM OPERATING ACTIVITIES	85,304	8.30	145,425	13.77	120,842	8.78
NET CASH USED IN INVESTING ACTIVITIES	124,332	12.10	(142,967)	(13.54)	128,149	9.32
NET CASH USED IN FINANCING ACTIVITIES	(105,522)	(10.27)	(105,522)	(9.99)	(173,648)	(12.62)
Net increase (decrease) in cash	104,114	10.13	(103,064)	(9.76)	80,914	5.88
STATEMENTS OF FINANCIAL POSITION :						
cash and cash equivalents	181,158	6.65	77,043	2.79	180,108	6.94
Temporary investments	617,087	22.66	1,069,082	38.68	884,030	34.05
Trade and other receivables	228,645	8.40	258,147	9.34	255,845	9.85
Short-term loans to related copanies	-	-	19,558	0.71	51,831	2.00
Inventories	104,490	3.84	72,167	2.61	77,348	2.98
Other current assets	8,108	0.30	7,492	0.27	5,554	0.21
TOTAL CURRENT ASSETS	1,139,488	41.84	1,503,490	54.40	1,454,716	56.03
long-term investments	792,708	29.11	432,379	15.64	427,683	16.47
Investment properties-net	204,369	7.50	205,503	7.44	206,510	7.95
Property, plant and equipment-net	525,199	19.29	566,683	20.50	454,852	17.52
TOTAL ASSETS	2,723,266	100.00	2,763,767	100.00	2,596,263	100.00
Trade and other payables	138,358	5.08	154,135	5.58	172,520	6.64
TOTAL CURRENT LIABILITIES	170,523	6.26	189,317	6.85	186,435	7.18
TOTAL NON CURRENT LIABILITIES	148,314	5.45	170,895	6.18	74,605	2.87
TOTAL LIABILITIES	318,837	11.71	360,213	13.03	261,040	10.05
Registered share capital	108,000		108,000		108,000	
Issued and paid-up share capital	108,000	3.97	108,000	3.91	108,000	4.16
Premium on ordinary shares	110,400	4.05	110,400	3.99	110,400	4.25
Other components of equity	77,269	2.84	81,851	2.96	64,250	2.47
Unappropriated Retained earnings	1,845,052	67.75	1,846,317	66.80	1,807,260	69.61
EQUITY ATTRIBUTABLE TO PARENT COMPANY	2,310,635	84.85	2,310,073	83.58	2,238,770	86.23
Non - controlling interests	93,794	3.44	93,481	3.38	96,452	3.72

Management Discussion and Analysis

Analysis of operations and financial statements

Economic Overview

In 2018, the economic growth in Thailand and the world economy began to improve. There were many factors that stimulate the domestic economy. Economic growth accelerated from various government projects and investment in the private sector including improved export and government support the use of technology for convenience and speed in business operations.

During the year 2018, the Company improved its operation plan to suit the situation, focusing on purchasing and controlling costs and expenses. Including investment in modern machinery for fast production and faster response to customer needs.

Overview of Operations

In 2018, the company has been focusing on developing and manufacturing industrial products and hygienic products including household related products.

Out of 933.68 million Baht of revenue was from automotive industry 875.51 million Baht or 93.77% and hygiene and household products 58.17 million Baht or 6.23%.

1. Analysis of the results for the year 2018 compared with the year 2017

In 2018, the revenue of the company and subsidiaries was 1,027.74 million Baht, previously 1,056.16 million Baht declined by 28.42 million Baht or 2.69%, due to the decrease in sales of assets.

In 2018, net profit of the parent company was 80.75 million Baht, the previously was 129.30 million Baht, decreased by 48.55 million Baht or 37.55%. Due to the decrease in sales of assets, increase in expense, increase in the impairment of investments and the share of losses from the associated company, resulting in lower profits.

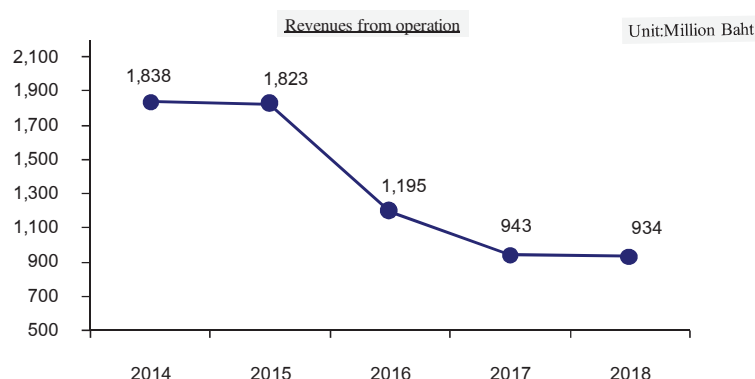
Total assets of the company and its subsidiaries was 2,723.27 million Baht, last year 2,763.77 million Baht, decreased by 40.50 million Baht or 1.47%. Shareholders' equity was reported at 2,310.64 million Baht, last year 2,310.07 million Baht, slightly increased. A return on assets of 3.26%, last year 5.52% and return on equity was 3.49%, last year 5.69%.

The management views that the overall financial performance decreased mainly due to the decrease in sales of assets, an increase in investment impairment and increase of losses from associated companies. Overall, the company has a solid financial position. The company has sufficient financial liquidity for investment, for dividend payment and for business continuity.

(unit: million Baht)

	2018	2017	Increase (Decrease)%
Total Revenues	1,027.74	1,056.16	(2.69)
Net Profits -owners of the parent company	80.75	129.30	(37.55)
Total Assets	2,723.27	2,763.77	(1.47)
Equity attributable to Parent Company	2,310.64	2,310.07	0.02
Net Profit Ratio (%)	7.86%	12.24%	
Return on Assets (%)	3.26%	5.52%	
Return on Equity (%)	3.49%	5.69%	

Revenues from operation



Revenue from sales and services

In 2018, the company's total revenues from sales and services was 933.68 million Baht, previously was 942.72 million Baht, decreased by 9.04 million Baht or 0.96%, it comprises of domestic sales and services 656.33 million Baht, previous year was 650.38 million Baht, increased by 5.95 million Baht or 0.91%. Oversea Sales volume was 277.35 million Baht last year 292.34 million Baht, decreased by 14.99 million Baht or 5.13%, due to a decline of orders of customers that sell to Europe and United States.

Other income

The company's other income in 2018 equaled 94.07 million Baht, last year 113.44 million Baht, decreased by 19.37 million Baht or 17.08%, mainly comes from the decrease in sales of assets.

Other income comprises of

- Dividend income was 36.58 million Baht, the previous year was 24.70 million Baht, increased by 11.88 million Baht, or 48.10%, due to increase in investment.
- Consultant income was 7.41 million Baht, the previous year was 8.21 million Baht, decreased by 0.80 million Baht or 9.74%.
- Interest income was 7.79 million Baht, the previous year was 11.58 million Baht, decreased by 3.79 million Baht or 32.73%, due to lower interest rates.
- Rental income was 16.68 million Baht, the previous year was 18.07 million Baht, increased by 1.39 million Baht or 7.69%.
- A gain from the sale of fixed assets of 0.54 million Baht, the previous year was 20.97 million Baht, decreased by 20.43 million Baht or 97.42%, because some machinery was sole in the previous year.
- Other income was 25.08 million Baht, last year was 29.91 million Baht, decreased by 4.83 million Baht or 16.15%, because the income from the sale of energy decreased.

Cost of Sales

In 2018, the company's cost of goods sold equaled to 758.70 million Baht, or 81.26% of revenue from sales and services, compared to the previous year of 746.21 million Baht, or 79.15% of revenue from sales and services, increased by 12.49 million Baht, or 1.67%, due to higher production costs.

Operating Expenses

In 2018, the company had total operating expenses of 160.70 million baht, the previous year of 150.14 million Baht, increased by 10.56 million Baht, or 7.03% due to an increase in impairment of investment.

The Details include

- Sales expenses equaled to 45.14 million Baht, the previous year was 45.55 million Baht, slightly decreased.

- Administrative expenses was 101.76 million Baht, the previous year was 98.56 million Baht, slightly increased.
- Impairment of investment in 2018, amount of 5.44 million Baht, the previous year had a reversal of impairment of 1.69 million Baht, increased by 7.13 million Baht or 422.83%, due to an increase in loss of an associated companies.
- Directors' remuneration for the year 2018, amount of 8.35 million baht, the previous year was 7.71 million Baht, slightly increased. The remuneration paid to the directors was within the amount approved by the shareholders.

Share of loss from investment in associates

In the year 2018, the Company had share of loss from investments in associated companies in the amount of 18.78 million Baht, the previous year was 11.86 million Baht, an increase of 6.92 million Baht, or 58.35%, due to the loss of operating result of the associated company in overseas, caused by the interest burden and exchange loss related to company's borrowings.

Corporate Income Tax Paid

In 2018, the income tax amounted to 2.76 million Baht, the previous year was 18.85 million Baht, a decrease of 16.09 million Baht, or 85.36% as follows:

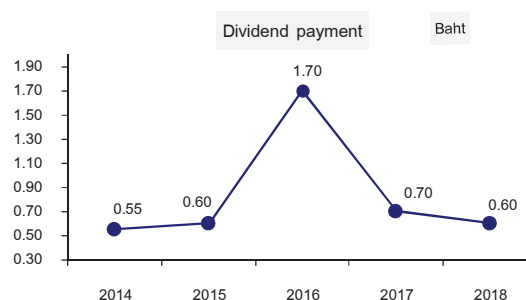
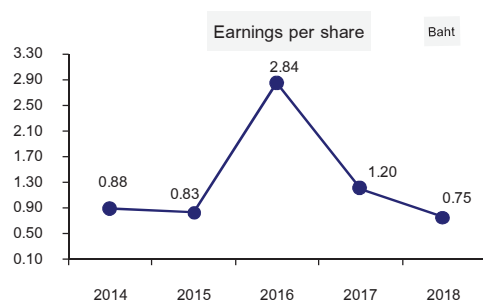
- Corporate income tax was 9.19 million Baht, the previous year was 21.80 million Baht, decreased by 12.61 million Baht, or 57.84%
- Deferred income tax expense was 6.43 million Baht, the previous year was 2.95 million Baht, increased by 3.48 million Baht, or 117.97%

Profit Attributable to Owners of the Parent Company

In 2018, the company earned a net profit of 80.75 million Baht, the previous year earned 129.30 million Baht decreased by 48.55 million Baht or 37.55%, mainly due to the decrease in profits from sales of assets.

- Earnings per share is 0.75 Baht, the previous year was 1.20 Baht, decreased by 0.45 Baht
- Net profit margin ratio 7.86%, the previous year was 12.24%
- Return on equity was 3.49%, the previous year was 5.69%.
- Return on assets was 3.26%, the previous year was 5.52%.

The company had cash flow from operating activities of 85.30 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 2018, net profit of the company was 80.75 million Baht, thus earning per share was 0.75 Baht. On 26th February 2019, the Board of Directors' Meeting No 1/2562 of the company passed a resolution to propose in the ordinary shareholders' meeting No. 44 for an approval of dividend payment as for the performance in 2018 at the rate of 0.60 Baht per share,

total of 64.80 million Baht. The dividend yield of 80%, compared to the net profit from the consolidated financial statements and dividend will be paid on 17th May 2019.

2. Financial Standing

Financial Overview

By the end of 2018, the company and its subsidiary had total assets of 2,723.27 million Baht whereas the previous year equaled to 2,763.77 million Baht, decreased by 40.50 million Baht or 1.47%. During in the year, the company investment increased due to increased liquidity. The company's liabilities equaled to 318.84 million Baht, while the previous year equaled to 360.21 million Baht, decreased by 41.37 million Baht or 11.48%. As a result of the decreased trade payables of 15.78 million Baht and the decrease of account payables from the purchase of fixed assets of 24.18 million Baht. The Company's equity attributable to parent company was 2,310.64 million Baht, the previous year was 2,310.07 million Baht, slightly increased by 0.57 million Baht. During the year, the company paid dividends of 0.70 Baht per share for the total of 75.60 million Baht. Hence the subsidiary has operating profit providing non-controlling interests of 93.79 million Baht, the previous year was 93.48 million Baht, increased by 0.31 million Baht or 0.33%.

Total assets consisted of current assets of 1,139.49 million Baht or 41.84%, long-term investments was 792.71 million Baht or 29.11%, fixed assets was 729.57 million Baht or 26.79%, and other assets was 61.50 million Baht or 2.26%.

Total liabilities consisted of trade and other payables of 138.36 million Baht or 43.39%, fixed assets payables of 86.31 million Baht or 27.07%, provision for employee benefits 62.58 million Baht or 19.63%, deferred income tax liabilities of 21.44 million Baht or 6.72% and other liabilities of 10.15 million Baht or 3.18%.

Shareholders' equity consisted of the company's equity attributable to parent company of 2,310.64 million Baht or 96.10%, non-controlling interests of 93.79 million Baht or 3.90%.

ASSETS

Cash and cash equivalents

At the end of 2018, the company had cash and cash equivalents of 181.16 million Baht, comparing with the previous year of 77.04 million Baht, increased by 104.12 million Baht or 135.15%. During the year, the company had invested its cash flow from operating activities in long-term investment, fixed assets and paid dividends to shareholders.

The details include cash of 0.32 million Baht, slightly increased from the previous year of 0.26 million Baht. Deposits payable on demand was 16.84 million Baht compared to the previous year at 6.78 million Baht, increased 10.06 million Baht and short-term investment of 164 million Baht, the previous year was 70 million Baht, an increase of 94 million Baht.

Temporary Investments

At the end of 2018, the company reported its temporary-investments at fair value of 617.09 million Baht, compared to the previous year at 1,069.08 million Baht, decreased by 451.99 million Baht or 42.28%, due to the increase in company's cash flow from operations. For the benefit of the company, the excess liquidity was alternatively invested in appropriate funds to increase its returns.

The details includes Investment in money market fund of 559.09 million Baht compared to 499.08 million Baht of last year, increased by 60.01 million Baht or 12.02%, certificates of deposit for 58 million Baht, compared to 540 million Baht, decreased by 482 million Baht. The company invested more in long-term investment. The previous year, the investment in debt securities was 30 million Baht. During the year, the debt instruments had matured. The investment offered a better return than the fixed deposit rate of the bank.

Trade and other receivables

At the end of 2018, the company's accounts receivable and other receivables were 228.65 million Baht compared to 258.15 million Baht, decreased by 29.50 million Baht or 11.43%, because other accounts receivable decreased, while the remaining Trade Accounts Receivable are not yet due.

The company's trade receivables and other receivables are quality receivables, for the most part, were paid on schedule.

The details include Trade Receivables that are not due at 44.41% of its total equals to 101.54 million Baht compared to 103.88 million Baht of the previous year, decreased by 2.34 million Baht or 2.25%, overdue receivables of less-than-3 months was 19.83% of its total, equaled to 45.35 million Baht, compared to 47.29 million Baht, decreased by 1.94 million Baht or 4.10%, due to customer's payment policies that do not meet the payment term. In the other receivables, 81.76 million Baht, 106.98 million Baht of last year, decreased by 25.22 million Baht or 23.57%. Other important accounts receivable were advance payment to minority shareholders 76.42 million Baht which is during in the process of liquidation of T.U.C. Elastic Co., Ltd., Prestige Plus Co., Ltd., and Prestige Embroidery Co., Ltd.,

Short-term lending

During the year 2018, the company had short-term loans to PT.DYNIC TEXTILE PRESTIGE amounting to Baht 19.56 million which are related companies and there were increased the capital. Therefore, The company transferred Short-Term Loans to pay for the shares.

Inventories

At the end of 2018, the company's inventories was 104.49 million Baht, compared to 72.17 million Baht, increased by 32.32 million Baht or 44.78% because of the company's inventory management to manufacture and keep its final goods to meet the needs of customers.

The details of inventory; finished product was 40.47 million Baht compared to 26.90 million Baht, increased by 13.57 million Baht or 50.45%, goods in production of 12.78 million Baht compared to 6.81 million Baht, increased by 5.97 million Baht or 87.67% to comply with customers' orders. Raw materials were at 37.55 million Baht, compared to 28.96 million Baht, increased by 8.59 million Baht or 29.66%. Most of the raw materials in the inventory was for production based on orders from customers. Overall, most of the products are quality products and be produced and sold.

Other current assets

At the end of 2018, the company had current assets of 8.11 million Baht, compare to 7.49 million Baht last year, slightly increased which mostly was Value-Added Tax.

Long-term Capital Investment

By the end of 2018, the company's Long-Term Investment with a fair value lessen net impairment of 792.71 million Baht, while the amount in the previous year equaled 432.38 million Baht, increased by 360.33 million Baht. During the year, the company had invested more as its liquidity increased.

Capital Investment can be described as follows:

Net investments in associated companies shown in the financial statement stated at equity method amounting to 79.31 million Baht at year end in 2018 and 35.96 million Baht for the previous year, increased by 43.35 million Baht or 120.55% because of the additional investment of 62.14 million Baht and the share of loss of 18.78 million Baht

Net investment in related companies and other companies is shown in the financial statement at cost price with allowance for diminution in value of investments. The investment value was 218.04 million Baht at year end in 2018 and 223.62 million Baht for the previous year for a decrease of 5.58 million Baht or 2.50%, due to an increase in impairment of investment. During the year 2018, the dividend received was 22.68 million Baht, compares to 21.08

million Baht in the previous year. Therefore the return on investment was accounted for 9.25%, comparing to 8.59% in the previous year.

Investments in available-for-sale securities are shown in the financial statement at fair cost value at 465.36 million Baht at year's end in 2018 comparing to 149.26 million Baht from the previous year accounted for an increase of 316.10 million Baht or 211.78% because the fair cost value increased. The aforementioned was recorded as unrealized profit on other components of the shareholder's equity. The return on investment was received as a dividend payment of 12.12 million Baht in 2018 and 3.62 million Baht in the previous year, an increase of 8.50 million Baht, or 234.81%. The rate of return for 2018 equaled to 6.10% per year as compared to 9.54% for the previous year.

Investments in Debt Securities to be held to maturity as shown in the financial statement with cost at 30 million Baht at year end in 2018 comparing to 20 million Baht from the previous year, accounted for an increase of 10 million Baht, or 50%.

Fixed Assets, Property, Plant and Equipment

The details are as follows:

The value of property for investment at year end in 2018 amounted to 204.37 million Baht; compare to 205.50 million Baht, as a depreciation charge during the year. The company rented out some unutilized assets to other companies for a short time to generate income.

The value of net property, plant and equipment at year end in 2018 amounted to 525.20 million Baht, while the amount for the previous year was 566.68 million Baht, decreased by 41.48 million Baht or 7.32%. During the year, there was an acquisition of additional assets and accounted for depreciation.

Total Liabilities

The company's Total Liabilities at year end in 2018 was 318.84 million Baht, while the amount for the previous year was 360.21 million Baht, decreased by 41.37 million Baht or 11.48%, due to the payment to creditors from the purchase of assets.

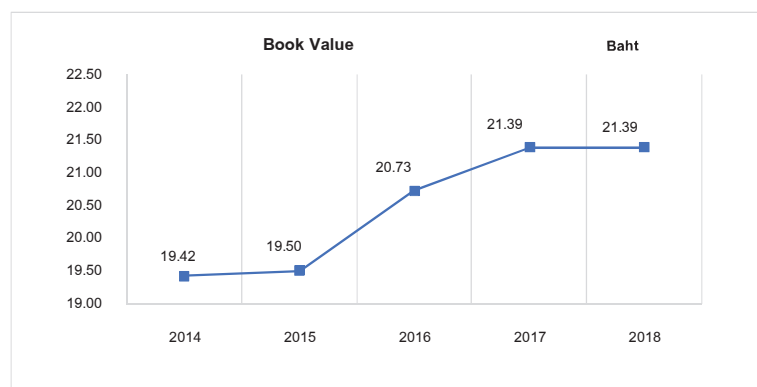
Current liabilities comprised of trade accounts payable and other payables of 138.36 million Baht, last year 154.13 million Baht, a decrease of 15.77 million Baht or 10.23%, trade accounts payable on purchase of fixed assets within one year of 25.62 million Baht, last year 24.18 million Baht. Accrued corporate income tax was 3.31 million Baht, previously was 7.36 million Baht, decreased 4.05 million Baht or 55.03% and other current liabilities was 3.32 million Baht, in the previous year was 3.64 million Baht.

Non-current liabilities consisted of fixed asset payable of 60.69 million Baht, in the previous year was 86.31 million Baht, decreased 25.62 million Baht or 29.68%. Employee benefit expenses of 62.58 million Baht, in the previous year was 57.28 million Baht, increased by 5.30 million Baht or 9.25%. Deferred income tax liabilities were 21.44 million Baht in the previous year was 23.02 million Baht, a decrease of 1.58 million Baht or 6.86%. Other non-current liabilities were 3.60 million Baht, in the previous year was 4.28 million Baht.

Equity Attributable to Parent Company

At year end 2018, the equity attributable to parent company totaled 2,310.64 million Baht, while the amount for the previous year equaled to 2,310.07 million Baht for an increase of 0.57 million Baht, while other components of shareholders' equity was 77.27 million Baht, in the previous year was 81.85million Baht, decreased 4.58 million Baht or 5.60%. At the end of the year 2018, the company restated its investment at fair value. Dividend payment was made at 0.70 Baht per share, total 75.60 million Baht.

Therefore, the company's book value at the end of 2018 equaled to 21.39 Baht, same as last.



3. Quality of Assets

Quality of Trade Receivables

Net trade receivables with deductions of the allowance for doubtful accounts at the end of 2018 amounted to 228.65 million Baht, while a year before equaled to 258.15 million Baht, decrease of 29.50 million Baht (11.43%) consisting of trade accounts receivable 146.89 million Baht, equivalent to 64.24%, other accounts receivable 81.76 million Baht, equivalent to 35.76%

Trade receivables from related companies at the end of 2018 amounted to 10.96 million Baht, while the amount for the previous year equaled to 13.17 million Baht, decrease of 2.21 million Baht (16.78%). 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 customers have engaged in trade with the company for a long time and have excellent payment records.

Other trade receivables at the end of 2018 amounted to 217.69 million Baht, while the amount for the previous year equaled to 244.98 million Baht, decreased by 27.29 million Baht or 11.14%. The balance of the majority of the aforementioned receivables was not due, and the company will be able to collect payment in full because they have traded with the company for a long time and have excellent payment records. 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 2018, the inventory of finished goods amounted to 40.47 million Baht, while the amount in the previous year equaled to 26.90 million Baht, increased by 13.57 million Baht (50.45%). The majority of goods was in 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 2018 amounted to 12.78 million Baht, while the amount for the previous year equaled to 6.81 million Baht, an increase of 5.97 million Baht or 87.67%. The aforementioned products are in the process of production per customer orders and should be delivered and sold as scheduled.

The raw material inventories amounted to 37.55 million Baht by the end of 2018 while the amount in the previous year equaled to 28.96 million Baht, an increase of 8.59 million Baht (29.66%). 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

Investments in Available-For-Sale Securities

The company had 465.36 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 2018, while the amount for the previous year equaled to 149.26 million Baht, an increase of 316.10 million Baht (211.78%). The aforementioned differences in this change have already been recorded in the other components of shareholder's equity and were shown as separate transaction. For investments, the company received dividends 12.12 million Baht in 2018 and 3.62 million Baht in the previous year, an increase of 8.50 million Baht, or 234.81%. The rate of return for 2018 equaled 6.10% per year when compared to the capital of the previous year with return of 9.54%. 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 had 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 end in 2018, amounted to 218.04 million Baht while the amount for the previous year was 223.62 million Baht for a decrease of 5.58 million Baht (2.50%). There was an increase in investment impairment of 5.45 million Baht. Return on investment as dividend was 22.68 million Baht, in the previous year was 21.08 million Baht, slightly increase. The rate of return was 9.25% per year in 2018 in comparison to the rate of return for the previous year amounting to 8.59% per year. The aforementioned are considered worthwhile investments for the company with satisfactory rates of return and remuneration higher than interest from ordinary bank time-deposits.

Quality of Fixed Asset

Property, Plant and Equipment

The lands shown in the financial statement are assets long acquired by the company. Their value was shown in the cost method and the present value of the lands was higher than the financial statement. As for machinery and equipment, their values were shown in the cost value deducted by accumulated depreciation. Most of the machinery and equipment are modern, productive and were regular maintained. Moreover, any unutilized asset would be sold and amortized from the account by the company.

4. Liquidity

Cash Flow

In 2018, the company's net cash flow from operations amounted to 85.30 million Baht, previous year was 145.43 million Baht, decreased by 60.13 million Baht or 41.35%. During the year, the Company received money from investment activities 124.33 million Baht, invested 142.97 million Baht and used in financing activities for 105.52 million Baht, equaled to the previous year. Which is a dividend payment to shareholders and payment of creditors from the purchase of fixed assets under the contract

Important investment activities, there were investments in available-for-sale securities in the market demand of 318.29 million Baht, invested in associates 18.44 million Baht, invested in debt instruments 10 million Baht, invested in fixed assets 30.26 million Baht, and received money from sales of temporary investment of 425.88 million Baht, received money from debt instruments with maturity of 30 million Baht, interest received 9.36 million Baht and dividend received 35.62 million Baht

The important financing activity is the dividend paid out to shareholders for the amount of 75.60 million Baht. And payment of liabilities from the purchase of fixed assets under the purchase agreement in the amount of 29.92 million Baht.

Capital Structure Suitability

	Unit	2018	2017	2016
Debt to Equity Ratio	Times	0.14	0.16	0.12

Debt to Equity Ratio of the company 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	2018	2017	2016
Liquidity Ratio	Times	6.68	7.94	7.80
Quick Ratio	Times	6.02	7.42	7.08
Operating Cash Flow Ratio	Times	0.47	0.77	0.54
Increased Cash Flow from Operations	Million Baht	85.30	145.43	120.84

Cash Cycle

	Unit	2018	2017	2016
Days Inventory	Days	42	36	35
Average Collection Period	Days	94	98	70
Average Payment Period	Days	69	79	62
Cash Cycle	Days	67	55	43

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 debt of the company is shown in the financial statements mainly are trade and other payables, Creditors of fixed asset purchase, Deferred income tax liabilities and provision for employee benefits of the company's financial statement as of 2018, the company had 318.84 million Baht in total liabilities, whereas the equity attributable to parent company depicted at 2,310.64million Baht.

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

Internal factors

The joint venture in PT.DYNIC TEXTILE PRESTIGE in Indonesia, in the year 2018 carried an increase of loss further from last year because of its borrowing causing the interest expense and exchange losses

TPCNIC Co. Ltd., a subsidiary of the company earned a small profit from other income in 2018. TPCNIC generated more income from sales and service comparing to the previous year, resulting in a decrease of operating losses. However, the company is still affected by orders from customers, which are not enough to cover expenses.

External factors

- Domestic economic conditions have improved due to stimulus spending and continuous government investment. However, high household debt level keeps consumers cautious in their spending.

- Increasing competition will cause the company higher expenses to keep up with customers expectation in speedy response and lower price. Therefore, the company have to keep procure new raw materials to develop new products and increase sales channels.

Auditor's Remuneration

Audit Fees

The company and its subsidiaries paid auditing fees to the auditor's office at the amounts of 970,000 Baht in 2018 and 940,000 Baht in 2017.

Fees for Other Services

The company and its subsidiary 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 27,000 Baht and The Financial Statements (English Version) for a subsidiary at the amount of 3,000 Baht in 2018 and in 2017 operational inspections according to the conditions set by the board of the investment promotion to the auditor's office at the amount of 50,000 Baht and The Financial Statements (English Version) for a subsidiary at the amount of 3,000 Baht.

Expenditures for research, technological development and innovation

The company and its subsidiaries had experimented to produce samples and presented to customers and developed products to meet customers' requirement before actual production for the amount of 3.65 million Baht in 2018 and 2.06 million Baht in 2017, an increase of 1.59 million Baht or 77.18%.

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 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, 2018 with confidence and important context was accurately disclosed.

.....*Mr. Manu Leelanuwatana*.....

(Mr. Manu Leelanuwatana)

Chairman

.....*Mr. Suchai Narongkananukul*.....

(Mr. Suchai Narongkananukul)

Chairman of the Executive Board and Managing Director

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED

Opinion

We have audited the accompanying consolidated financial statements of Textile Prestige Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of 31 December 2018, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Textile Prestige Public Company Limited for the same period.

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 2018, their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

1. Revenue from sales

The Group has revenues from operation which comprise of revenue from sales and revenue from hire of works. Revenues from sales are significant to the Group's financial statements and directly impact on the Group's operating results. Moreover, the Group has both domestic and overseas sales transactions under various terms and conditions. We therefore focused on the Group's recognition of revenues from sales, especially the timing of revenue recognition and terms and conditions of sales and goods delivery.

Our audit procedures include assessing and testing the Group's internal controls related to revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls selecting representative samples to test the operation of the designed key controls and reviewing the revenue recognition policy of the Group. On a sampling basis, we checked documents supporting sales and terms and conditions transactions occurring during the year and near the period end, and tested sales cut off. We reviewed credit notes issued by the Group to customers after the end of the reporting period and performed analytical review of the revenue from sales accounts.

2. Impairment of investments in associated companies, subsidiary companies, and other long term investment

As discussed in Notes to the financial statements no. 11 and 12 of the separate financial statements, as of 31 December 2018, the Company had net investments in associated companies and in subsidiary companies totaling Baht 62.69 million and Baht 198.09 million, respectively. As discussed in note to the financial statements, no. 13 of the

consolidated financial statements and the separate financial statements, as of 31 December 2018 the Company had net other long term investments totaling to Baht 713.39 million. The Company had recorded the allowances for impairment of investments in associated companies, subsidiary companies and other long term investments totaling to Baht 78.27 million, Baht 111.35 million and Baht 37.26 million respectively.

We considered the above issue a key audit matter due to the impairment in investments test in accordance with Thai Financial Reporting Standard is material to audit because the recoverable amount of such investment may be lower than the carrying value of investment as of 31 December 2018. The consideration of impairment in investments depends on the Group's management judgements and significant assumptions to consider the correct, adequate and appropriate recoverable amount.

Our audit procedures include understanding consideration process and internal control procedures related to the impairment of investments, reviewing the design and implementation of the internal control procedures, calculating test, examining the supporting documents in relation to the management consideration of impairment indicators for investments and assessing the appropriateness of the methodology applied by the Group's management in calculating the impairment charges, and the judgements applied in determining recoverable amount.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's Annual Report, but does not include the financial statements and our auditor's report thereon. We reckoned that we would receive the Annual Report after the date of our report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we have read the Annual Report and if we conclude that there is significant material misstatement of this other information, we are required to report that fact to those charged with governance to correct the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting preparation process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

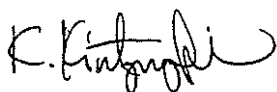
As part of an audit in accordance with Thai Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner responsible for the audit resulting in this independent auditor's report is Ms. Kwunjai Kiatgungwalgri.



Ms. Kwunjai Kiatgungwalgri
 Certified Public Accountant No. 5875
 ASV & ASSOCIATES LIMITED
 Bangkok
 26 February 2019

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS OF 31 DECEMBER 2018

UNIT : BAHT

		Consolidated financial statements		Separate financial statements	
		31 December	31 December	31 December	31 December
	NOTES	2018	2017	2018	2017
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	181,157,866	77,043,464	162,011,610	75,310,477
Current investments	7	617,087,251	1,069,081,916	616,087,259	1,054,731,898
Trade and other receivables	8	228,645,080	258,146,850	151,295,852	181,513,206
Short-term loans to related companies	9	-	19,558,431	-	19,558,431
Inventories	10	104,490,203	72,167,525	100,935,697	69,190,622
Other current assets		8,107,739	7,492,419	9,915,066	9,269,215
TOTAL CURRENT ASSETS		1,139,488,139	1,503,490,605	1,040,245,484	1,409,573,849
NON CURRENT ASSETS					
Investments in associated companies-net	11	79,314,513	35,964,244	62,689,436	25,419,745
Investments in subsidiary companies-net	12	-	-	198,092,973	195,478,916
Other long-term investments					
General investments - net	13.1	218,038,606	223,619,248	218,038,606	223,619,248
Investments in available-for-sale securities-net	13.2	465,355,039	149,257,050	465,355,039	149,257,050
Investments in debt securities held to maturity - net	13.3	30,000,000	20,000,000	30,000,000	20,000,000
Investment in convertible debenture	13.4	-	3,539,000	-	3,539,000
Investment properties-net	14	204,369,151	205,502,901	204,369,151	205,502,901
Property, plant and equipment-net	15	525,199,163	566,682,703	511,063,796	549,794,303
Intangible assets-net	16	3,442,243	3,596,096	3,442,243	3,596,096
Deferred tax assets	29	57,558,833	51,569,562	57,558,833	51,569,562
Other non current assets					
Leasehold right-net		-	2,642	-	2,642
Deposits and guarantees		500,100	542,697	500,100	542,697
TOTAL NON CURRENT ASSETS		1,583,777,648	1,260,276,143	1,751,110,177	1,428,322,160
TOTAL ASSETS		2,723,265,787	2,763,766,748	2,791,355,661	2,837,896,009

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 2018

UNIT : BAHT

		Consolidated financial statements		Separate financial statements	
		31 December	31 December	31 December	31 December
	NOTES	2018	2017	2018	2017
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other payables	17	138,358,049	154,134,605	315,785,288	329,512,735
Current portion of other payable					
- fixed assets	18	25,622,619	24,182,221	25,622,619	24,182,221
Accrued corporate income tax		3,311,305	7,359,487	3,311,305	7,359,487
Other current liabilities		3,230,893	3,640,990	3,183,193	3,595,818
TOTAL CURRENT LIABILITIES		170,522,866	189,317,303	347,902,405	364,650,261
NON CURRENT LIABILITIES					
Other payable fixed assets - net	18	60,688,973	86,311,592	60,688,973	86,311,592
Retirement benefit obligations	19	62,581,880	57,284,592	60,923,765	55,771,849
Deferred tax liabilities	29	21,438,477	23,022,529	21,438,477	23,022,529
Other non current liabilities		3,604,574	4,276,925	3,604,574	4,276,925
TOTAL NON CURRENT LIABILITIES		148,313,904	170,895,638	146,655,789	169,382,895
TOTAL LIABILITIES		318,836,770	360,212,941	494,558,194	534,033,156

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 2018

UNIT : BAHT

		Consolidated financial statements		Separate financial statements	
		31 December	31 December	31 December	31 December
	NOTES	2018	2017	2018	2017
SHAREHOLDERS' EQUITY					
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	20	10,800,000	10,800,000	10,800,000	10,800,000
General reserve	21, 22	159,114,565	152,704,690	159,114,566	152,704,691
Unappropriated		1,845,051,972	1,846,316,788	1,831,178,660	1,840,071,103
Other components of equity		77,268,719	81,851,537	77,304,241	81,887,059
EQUITY ATTRIBUTABLE TO PARENT COMPANY		2,310,635,256	2,310,073,015	2,296,797,467	2,303,862,853
Non - controlling interests		93,793,761	93,480,792	-	-
TOTAL SHAREHOLDERS' EQUITY		2,404,429,017	2,403,553,807	2,296,797,467	2,303,862,853
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,723,265,787	2,763,766,748	2,791,355,661	2,837,896,009

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 2018

UNIT : BAHT

	NOTES	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Revenues from operation					
Revenue from sales		931,526,317	941,917,129	927,116,191	938,709,602
Revenue from hire of works		2,149,035	801,706	413,282	211,703
Total revenues from operation		933,675,352	942,718,835	927,529,473	938,921,305
Cost of operations					
Cost of sales		(758,704,558)	(746,208,441)	(755,407,405)	(738,081,948)
Total cost of operation		(758,704,558)	(746,208,441)	(755,407,405)	(738,081,948)
GROSS PROFIT		174,970,794	196,510,394	172,122,068	200,839,357
Other incomes					
Consulting income		7,405,000	8,213,500	8,521,000	8,453,500
Interest income		7,786,920	11,581,738	7,768,520	11,581,738
Rental income		16,679,024	18,066,391	17,116,423	18,503,791
Dividend income		36,577,340	24,696,581	36,577,340	24,696,581
Gain on disposal of fixed assets		536,679	20,970,575	534,094	20,970,575
Others		25,080,835	29,911,686	20,470,105	29,395,404
PROFIT BEFORE EXPENSES		269,036,592	309,950,865	263,109,550	314,440,946
Selling expenses		(45,138,268)	(45,554,065)	(44,898,708)	(45,402,935)
Administrative expenses		(101,763,826)	(98,563,471)	(100,550,420)	(96,745,371)
(Allowance) reversal for impairment loss of investments		(5,441,242)	1,685,504	(27,691,033)	(14,763,356)
Directors' remunerations		(8,352,000)	(7,708,000)	(8,352,000)	(7,708,000)
Share of loss from investments in associated companies	11	(18,783,271)	(11,857,472)	-	-
PROFIT BEFORE FINANCE COSTS AND					
- INCOME TAX EXPENSES		89,557,985	147,953,361	81,617,389	149,821,284
Finance costs		(5,740,553)	(2,776,659)	(5,740,553)	(2,776,659)
PROFIT BEFORE INCOME TAX EXPENSES		83,817,432	145,176,702	75,876,836	147,044,625
Income tax expenses	29	(2,759,404)	(18,847,124)	(2,759,404)	(18,847,124)
NET PROFIT FOR THE YEAR		81,058,028	126,329,578	73,117,432	128,197,501

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 2018

		UNIT : BAHT			
		Consolidated financial statements		Separate financial statements	
NOTE		2018	2017	2018	2017
NET PROFIT FOR THE YEAR		81,058,028	126,329,578	73,117,432	128,197,501
Other comprehensive income:-					
Other comprehensive income will not be reclassified to profit					
or loss in subsequent period:					
Actuarial loss - net tax		-	-	-	-
Other comprehensive income to be reclassified to profit					
or loss in subsequent period:					
Unrealized gain (loss) on revaluation of					
available-for-sale securities - net of tax	13.2	(4,582,818)	17,601,396	(4,582,818)	17,601,396
OTHER COMPREHENSIVE INCOME FOR THE YEAR - NET OF TAX		(4,582,818)	17,601,396	(4,582,818)	17,601,396
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		76,475,210	143,930,974	68,534,614	145,798,897
PROFIT ATTRIBUTABLE TO:					
Owners of the parent company		80,745,059	129,301,152	73,117,432	128,197,501
Non-controlling interests		312,969	(2,971,574)	-	-
		81,058,028	126,329,578	73,117,432	128,197,501
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the parent company					
Net profit for the year		80,745,059	129,301,152	73,117,432	128,197,501
Other comprehensive income will not be reclassified to profit					
or loss in subsequent period:					
Actuarial loss - net tax		-	-	-	-
Other comprehensive income to be reclassified to profit					
or loss in subsequent period:					
Unrealized gain (loss) on revaluation of					
available-for-sale securities - net of tax	13.2	(4,582,818)	17,601,396	(4,582,818)	17,601,396
Total owners of the parent company		76,162,241	146,902,548	68,534,614	145,798,897
Non-controlling interests		312,969	(2,971,574)	-	-
		76,475,210	143,930,974	68,534,614	145,798,897
BASIC EARNINGS PER SHARE					
Owners of the parent company (Unit : Baht)		0.75	1.20	0.68	1.19
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 2018
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
				Retained Earnings			Unrealized gain(loss) on revaluation of available-for-sale investments	Total other components of shareholders' equity			
				Appropriated -		Unappropriated					
				Legal Reserve	General Reserve						
Balance as of 1 January 2017		108,000,000	110,400,000	10,800,000	138,060,015	1,807,260,311	71,466,099	64,250,141	2,238,770,467	96,452,366	2,335,222,833
Total comprehensive income for the year		-	-	-	-	129,301,152	17,601,396	17,601,396	146,902,548	(2,971,574)	143,930,974
Dividend payment	22	-	-	-	-	(75,600,000)	-	-	(75,600,000)	-	(75,600,000)
General reserve	21, 22	-	-	-	14,644,675	(14,644,675)	-	-	-	-	-
Balance as of 31 December 2017		108,000,000	110,400,000	10,800,000	152,704,690	1,846,316,788	89,067,495	81,851,537	2,310,073,015	93,480,792	2,403,553,807
Total comprehensive income for the year		-	-	-	-	80,745,059	(4,582,818)	(4,582,818)	76,162,241	312,969	76,475,210
Dividend payment	22	-	-	-	-	(75,600,000)	-	-	(75,600,000)	-	(75,600,000)
General reserve	21, 22	-	-	-	6,409,875	(6,409,875)	-	-	-	-	-
Balance as of 31 December 2018		108,000,000	110,400,000	10,800,000	159,114,565	1,845,051,972	84,484,677	77,268,719	2,310,635,256	93,793,761	2,404,429,017

UNIT : BAHT

UNIT : BAHT

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 2018

SEPARATE FINANCIAL STATEMENTS

	NOTES	Issued and paid-up share capital	Premium on ordinary shares	Retained Earnings		Other components of equity			Total shareholders' equity
				Appropriated - Legal Reserve	General Reserve	Unappropriated	Unrealized gain(loss) on revaluation of available -for-sale investments	Actuarial loss	Total other components of shareholders' equity
Balance as of 1 January 2017		108,000,000	110,400,000	10,800,000	138,060,016	1,802,118,277	71,466,099	(7,180,436)	2,233,663,956
Total comprehensive income for the year		-	-	-	-	128,197,501	17,601,396	-	145,798,897
Dividend payment	22	-	-	-	-	(75,600,000)	-	-	(75,600,000)
General reserve	21, 22	-	-	-	14,644,675	(14,644,675)	-	-	-
Balance as of 31 December 2017		108,000,000	110,400,000	10,800,000	152,704,691	1,840,071,103	89,067,495	(7,180,436)	2,303,862,853
Total comprehensive income for the year		-	-	-	-	73,117,432	(4,582,818)	-	68,534,614
Dividend payment	22	-	-	-	-	(75,600,000)	-	-	(75,600,000)
General reserve	21, 22	-	-	-	6,409,875	(6,409,875)	-	-	-
Balance as of 31 December 2018		108,000,000	110,400,000	10,800,000	159,114,566	1,831,178,660	84,484,677	(7,180,436)	2,296,797,467

UNIT : BAHT

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 2018

UNIT : BAHT

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before income tax	83,817,432	145,176,702	75,876,836	147,044,625
Adjustments : -				
Depreciation and amortization	73,284,825	64,303,454	70,500,869	61,405,154
Reversal of Allowance for doubtful accounts	(2,896,592)	(390,000)	(2,896,592)	(390,000)
Allowance for impairment loss of investments (Reversal)	5,441,242	(1,685,504)	27,691,033	14,763,356
Unrealized loss from revaluation of investment	2,384,975	2,358,457	2,191,739	2,444,501
Realized gain from revaluation of investment	(6,265,532)	(10,399,935)	(5,933,630)	(10,352,362)
Gain on disposal of fixed assets	(614,747)	(23,174,414)	(612,162)	(23,174,414)
Loss from retirement of fixed assets	117,457	222,124	78,067	220,479
(Gain) loss on exchanges	(208,077)	2,020,696	(230,266)	2,024,412
Dividend income	(36,577,340)	(24,696,581)	(36,577,340)	(24,696,581)
Deferred interest expenses	5,740,553	2,776,659	5,740,553	2,776,659
Interest income	(7,786,920)	(11,581,738)	(7,768,520)	(11,581,738)
Share of loss from investments in associated companies	18,783,271	11,857,472	-	-
Cash flows before changes in operating assets and liabilities	135,220,547	156,787,392	128,060,587	160,484,091
Operating assets (increase) decrease				
Trade and other receivables	7,783,805	23,686,115	8,480,988	23,323,964
Inventories	(32,322,678)	5,180,307	(31,745,075)	(1,401,615)
Other current assets	(486,379)	(1,849,243)	(645,851)	(2,665,789)
Other non current assets	(37,300)	(100,097)	(37,300)	(100,097)
Operating liabilities increase (decrease)				
Trade and other payables	(15,703,602)	(18,301,022)	(13,632,301)	(14,614,362)
Other current liabilities	(410,097)	(1,645,836)	(412,625)	(1,659,993)
Retirement benefit obligations	5,297,288	4,577,118	5,151,916	4,165,778
Other non current liabilities	(672,351)	246,073	(672,351)	246,073
CASH PROVIDED FROM OPERATING ACTIVITIES	98,669,233	168,580,807	94,547,988	167,778,050
Interest paid	(774)	-	(774)	-
Corporate income tax paid	(13,364,144)	(23,156,284)	(13,235,205)	(23,067,603)
NET CASH RECEIVED FROM OPERATING ACTIVITIES	85,304,315	145,424,523	81,312,009	144,710,447

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 2018

UNIT : BAHT

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
CASH FLOW FROM INVESTING ACTIVITIES				
(Increase) decrease in current investments	425,875,221	(172,010,000)	412,386,530	(170,590,000)
Cash received from investments in debt securities held to maturity	30,000,000	25,000,000	30,000,000	25,000,000
Purchase of investments in debt securities held to maturity	(10,000,000)	(20,000,000)	(10,000,000)	(20,000,000)
Purchase of investment in convertible debenture	-	(3,539,000)	-	(3,539,000)
Increase of investments in associated company	(18,435,108)	-	(18,435,108)	-
Cash received from short-term loan to related company	-	30,000,000	-	30,000,000
Cash received from capital reduction of related company	139,400	672,000	139,400	672,000
Interest received	9,355,247	10,320,581	9,355,247	10,320,584
Purchase of investments in available-for-sale securities	(318,287,511)	-	(318,287,511)	-
Purchase of fixed assets	(30,261,552)	(40,751,774)	(30,126,384)	(40,680,463)
Purchase of intangible assets	(660,908)	(206,410)	(660,908)	(206,410)
Proceeds from disposal of fixed assets	988,608	2,880,737	921,168	2,880,737
Dividend income from other long term investments	35,618,690	24,666,581	35,618,690	24,666,581
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	124,332,087	(142,967,285)	110,911,124	(141,475,971)
CASH FLOW FROM FINANCING ACTIVITIES				
Cash paid for other payable fixed assets	(29,922,000)	(29,922,000)	(29,922,000)	(29,922,000)
Dividend payment	(75,600,000)	(75,600,000)	(75,600,000)	(75,600,000)
NET CASH USED IN FINANCING ACTIVITIES	(105,522,000)	(105,522,000)	(105,522,000)	(105,522,000)
Cash and cash equivalent classified as non-current assets held for sale	-	-	-	-
CASH AND CASH EQUIVALENT INCREASE (DECREASE) - NET	104,114,402	(103,064,762)	86,701,133	(102,287,524)
Cash and cash equivalent - beginning of the year	77,043,464	180,108,226	75,310,477	177,598,001
CASH AND CASH EQUIVALENT AS OF 31 DECEMBER	181,157,866	77,043,464	162,011,610	75,310,477

ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS :

Significant non-cash items consist of :

- Unrealized gain (loss) on revaluation of available- for-sale securities	(5,728,522)	22,001,745	(5,728,522)	22,001,745
- Settle account receivable other of related party to pay increased share capital in investment in associated company	24,140,000	-	24,140,000	-
- Settle short-term loan to related company to pay increased share capital in associated company	19,558,431	-	19,558,431	-
- Convert convertible debentures to investment in available-for-sale security	3,539,000	-	3,539,000	-
- Other payable fixed assets	86,311,592	110,493,813	86,311,592	110,493,813

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 2018

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 4 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.
- 600/49 Moo 11, Sukhapiban 8 Road, Nongkham, Sriracha, Chonburi, Thailand.

1.3 Main activities

- Manufacturing of non - woven fabric products and sanitation and household products.
- Trading of all kinds of goods and hire of works.
- Investing in associated and subsidiary companies.

1.4 The first two major shareholders ranged by their shareholding as of 31 December 2018 and 2017 are as follows:-

	% of issued and paid-up share capital	
	31 December 2018	31 December 2017
Thai Wacoal Public Company Limited	18.15	18.15
Saha Pathana Inter-Holding Company Limited	12.03	12.03

1.5 On 27 January 2016, the Group has entered into sales of assets and liabilities under partial business transfer agreement concerning the Company’s underwear manufacturing business and under entire business transfer agreement for 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.) including assets, liabilities, employees, right and obligations, all commitment.

The Group recorded gain from sales of assets and liabilities under business transfer agreement in consolidated and separate financial statements for the year ended 31 December 2016 of Baht 179.90 million and Baht 182.41 million, respectively.

On 23 February 2016, the shareholders’ extraordinary meeting no. 1/2559 of the subsidiaries (T.U.C. Elastic Co., Ltd., Prestige Plus Co., Ltd. and Prestige Embroidery Co., Ltd.) and the associated company (Value Added Textile Co., Ltd.), had approved the liquidation of the subsidiaries and appointed liquidators to clear of the transactions, sell of assets and pay of liabilities including the liquidators’ fees. The subsidiaries had registered the liquidations with the Departments of Business Development on 25 February 2016. In addition, during the year ended 31 December 2016, the subsidiary companies had transferred fund to the Company and minority shareholders of Baht 178.08 million and Baht 76.42 million, respectively, which are shown in advance received from subsidiaries (Note 17) and advance paid to minority shareholders (Note 8). The Company will adjust related accounts when the liquidation process, consisting of the transfer of ownership of immovable properties and the audit of authorities, is complete.

Value Added Textile Co., Ltd. has completed liquidation process on 8 January 2019 (Note 11).

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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 11 October 2016 under the Accounting Act B.E. 2543 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.

2.3 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

2.4 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 2018 and 2017, the structure of shareholding in subsidiaries is as follows:-

	Percentage of shareholding		Incorporated in	Type of businesses
	2018	2017		
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. Book value of investments and shareholder’s equity of its subsidiaries have also 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.

2.5 The separate financial statements present investments in subsidiaries and associates presented under the cost method.

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2.6 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.

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 Financial reporting standards that became effective in the current year

The FAP issued and revised the financial reporting standards and interpretations (revised 2017) and new accounting treatment guidance that are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards do not have any significant impact on the financial statements.

3.2 New accounting standards issued and not yet effective

- Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2019

The Group does not plan to early adopt revised and new financial reporting standards and interpretations (revised 2018) including new accounting treatment guidance that are effective for fiscal years beginning on or after 1 January 2019. The Group's management has assessed the effect of the above financial reporting standards and believes that these standards will not have significant impact on the financial statements for the year in which they are effective. The new standard involves changes to key principles are as follows:-

TFRS 15, Revenue from Contracts with Customers supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

- Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The FAP issued the set of TFRSs related to financial instruments consists of five accounting standards and interpretations that will become effective for fiscal years beginning on or after 1 January 2020, consist of:-

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments: Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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.

Revenue from hire of works is recognised when service is rendered.

Rental income is recognized as revenue according to period specified in the agreement.

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 is 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.

4.5 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 non-marketable equity securities, which the Company classifies as general investments, are stated at cost net of allowance for impairment loss (if any).

Investments in related companies mean those companies in which the Group has holding interest less than 20% and/or the companies which directly or indirectly have some common management, major shareholders or such related persons.

Investments in other companies are those companies in which the Group has holding interest but has no power to govern or participate in any policy.

- Investment in associate in the consolidated financial statements is accounted for using the equity method.
- Investments in subsidiaries and associate in the separate financial statements of the Company are accounted for using the cost method less allowance for impairment loss (if any).

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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.

4.6 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
Building and structures	20 years

4.7 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

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.

4.8 Intangible assets and amortization

Intangible assets are computer software amortized by using the straight-line method of 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.

4.9 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.

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4.10 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 statements of comprehensive income. (An asset's recoverable amount is the higher of fair value less costs to sell and value in use).

4.11 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.

4.12 Purchase and sale of land agreement

The Company regards a purchase and sale of land agreement by installment that transfers substantially all the risks and rewards of ownership as finance lease whereby the fair value of the purchase and sale of land agreement by installment item is recorded as assets and the commitment of the future payment (deducted interest portion) is recorded as liabilities.

Interest expense or finance cost is included in the comprehensive income statements according to the remaining balance of the liabilities.

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 mean 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.

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.

TEXTILE PRESTIGE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
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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 the 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 and 58. 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 400 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.

- Other long-term benefits

- The Company also has a policy to provide compensation to retired directors by reference to service years as the Company's director multiplied by a specified rate.

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.

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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.

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.

5. 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 11
2. Subsidiary companies	See Note 2 and 12
3. Related companies	See Notes 13.1, 13.2 and 13.4

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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 Manufacturing Co., Ltd.	Ladies' lingerie manufacturer	Co-directors, Co-shareholders
6. Pattaya Kabinburi Co., Ltd.	Ladies' lingerie manufacturer	Co-directors, Co-shareholders
7. Wacoal Sriracha Co., Ltd.	Garment manufacturer	Co-directors, Co-shareholders
8. Racha Uchino Co., Ltd.	Household textile	Co-directors, Co-shareholders
9. Pitakkij Security Guard Co., Ltd.	Security system personal	Co-shareholders
10. Pitakkij Co., Ltd.	Services	Co-shareholders
11. Thai Secom Security Guard Co., Ltd.	Security system	Co-shareholders
12. Thai Itokin Co., Ltd.	Garment manufacturer	Co-shareholders
13. Eastern Thai Consulting 1992 Co., Ltd.	Environmental consultation	Co-shareholders
14. MBTS Broking Services Co., Ltd.	Agency	Co-shareholders
15. Kabin Pattanakij Co., Ltd	Distributor of consumable goods	Co-shareholders
16. PTK Multi Service Co., Ltd	Security and gardening management	Co-shareholders
17. Sariporn Co., Ltd	Investment	Co-directors, Co-shareholders
18. Thai Staflex Co., Ltd.	Manufacturing/ distributing paste lining	Co-directors, Co-shareholders
19. SRP Nanasai Co., Ltd.	Designer and decorator	Co-directors, Co-shareholders
20. International Leather Fashion Co., Ltd.	Manufacturing of genuine/synthetic leather	Co-directors, Co-shareholders
21. Saha Seiren Co., Ltd.	Manufacturing/ distributing Auto cushion cover	Co-directors, Co-shareholders
22. I.C.C. International Plc.	Distributor of consumable goods	Co-directors, Co-shareholders
23. Saha Pathana Inter Holding Plc.	Holding company	Co-directors, Co-shareholders
24. Thai Gunze Co., Ltd.	Manufacturing and distributing clothes sheet and garments	Co-directors, Co-shareholders
25. SSDC (Tigertex) Co., Ltd.	Dyeing service	Co-directors, Co-shareholders
26. Erawan Textile Co., Ltd.	Weave cotton and spin thread	Co-directors, Co-shareholders
27. Thai Takaya Co., Ltd.	Manufacturing and distributing garments	Co-shareholders
28. A Tech Textile Co., Ltd.	Manufacturing and distributing raw material for ladies' lingerie	Co-shareholders
29. People's Garment Plc.	Garment manufacturer	Co-shareholders
30. Kai I.T. Service Co., Ltd.	Sales, maintenance and rental of computers and computer peripherals	Co-shareholders
31. Champ Ace Co., Ltd.	Sales of garments and provide service for hire of garment production	Co-shareholders
32. Thai Monster Co., Ltd.	Manufacturing and distributing garments	Co-shareholders
33. ThaiSport Garment Co., Ltd.	Manufacturing and distributing garments	Co-shareholders
34. Molten (Thailand) Co., Ltd.	Manufacturing and distributing balls	Co-shareholders
35. Morgan De Toi (Thailand) Co., Ltd.	Distributing apparel	Co-shareholders
36. Thai Samsung Life Insurance Plc.	Insurance	Co-shareholders
37. Thai Naxis Co., Ltd.	Weaving and printing of label	Co-directors, Co-shareholders
38. Saha Asia Pacific Co., Ltd.	Real estate development	Co-shareholders
39. G Tech Material Co., Ltd.	Manufacturing and distributing raw material for ladies' lingerie	Co-shareholders
40. H & B Intertext Co., Ltd	Fabric doll manufacturing	Co-shareholders

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Related companies	Type of business	Relationship
41. Sahacogen (Chonburi) Plc.	Generating and distributing electricity	Co-shareholders
42. Wien International Co., Ltd.	Direct sales	Co-directors, Co-shareholders
43. Sahapat Properties Co., Ltd.	Investment	Co-shareholders
44. K. Commercial and Construction Co., Ltd.	Construction	Co-shareholders
45. Janome (Thailand) Co., Ltd.	Manufacturing sewing machine	Co-directors, Co-shareholders
46. Treasure Hill Co., Ltd.	Golf course	Co-shareholders
47. Thai Shikibo Co., Ltd.	Manufacturing cotton thread	Co-directors, Co-shareholders
48. Thanara Co., Ltd.	Real estate	Co-shareholders
49. Bangkok Tokyo Socks Co., Ltd.	Sock manufacturer and exporter	Co-directors, Co-shareholders
50. Asahi Kasei Spunbond (Thailand) Co., Ltd.	Manufacturing fiber spunbond non woven	Co-shareholders
51. Sriracha Aviation Co., Ltd.	Machinery and plane maintenance	Co-shareholders
52. Waseda Education (Thailand) Co., Ltd.	Language institute	Co-directors, Co-shareholders
53. Thai Asahi Kasei Spandex Co., Ltd.	Manufacturing flexible fiber	Co-directors, Co-shareholders
54. Thai Bunka Fashion Co., Ltd.	Fashion institute	Co-directors, Co-shareholders
55. Thai Sakae Lace Co., Ltd.	Manufacturing lace fabric	Co-directors, Co-shareholders

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

UNIT : BAHT

	Consolidated financial statements		Separate financial statements	
	As of 31 December		As of 31 December	
	2018	2017	2018	2017
1. Trade receivables				
- Subsidiary companies	-	-	3,020,390	381,269
- Associated companies	3,622,269	3,369,477	3,622,269	3,369,477
- Related companies	7,334,438	9,802,687	7,334,438	9,802,687
Total	10,956,707	13,172,164	13,977,097	13,553,433
2. Other receivables				
- Subsidiary companies	-	-	9,944	8,214
- Associated companies	-	24,140,000	-	24,140,000
- Related companies	714,986	2,259,296	714,986	2,259,296
Total	714,986	26,399,296	724,930	26,407,510
3. Accrued income				
- Associated companies	79,812	163,270	79,812	163,270
- Related companies	1,062,981	203	1,062,981	203
Total	1,142,793	163,473	1,142,793	163,473
4. Advance received				
- Subsidiary companies	-	-	178,079,811	178,079,811
- Associated companies	258,189	-	258,189	-
Total	258,189	-	178,338,000	178,079,811
5. Short term loans				
- Associated companies	-	19,558,431	-	19,558,431
6. Prepaid expenses				
- Related companies	88,383	88,383	88,383	88,383

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UNIT : BAHT

	Consolidated financial statements		Separate financial statements	
	As of 31 December		As of 31 December	
	2018	2017	2018	2017
7. Trade payables				
- Subsidiary companies	-	-	2,439,044	1,777,717
- Related companies	27,180,599	35,335,720	27,180,599	35,335,720
Total	27,180,599	35,335,720	29,619,643	37,113,437
8. Accrued expenses				
- Related companies	4,808,635	3,470,551	4,808,635	3,470,551
9. Purchas of fixed asset payable				
- Related company	86,311,592	110,493,813	86,311,592	110,493,813

Income and expenses with related companies are as follows:-

UNIT : BAHT

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2018	2017	2018	2017
1. Sales				
- Subsidiary companies	-	-	5,787,049	1,572,110
- Associated companies	13,608,778	10,812,453	13,608,778	10,812,453
- Related companies	32,249,338	37,585,448	32,249,338	37,585,448
Total	45,858,116	48,397,901	51,645,165	49,970,011
2. Hire of work income				
- Related companies	-	768	-	768
3. Rental income				
- Subsidiary companies	-	-	437,400	437,400
- Related companies	13,883,023	15,030,391	13,883,023	15,030,391
Total	13,883,023	15,030,391	14,320,423	15,467,791
4. Dividend income				
- Related companies	26,336,382	24,534,975	26,336,382	24,534,975
5. Other income				
- Subsidiary companies	-	-	1,407,576	417,614
- Associated companies	317,900	2,052,147	317,900	2,052,147
- Related companies	19,097,164	28,345,272	19,097,164	28,345,272
Total	19,415,064	30,397,419	20,822,640	30,815,033
6. Purchase of goods and raw materials				
- Subsidiary companies	-	-	21,901,116	12,174,878
- Related companies	130,481,671	135,924,706	130,481,671	135,924,706
Total	130,481,671	135,924,706	152,382,787	148,099,584
7. Purchase of assets				
- Related companies	224,612	300,042	224,612	300,042

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	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2018	2017	2018	2017
8. Subcontract expenses				
- Subsidiary companies	-	-	2,479,344	2,105,229
- Related companies	491,767	6,690,153	491,767	6,690,153
Total	491,767	6,690,153	2,971,111	8,795,382
9. Rental expenses				
- Related companies	-	411,842	-	411,842
10. Other expenses				
- Associated companies	18,104	35,597	18,104	35,597
- Related companies	54,571,634	46,708,886	54,571,634	46,708,886
Total	54,589,738	46,744,483	54,589,738	46,744,483
11. Purchase of fixed assets				
- Related companies	15,128,560	138,428,285	15,128,560	138,428,285
12. Disposal of fixed assets				
- Associated companies	-	24,140,000	-	24,140,000

Management benefit expenses

Management benefit expenses represent benefits paid to the Company's management such as salaries and related benefits including benefits paid by other means. The Company's management is the persons defined under the Securities and Exchange Act.

Management benefit expenses for the years ended 31 December 2018 and 2017 are as follows :-

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short - term employee benefits	50,742,376	49,554,088	48,166,719	47,033,958
Post - employment benefits	4,483,871	6,555,899	4,399,472	6,348,662
Total	55,226,247	56,109,987	52,566,191	53,382,620

Pricing policies of related party transactions are as follows:-

Transactions	Pricing policies
Sale of goods	Agreed-upon price by referring to market price
Hire of work income	Agreed-upon price
Rental income	Agreed-upon price/ Contract price
Purchase of goods raw materials and rendering of service	Agreed-upon price/ market price
Selling and administrative expenses	Agreed-upon price/ Contract price
Interest income	At 5.50% per annum.
Purchase of marketable equity securities	Market price
Purchase of general investment	Agreed-upon price
Purchase of fixed and other assets	Agreed-upon price

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6. CASH AND CASH EQUIVALENTS

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash	318,653	262,836	287,916	209,343
Call deposits	16,839,213	6,780,628	9,723,694	5,101,134
Highly liquid short – term investment	164,000,000	70,000,000	152,000,000	70,000,000
Total	181,157,866	77,043,464	162,011,610	75,310,477

7. CURRENT INVESTMENTS

	UNIT : BAHT					
	Consolidated financial statements		Separate financial statements		Interest rates per annum	
	2018	2017	2018	2017	2018	2017
1. Trading security						
- Investments in Open-ended						
Fund- Debt securities	453,427,250	495,110,409	452,427,250	480,953,620		
- Investments in marketable-						
equity securities	104,073,470	-	104,073,470	-		
<u>Add</u> allowance for revaluation of						
the investments	1,586,531	3,971,507	1,586,539	3,778,278		
Total	559,087,251	499,081,916	558,087,259	484,731,898		
2. Certificates of deposits	58,000,000	540,000,000	58,000,000	540,000,000	1.25-1.50%	1.35-1.55%
3. Current portion of debentures with						
redemption within one year						
(Note. 13.3)	-	30,000,000	-	30,000,000	-	5.15-5.35%
Total	617,087,251	1,069,081,916	616,087,259	1,054,731,898		

Investments in trading securities are investment in Open-end Fund and investment in marketable – equity securities. The unrealized gain between fair value and cost, and gains on sales of the investments during the years 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.

The fair value measurement of investment in marketable – equity securities has been categorized as a Level 1.

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8. TRADE AND OTHER RECEIVABLES

			UNIT : BAHT	
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade receivables				
Current	101,535,619	103,882,008	101,029,913	103,727,959
Overdue within 3 months	45,345,286	47,287,577	45,007,637	47,239,341
Over 3 to 6 months	7,644	84	7,644	84
Over 6 to 12 months	-	-	-	-
Over 12 months	-	2,896,592	-	2,896,592
Total	146,888,549	154,066,261	146,045,194	153,863,976
<u>Less</u> allowance for doubtful accounts	-	(2,896,592)	-	(2,896,592)
Trade receivables - net	146,888,549	151,169,669	146,045,194	150,967,384
Other receivables				
Prepaid expenses	1,645,427	1,042,193	1,628,217	1,022,818
Receivable from related companies	714,986	26,399,296	724,930	26,407,510
Advance paid to minority shareholders (Note 1.5)	76,420,189	76,420,189	-	-
Others	2,975,929	3,115,503	2,897,511	3,115,494
Total other receivables	81,756,531	106,977,181	5,250,658	30,545,822
Total trade and other receivables	228,645,080	258,146,850	151,295,852	181,513,206

9. SHORT – TERM LOANS TO RELATED COMPANIES

			UNIT : BAHT	
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
ERAWAN TEXTILE CO., LTD.				
Beginning balance	-	30,000,000	-	30,000,000
<u>Add</u> increase during the year	-	-	-	-
<u>Less</u> decrease during the year	-	(30,000,000)	-	(30,000,000)
Ending balance	-	-	-	-
PT. DYNIC TEXTILE PRESTIGE				
Beginning balance	19,558,431	21,830,902	19,558,431	21,830,902
<u>Add</u> increase during the year	-	-	-	-
<u>Less</u> decrease from loss on exchange	-	(2,272,471)	-	(2,272,471)
<u>Less</u> transfer to pay increased share capital (Note 11)	(19,558,431)	-	(19,558,431)	-
Ending balance	-	19,558,431	-	19,558,431
Total short – term loans	-	19,558,431	-	19,558,431
Interest (per annum)	-	5.50%	-	5.50%

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10. INVENTORIES

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Finished goods	40,472,916	26,897,134	39,459,811	26,349,789
Work in process	12,779,472	6,808,802	12,380,034	6,302,371
Raw materials	37,545,200	28,955,550	35,579,473	27,254,584
Supplies and spare parts	9,266,284	7,531,631	9,090,048	7,382,324
Goods in transit	4,426,331	1,974,408	4,426,331	1,901,554
Total	104,490,203	72,167,525	100,935,697	69,190,622

11. INVESTMENTS IN ASSOCIATED COMPANIES - NET

Associated companies	Country of incorporation	Percentage of holding		Equity method		Cost method	
		2018	2017	2018	2017	2018	2017
Value Added Textile Co., Ltd.							
	Thai	49.90	49.90	2,654,759	2,678,663	7,654,350	7,654,350
PT. Dync Textile Prestige	Indonesia	44.00	44.00	76,659,754	33,285,581	133,303,540	71,170,000
Total				79,314,513	35,964,244	140,957,890	78,824,350
<u>Less</u> allowance for impairment loss							
Value Added Textile Co., Ltd.						(7,396,161)	(7,363,219)
PT. Dync Textile Prestige						(70,872,293)	(46,041,386)
Total allowance for impairment loss						(78,268,454)	(53,404,605)
Total investments in associated companies - net						62,689,436	25,419,745

Details of the associated companies are as follows :-

Associated companies	Type of business	Paid-up capital		Share of loss from investments for the years	
		2018	2017	2018	2017
Value Added Textile Co., Ltd.	Printing and embroidering	16,500,000	16,500,000	(23,904)	(8,978)
PT. Dync Textile Prestige	Manufacturing and distributing				
	Non-woven fabric	USD 10,000,000	USD 5,000,000	(18,759,367)	(11,848,494)
			Total	(18,783,271)	(11,857,472)

Summary of financial information of associated companies

As of 31 December 2018 and 2017, investment in associated company, Value Added Textile Co., Ltd., stated at equity method which was based on the management's financial information. Value Added Textile Co., Ltd. has completed liquidation process on 8 January 2019 (Note 11).

As of 31 December 2018 and 2017, investment in associated company, PT. Dync Textile Prestige, stated at equity method which was based on financial information audited by a foreign component auditor.

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On 3 April 2018, PT. Dynec Textile Prestige, an associated company incorporated in Indonesia (Note 11) has registered an increase of the share capital from USD 5 million (comprised of 50,000 ordinary shares of USD 100 each) to USD 10 million (comprised of 100,000 ordinary shares of USD 100 each) by issuing new ordinary shares of USD 5 million (comprised of 50,000 ordinary shares of USD 100 each). The Company contributed share capital according to current shareholding percentage at USD 2.20 million. The Company settled partial payment with other assets due to the Company such as other receivable from disposal of fixed assets of Baht 24.14 million and short term loan of Baht 19.56 million. The remaining amount was paid on 30 May 2018 in foreign currency at the exchange rate at the transaction date of Baht 18.44 million.

	UNIT : BAHT			
	Value Added Textile Co., Ltd.		PT. DYNIC TEXTILE PRESTIGE	
	For the years ended 31 December			
	2018	2017	2018	2017
Current assets	724	566,040	67,393,529	59,501,402
Non current assets	-	-	297,447,225	339,826,506
Current liabilities	-	-	66,614,562	174,250,545
Non current liabilities	-	-	156,351,505	167,972,716
Total revenues	-	-	60,461,533	44,606,108
Net loss for the year	(47,904)	(17,993)	(42,625,435)	(26,920,259)

12. INVESTMENTS IN SUBSIDIARY COMPANIES – NET

Subsidiary companies	UNIT : BAHT							
	Paid-up capital (Unit: Thousand Baht)				Separate financial statements			
					Cost method		Dividends for the years	
	2018	2017	Percentage of shareholding (%)		2018	2017	2018	2017
Prestige Plus Co., Ltd.*	100,000	100,000	99.99	99.99	99,999,800	99,999,800	-	-
Prestige Embroidery Co., Ltd. *	100,000	100,000	99.99	99.99	99,999,800	99,999,800	-	-
T.U.C. Elastic Co., Ltd. *	160,000	160,000	52.24	52.24	83,942,758	83,942,758	-	-
TPCNIC Co., Ltd.	50,000	50,000	50.99	50.99	25,497,000	25,497,000	-	-
Total					309,439,358	309,439,358	-	-
<u>Less</u> allowance for impairment loss					(111,346,385)	(113,960,442)		
Net					198,092,973	195,478,916		

* As mentioned in note 1.5, the shareholders' extraordinary meeting of the subsidiaries approved the liquidations of the subsidiaries and appointed the liquidators to clear of transactions, sell of assets and pay of liabilities including the liquidators' fees. The subsidiaries had registered the liquidations with Department of Business Development on 25 February 2016.

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13. OTHER LONG - TERM INVESTMENTS

13.1 General investments - net

UNIT : BAHT

	Consolidated and separate financial statements			
	Investment as of		Dividends for the years ended	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
Related companies	244,710,694	244,850,095	22,661,566	21,062,474
Other companies	583,475	583,475	15,606	15,606
Total	245,294,169	245,433,570	22,677,172	21,078,080
<u>Less</u> allowance for impairment loss	(27,255,563)	(21,814,322)		
Net	218,038,606	223,619,248		

13.2 Investments in available-for-sale securities - net

UNIT : BAHT

	Consolidated and separate financial statements			
	Investment as of		Dividends for the years ended	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
Investments in marketable-equity securities				
Related companies	39,801,341	36,262,361	3,674,816	3,472,501
Other companies	319,947,851	1,660,320	8,446,128	146,000
Total	359,749,192	37,922,681	12,120,944	3,618,501
<u>Add</u> unrealized gain on revaluation of investment	105,605,847	111,334,369		
Total investments in available-for-sale securities - net	465,355,039	149,257,050		

Level of fair value

The fair value measurement of investments in available-for-sales securities has been categorized as a Level 1.

Unrealized gain (loss) on revaluation of available-for-sale investment - net income tax :-

UNIT : BAHT

	Consolidated and separate financial statements	
	2018	2017
Unrealized gain (loss) on revaluation of available-for-sale investment	(5,728,522)	22,001,745
<u>Add/(Less) income tax</u>	1,145,704	(4,400,349)
Net	(4,582,818)	17,601,396

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13.3 Investments in debt securities held to maturity - net

	UNIT : BAHT	
	Consolidated and separate financial statements	
	2018	2017
Debentures	40,000,000	60,000,000
<u>Less</u> current portion of debentures with redemption within one year (Shown in short-term investments - Note 8)	-	(30,000,000)
<u>Less</u> allowance for impairment loss	(10,000,000)	(10,000,000)
Net (Redemption within 2-3 years)	30,000,000	20,000,000
Fair value - ending balance	29,836,966	50,136,788

* As of 31 December 2018 and 2017, the Company has provided allowance for diminution in value of investment in debt security of Inter Far East Energy Corporation Public Company Limited "IFEC" in full due to IFEC has made defaults of bill of exchanges from many creditors from January 2017. The management has considered that this event could affect the ability of IFEC to repay its debt security to the Company which will be due on 5 November 2017. During 2017, IFEC could not arrange any shareholders' meeting and therefore could not proceed with the debt restructuring plan to debenture holders except the Extraordinary General Meeting of Shareholders No.1/2018 on 25 December 2018 to appoint 7 new directors to replace previous directors. As of the date of this report, there is no further development repayment from IFEC.

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.

13.4 Investments in convertible debentures

					UNIT : BAHT
Companies	Consolidated and separate financial statements		Interest rates per annum		Maturity date
	2018	2017	2018	2017	
Debentures of Saha Pathana Inter- Holding Plc.	-	3,539,000	-	0.70%	29 June 2024
Total	-	3,539,000			
Fair value - ending balance	-	5,411,450			

Convertible debentures represent bearer convertible debentures with the right to convert to new issue ordinary shares at the rate of 1:22.222222 ordinary shares. The exercise periods are 4 times per year as from June 2018. These debentures are unsubordinated and unsecured convertible with a debentureholders' representatives and having interest payable every 3 months as from the issuance date. The Company converted the 78,644 debentures to 3,539 ordinary shares on 29 June 2018, which classified to investment in available-for-sale security in related company in Note 13.2.

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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14. INVESTMENT PROPERTIES – NET

UNIT : BAHT

	Consolidated and separate financial statements		
	Land	Building and structures	Total
Cost			
1 January 2017	184,847,541	54,306,554	239,154,095
Increase	-	-	-
Transferred in/(out)	52,813	4,020,825	4,073,638
31 December 2017	184,900,354	58,327,379	243,227,733
Increase	-	-	-
Transferred in/(out)	-	-	-
31 December 2018	184,900,354	58,327,379	243,227,733
Accumulated depreciation			
1 January 2017	-	32,644,454	32,644,454
Depreciation for the year	-	1,059,553	1,059,553
Accumulated depreciation transferred in/(out)	-	4,020,825	4,020,825
31 December 2017	-	37,724,832	37,724,832
Depreciation for the year	-	1,133,750	1,133,750
Accumulated depreciation transferred in/(out)	-	-	-
31 December 2018	-	38,858,582	38,858,582
Net book value			
31 December 2018	184,900,354	19,468,797	204,369,151
31 December 2017	184,900,354	20,602,547	205,502,901
Appraised value (million Baht)	*460.62	**83.36	543.98

The Group has appraised the value of the investment properties by two appraisers approved by the SEC as follow :-

* The appraised value was determined by an independent appraiser, report dated 5 August 2015, 28 November 2016 and 2 August 2017.

** The appraised value was determined by an independent appraiser, report dated 5 August 2015, 28 November 2016, 16 March 2017 and 2 August 2017.

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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15. PROPERTY, PLANT AND EQUIPMENT - NET

	Consolidated financial statements										UNIT : BAHT
	Land	Land development	Building	Furniture and fixtures	Office equipment	Machineries	Vehicles	Equipment	Assets under installation	Total	
Cost											
1 January 2017	16,122,584	4,242,349	147,353,359	48,503,186	69,225,120	1,105,832,582	40,206,340	87,675,905	147,834,604	1,666,996,029	
Acquisition	137,639,154	-	7,981,512	111,711	1,095,526	1,768,825	533,855	719,039	28,541,306	178,390,928	
Disposal/written - off	-	-	(7,981,512)	-	(1,084,536)	(162,670,981)	(1,782,676)	(1,836,811)	-	(175,356,516)	
Transferred in/(out)	(52,813)	-	48,530,490	(250,000)	4,751,425	85,072,550	-	21,697,585	(163,822,874)	(4,073,637)	
31 December 2017	153,708,925	4,242,349	195,883,849	48,364,897	73,987,535	1,030,002,976	38,957,519	108,255,718	12,553,036	1,665,956,804	
Acquisition	-	-	-	1,252,288	4,172,079	1,100,331	3,395,000	1,356,857	18,984,997	30,261,552	
Disposal/written - off	-	-	(2,118,036)	(885,054)	(1,211,384)	(5,449,060)	(3,792,375)	(162,909)	-	(13,618,818)	
Transferred in/(out)	-	-	8,688,498	2,306,017	193,748	11,206,120	-	9,193,547	(31,508,033)	79,897	
31 December 2018	153,708,925	4,242,349	202,454,311	51,038,148	77,141,978	1,036,860,367	38,560,144	118,643,213	30,000	1,682,679,435	
Accumulated depreciation											
1 January 2017	-	4,242,319	89,317,497	47,744,662	60,019,563	906,970,345	24,769,430	79,080,369	-	1,212,144,185	
Depreciation for the year	-	-	4,966,612	272,630	3,421,102	44,792,729	4,500,520	4,485,219	-	62,438,812	
Depreciation on disposal	-	-	(7,761,113)	-	(1,082,623)	(158,952,946)	(1,769,737)	(1,721,652)	-	(171,288,071)	
Transferred in/(out)	-	-	(4,020,825)	(249,998)	249,998	423,514	-	(423,514)	-	(4,020,825)	
31 December 2017	-	4,242,319	82,502,171	47,767,294	62,608,040	793,233,642	27,500,213	81,420,422	-	1,099,274,101	
Depreciation for the year	-	-	7,274,867	702,041	4,380,341	48,442,648	3,579,529	6,954,245	-	71,333,671	
Depreciation on disposal	-	-	(2,044,565)	(885,041)	(1,131,047)	(5,392,958)	(3,531,741)	(142,148)	-	(13,127,500)	
31 December 2018	-	4,242,319	87,732,473	47,584,294	65,857,334	836,283,332	27,548,001	88,232,519	-	1,157,480,272	
Net book value											
31 December 2018	153,708,925	30	114,721,838	3,453,854	11,284,644	200,577,035	11,012,143	30,410,694	30,000	525,199,163	
31 December 2017	153,708,925	30	113,381,678	597,603	11,379,495	236,769,334	11,457,306	26,835,296	12,553,036	566,682,703	

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UNIT : BAHT

Separate financial statements									
	Land		Furniture and fixtures			Assets under installation			Total
	Land	Land development	Building	Office equipment	Machineries	Vehicles	Equipment		
Cost									
1 January 2017	16,122,584	4,242,349	147,353,359	48,503,186	68,948,679	1,082,093,047	38,994,993	87,516,219	1,641,609,020
Acquisition	137,639,154	-	7,981,512	111,711	1,095,526	1,743,275	531,220	675,913	178,319,617
Disposal/written - off	-	-	(7,981,512)	-	(1,084,536)	(162,670,981)	(1,782,676)	(1,834,651)	(175,354,356)
Transferred in/(out)	(52,813)	-	48,530,490	(250,000)	4,751,425	85,072,550	-	21,697,585	(4,073,637)
31 December 2017	153,708,925	4,242,349	195,883,849	48,364,897	73,711,094	1,006,237,891	37,743,537	108,055,066	1,640,500,644
Acquisition	-	-	-	1,252,288	4,104,639	1,057,651	3,395,000	1,331,809	30,126,384
Disposal/written - off	-	-	(2,118,036)	(885,054)	(1,143,943)	(5,390,842)	(3,792,375)	(158,947)	(13,489,197)
Transferred in/(out)	-	-	8,688,498	2,306,017	193,748	11,206,120	-	9,193,547	79,897
31 December 2018	153,708,925	4,242,349	202,454,311	51,038,148	76,865,538	1,013,110,820	37,346,162	118,421,475	1,657,217,728
Accumulated depreciation									
1 January 2017	-	4,242,319	89,317,497	47,744,662	59,892,529	902,325,119	23,950,362	79,001,720	1,206,474,208
Depreciation for the year	-	-	4,966,612	272,630	3,359,386	42,237,949	4,257,941	4,445,995	59,540,513
Depreciation on disposal	-	-	(7,761,113)	-	(1,082,623)	(158,952,946)	(1,769,737)	(1,721,136)	(171,287,555)
Transferred in/(out)	-	-	(4,020,825)	(249,998)	249,998	423,514	-	(423,514)	(4,020,825)
31 December 2017	-	4,242,319	82,502,171	47,767,294	62,419,290	786,033,636	26,438,566	81,303,065	1,090,706,341
Depreciation for the year	-	-	7,274,867	702,041	4,327,795	45,898,275	3,429,000	6,917,737	68,549,715
Depreciation on disposal	-	-	(2,044,565)	(885,041)	(1,128,462)	(5,371,042)	(3,531,741)	(141,273)	(13,102,124)
31 December 2018	-	4,242,319	87,732,473	47,584,294	65,618,623	826,560,869	26,335,825	88,079,529	1,146,153,932
Net book value									
31 December 2018	153,708,925	30	114,721,838	3,453,854	11,246,915	186,549,951	11,010,337	30,341,946	511,063,796
31 December 2017	153,708,925	30	113,381,678	597,603	11,291,804	220,204,255	11,304,971	26,752,001	549,794,303

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16. INTANGIBLE ASSETS – NET

As of 31 December 2018 and 2017, computer software consist of :-

	UNIT : BAHT	
	Consolidated and separate financial statements	
	2018	2017
Cost		
1 January	22,398,459	22,192,049
Acquisition	660,908	206,410
Disposal/written - off	-	-
31 December	23,059,367	22,398,459
Accumulated amortization		
1 January	18,802,363	18,033,127
Amortization expenses for the year	814,761	769,236
Disposal/written - off	-	-
31 December	19,617,124	18,802,363
Net book value - 31 December	3,442,243	3,596,096

17. TRADE AND OTHER PAYABLES

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade payables				
Related companies (Note 5)	27,180,599	35,335,720	29,619,643	37,113,437
Others	68,161,948	68,356,592	65,761,812	66,841,126
Total trade payables	95,342,547	103,692,312	95,381,455	103,954,563
Other payables				
Investment payable	13,770,000	13,770,000	13,770,000	13,770,000
Accrued bonus	10,789,288	16,899,981	10,261,620	16,053,451
Accrued royalties	6,409,423	7,476,035	6,409,423	7,476,035
Advance received from subsidiaries (Note 1.5)	258,189	-	178,338,000	178,079,811
Others	11,788,602	12,296,277	11,624,790	10,178,875
Total other payables	43,015,502	50,442,293	220,403,833	225,558,172
Total trade and other payables	138,358,049	154,134,605	315,785,288	329,512,735

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18. OTHER PAYABLE FIXED ASSETS - NET

As of 31 December 2018 and 2017 other payable fixed assets consist of :-

	UNIT : BAHT	
	Consolidated and separate financial statements	
	2018	2017
Other payable fixed assets	86,311,592	110,493,813
<u>Less</u> current portion	(25,622,619)	(24,182,221)
Net	60,688,973	86,311,592

On 23 June 2017, the Company has entered in to purchase and sale of land agreement with a related company, with a contract value of Baht 149.61 million. In July 2017, the Company paid first installment of Baht 29.92 million. The remaining repayment is repayable by the annual installment of Baht 29.92 million within 4 years from July 2017 onwards. The transfer of ownership to the Company will be made once the payments are completed. Currently, the Company possesses and uses the land.

19. RETIREMENT BENEFIT OBLIGATIONS

Movements of retirement benefit obligations for the years ended 31 December 2018 and 2017 are as follows:-

	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Retirement benefit obligations				
- beginning balance - 1 January	57,284,592	52,707,474	55,771,849	51,606,071
Employee benefit expenses for the year	10,276,480	8,642,847	10,131,108	8,231,507
Employee benefit paid during the year	(4,979,192)	(4,065,729)	(4,979,192)	(4,065,729)
Retirement benefit obligations				
- ending balance - 31 December	62,581,880	57,284,592	60,923,765	55,771,849

Employee benefit expenses were recognized in statements of comprehensive income for the years ended 31 December 2018 and 2017 are as follows:-

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current service costs	8,340,420	7,794,651	8,209,196	7,401,039
Past service costs	968,028	-	966,920	-
Interest costs	968,032	848,196	954,992	830,468
Total	10,276,480	8,642,847	10,131,108	8,231,507

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The principle of actuarial assumption used to calculate the defined benefit obligations are as follows:-

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Discount rate	1.74 % – 1.96%	1.74 % – 1.96%	1.96%	1.96%
Disability rate	5.00% (TMO 2017)	5.00% (TMO 2017)	5.00% (TMO 2017)	5.00% (TMO 2017)
Salary increase rate	0% - 3.00%	0% - 3.00%	0% - 3.00%	0% - 3.00%
Turnover rate	Age-related scale	Age-related scale	Age-related scale	Age-related scale

The sensitivity analysis for significant assumptions used in actuarial valuation can be analyzed as follow :-

	Change in assumptions	Effect to retirement benefit obligation increase (decrease)			
		Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Discount rate	Increase 1 %	(2,630,051)	(2,598,815)	(2,601,278)	(2,569,518)
Discount rate	Decrease 1 %	2,903,648	2,869,679	2,872,680	2,838,412
Salary increase rate	Increase 1 %	2,784,957	2,178,952	2,754,996	2,163,855
Salary increase rate	Decrease 1 %	(2,537,116)	(2,107,470)	(2,509,106)	(2,085,785)

On 13 December 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits. The Company and its subsidiaries have recorded the effect of the change by recognising past service costs of Baht 0.97 million as expenses immediately in the statement of comprehensive income during the year 2018.

20. 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.

21. GENERAL RESERVE

The Company has appropriated part of its net profit for general reserve with no specific objective.

22. DIVIDEND PAYMENT, DIRECTORS' REMUNERATION AND GENERAL RESERVE

On 24 April 2018, the Ordinary General Shareholders' Meeting resolved as follows:-

- Authorized to pay dividend at Baht 0.70 per share for 108 million shares, totaling Baht 75.60 million, being Baht 0.12 per share from the BOI-promoted business and Baht 0.58 per share from operations subjected to corporate income tax at the rate of 20 percent. Such dividend will be paid on 18 May 2018.
- Authorized to pay directors' remuneration at the maximum of Baht 12.00 million.
- Authorized to set aside as general reserve amounting to Baht 6.41 million.

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On 25 April 2017 the Ordinary General Shareholders' Meeting resolved as follows:-

- Authorized to pay dividend at Baht 1.70 per share for 108 million shares, totaling Baht 183.60 million. The interim dividend payment on 9 September 2016 was made at Baht 1 per share, totaling Baht 108 million. Therefore, the outstanding dividend is Baht 0.70 per share totaling 75.60 million, being Baht 0.50 per share from BOI-promoted business and Baht 0.20 per share from operations subjected to corporate income tax at the rate of 20 percent. Such dividend will be paid on 19 May 2017.
- Authorized to pay directors' remuneration at the maximum of Baht 12.00 million.
- Authorized to set aside as general reserve amounting to Baht 14.64 million.

23 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 2018 and 2017 as follows :-

Companies	UNIT : BAHT			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Textile Prestige Plc.	1,906,074	1,857,226	1,906,074	1,857,226
TPCNIC Co., Ltd.	45,303	54,176	-	-
Total	1,951,377	1,911,402	1,906,074	1,857,226

24. 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:-

24.1 Selling forward exchange contracts

Currencies	Unit : Thousand					
	Separate financial statements					
	2018			2017		
	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)
USD	636.35	20,752.52	32.35-32.70	890.93	29,067.72	32.54 - 32.73
JPY	14,933.57	4,374.27	0.2920-0.2938	11,877.74	3,456.80	0.2887 - 0.2932

As of 31 December 2018 and 2017, the Company has entered into forward exchange sales contracts which deliveries are to be made during January to March 2019 and January to March 2018, respectively.

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Unit : Thousand

Consolidated financial statements						
2018						
Currencies	Foreign currency	Currencies	Foreign currency	Currencies	Foreign currency	Currencies
USD	636.35	20,752.52	32.35-32.70	890.93	29,067.72	32.54 - 32.73
JPY	24,221.57	7,070.58	0.2903-0.2938	11,877.74	3,456.80	0.2887 - 0.2932

As of 31 December 2018 and 2017, the Company has entered into selling forward exchange contracts which deliveries are to be made during January to March 2019 and January to March 2018, respectively.

24.2 Buying forward exchange contracts

Unit : Thousand

Separate financial statements						
2018						
Currencies	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)
USD	280.87	9,191.06	32.42-32.96	307.35	10,044.32	32.47 - 33.15
JPY	5,908.47	1,724.37	0.2918-0.2958	-	-	-
EUR	-	-	-	23.81	917.27	38.52

Unit : Thousand

Consolidated financial statements						
2018						
Currencies	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)	Foreign currency	Converted to Baht	Estimated exchange rate (Baht)
USD	280.87	9,191.06	32.42-32.96	307.35	10,044.32	32.47 - 33.15
JPY	12,905.79	3,771.07	0.2915-0.2958	4,116.33	1,211.26	0.2915 - 0.2952
EUR	-	-	-	23.81	917.27	38.52

As of 31 December 2018 and 2017, the Company has entered into buying forward exchange contracts which deliveries are to be made during January to March 2019 and January to March 2018, respectively.

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24.3 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			
	2018		2017		2018		2017	
	Foreign currency	Converted to Baht	Foreign currency	Converted to Baht	Foreign currency	Converted to Baht	Foreign currency	Converted to Baht
Assets								
USD	3.86	124.12	2.52	81.74	3.86	124.12	2.52	81.74
							8,680,800.8	
IDR	3,135.60	6.48	8,680,800.81	19,679.38	3,135.60	6.48	1	19,679.38
CNY	0.65	3.03	0.65	3.22	0.65	3.03	0.65	3.22
JPY	22.00	6.34	3.29	0.94	22.00	6.34	3.29	0.94
Total Assets		139.97		19,765.28		139.97		19,765.28
Liabilities								
USD	0.04	1.29	5.39	177.12	0.04	1.29	3.17	104.27
Total liabilities		1.29		177.12		1.29		104.27

25. COMMITMENTS AND CONTINGENT LIABILITIES

25.1 As of 31 December 2018 and 2017, the Group has commitments and contingent liabilities as follows:-

Unit : Baht				
Particulars	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Bank guarantees	7,937,900	7,937,900	7,937,900	7,937,900
Letters of credits	1,685,913	-	1,685,913	-

25.2 The Company has entered into licence agreements for technical assistance from a foreign company regarding production and sales of certain products. The company agreed to share the profit to the counterparty at the rate of 25 per cent of selling price less related manufacturing costs and technical expenses of such products. For another group of products, the company is required to pay technical support expenses at the rates of 1 and 2 per cent of sales prices.

25.3 As of 31 December 2018 and 2017, the Company has total outstanding guarantees amounting to Baht 164 million and Baht 165 million, respectively for its a subsidiary and a associated company for ordinary course of businesses, to related companies for the amount not exceeding Baht 550 million.

25.4 The Company has rental agreements of commercial building and land, rental of furniture and equipment, and parking space commencing from 1 July 2016 to 30 June 2019 by which from 1 July 2016 to 30 June 2017, the monthly charge is Baht 300,000 and from 1 July 2017 to 30 June 2019, the monthly charge is Baht 305,000.

25.5 As of 31 December 2017, the Company has commitment relating to fixed assets installation agreement of Baht 6.80 million (2018 : Nil).

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26. PROMOTIONAL PRIVILEGES

The Company and the three subsidiary companies have been granted promotional certificates under Investment Promotion Act, B.E. 2520 which promotional privileges of existing BOI certificates as of 31 December 2018 can be summarized belows:-

Company	Promotional certificate No.	Effective dates	Promotional businesses	Privileges granted	
				Exemption periods of corporate income tax	Maximum of exempted corporate income tax (Million Baht)
Textile Prestige Plc.	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	136.70
	2667(2)/2555	1 Mar 2013	Textiles and related parts	7 years	288.22

Other privileges and benefits granted are as below:-

- 26.1** Exemption of income tax for dividend income from promoted businesses throughout the promoted periods of every promotional certificate.
- 26.2** 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 for the promotional certificate No. 1021(1)/2553.
- 26.3** 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.
- 26.4** 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 only promotional certificate No. 1021(1)/2553.

As a promoted industry, the Group must strictly comply with certain terms and conditions stipulated in the promotional certificates.

27. 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	2018	2017	2018	2017
Increase in finished goods and work in process	(19,546,452)	(6,410,506)	(19,187,685)	(7,173,600)
Net purchase of finished goods	138,282,140	117,088,317	156,978,176	129,148,139
Raw materials and supplies used	390,660,417	393,899,699	377,539,156	384,079,573
Salaries and wages and other employee benefits	223,382,797	217,714,598	214,564,216	208,657,903
Depreciation and amortization expenses	73,284,825	64,303,454	70,500,869	61,405,154
Other expenses	113,336,167	109,752,912	136,504,835	126,584,441

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28. 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) Products for industries and (2) Products for sanitation and household with geographical segments of both local and export sales.

Revenue and gross profit of operating segments of the Group for the years ended 31 December 2018 and 2017 are as follows :-

	UNIT : BAHT		
	For the years ended 31 December 2018		
	Products for industries	Products for sanitation and household	Consolidated financial statements
Revenues from operation			
Revenue from sales – net	873,358,472	58,167,845	931,526,317
Revenue from hire of works	2,149,035	-	2,149,035
Gross profit (loss) by segment	184,086,294	(9,115,500)	174,970,794
Consulting services			7,405,000
Interest income			7,786,920
Rental income			16,679,024
Dividend income			36,577,340
Gain on disposal of fixed assets			536,679
Other incomes			25,080,835
Selling expenses			(45,138,268)
Administrative expenses			(101,763,826)
Allowance for impairment loss of investments			(5,441,242)
Directors' remuneration			(8,352,000)
Share of loss from investment in associated companies			(18,783,271)
Finance costs			(5,740,553)
Profit before income tax expenses			83,817,432
Income tax expense			(2,759,404)
Net profit for the year			81,058,028
Additional information :-			
Depreciation and amortization expenses			73,284,825

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UNIT : BAHT

For the years ended 31 December 2017

	Products for industries	Products for sanitation and household	Consolidated financial statements
Revenues from operation			
Revenue from sales – net	896,826,372	45,090,757	941,917,129
Revenue from hire of works	801,706	-	801,706
Gross profit (loss) by segment	205,245,133	(8,734,739)	196,510,394
Consulting services			8,213,500
Interest income			11,581,738
Rental income			18,066,391
Dividend income			24,696,581
Gain on disposal of fixed assets			20,970,575
Other incomes			29,911,686
Selling expenses			(45,554,065)
Administrative expenses			(98,563,471)
Reversal of allowance for impairment loss of investments			1,685,504
Directors' remuneration			(7,708,000)
Share of loss from investment in associated companies			(11,857,472)
Finance costs			(2,776,659)
Profit before income tax expenses			145,176,702
Income tax expense			(18,847,124)
Net profit for the year			126,329,578
Additional information :-			
Depreciation and amortization expenses			64,303,454

As of 31 December 2018 and 2017, segment assets and liabilities of the Group are as follows :-

UNIT : BAHT

As of 31 December 2018

	Products for industries	Products for sanitation and household	Total segments	Unallocated assets/liabilities	Consolidated financial statements
Segment assets	704,901,588	47,212,931	752,114,519	1,971,151,268	2,723,265,787
Segment liabilities	85,090,366	8,576,219	93,666,585	225,170,185	318,836,770

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UNIT : BAHT

As of 31 December 2017

	Products for industries	Products for sanitation and household	Total segments	Unallocated assets/liabilities	Consolidated financial statements
Segment assets	733,901,836	30,538,514	764,440,350	1,999,326,398	2,763,766,748
Segment liabilities	99,539,425	4,160,435	103,699,860	256,513,081	360,212,941

Geographical operating segment information of 2 principal segments of both local and export sales for the year ended 31 December 2018 and 2017 are as follows:-

Geographical areas

UNIT : BAHT

For the years ended 31 December

Consolidated financial statements	2018	2017
Domestic sales	654,176,656	649,575,779
Export sales		
- ASIA	272,635,651	272,578,668
- AMERICA	1,681,786	2,113,407
- EUROPE	22,084	-
- AFRICA	3,010,140	17,649,275

Information of major customers

The Company has two major customers from segment of products for industries and products for sanitation and household for the years ended 31 December 2018 and 2017 in the amount of Baht 263.72 million and Baht 254.98 million, respectively.

29. INCOME TAX

Income tax for the years ended 31 December 2018 and 2017 comprised:

UNIT : BAHT

Consolidated and separate
financial statements

	2018	2017
Current income tax:		
Corporate income tax for the year	(9,187,023)	(21,799,295)
Deferred tax:		
Relating to origination and reversal of temporary differences	6,427,619	2,952,171
Income tax expenses reported in- the statements of comprehensive income	(2,759,404)	(18,847,124)

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Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2018 and 2017 are as follows:-

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Accounting profit before corporate income tax	83,817,432	145,176,702	75,876,836	147,044,625
Applicable tax rate	20%	20%	20%	20%
Accounting profit before corporate income tax multiplied by applicable tax rate	16,763,486	29,035,340	15,175,367	29,408,925
Effects of:				
Promotional privileges (Note 26)	(3,363,244)	(3,208,485)	(3,363,244)	(3,208,485)
Non-deductible expenses	10,054,836	6,297,452	9,987,105	6,231,018
Effect from un-recording of deferred tax assets	(2,049,265)	374,314	-	-
Exemption of income	(12,331,636)	(10,360,942)	(12,331,636)	(10,292,479)
Effect of adjustment of income tax	(6,708,188)	(3,291,855)	(6,708,188)	(3,291,855)
Effect of elimination entry on the consolidated financial statements	393,415	1,300	-	-
Total	(14,004,082)	(10,188,216)	(12,415,963)	(10,561,801)
Income tax expense reported in the statements of comprehensive income	2,759,404	18,847,124	2,759,404	18,847,124

The components of deferred tax assets and deferred tax liabilities are as follows:

	UNIT : BAHT	
	Consolidated and separate financial statements	
	2018	2017
Deferred tax assets:		
- Allowance for doubtful accounts trade receivable	-	579,318
- Allowance for impairment loss of investments	45,374,080	39,835,874
- Retirement benefit obligations	12,184,753	11,154,370
Total deferred tax assets	57,558,833	51,569,562
Deferred tax liabilities:		
- Unrealized gain on revaluation of current investment	317,308	755,655
- Unrealized gain on revaluation of available for sale securities	21,121,169	22,266,874
Total deferred tax liabilities	21,438,477	23,022,529

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Corporate income taxes of the Group for the years ended 31 December 2018 and 2017 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 26).
- For non-BOI promoted businesses or promoted privileges granted had expiration, the Company and subsidiaries calculated corporate income tax at the rate of 20 per cent of taxable profit.

30. 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.

30.1 Accounting policies and procedure

See Note 4.

30.2 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.

30.3 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.

30.4 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 24).

30.5 Fair values of financial instruments

The Group uses the market approach to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

The following methods and assumptions were used by the Group in estimating fair value of financial instruments as disclosed herein:

- Investments in mutual funds have been categorized as a Level 2, the fair value is determined from their net asset value (NAV) at the measurement date of investment.
- Investments in marketable securities have been categorized as a Level 1, the fair value is based on quoted market price.
- Investments in debt securities have 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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- Investment property
 - The fair value measurement of land has been categorized as a Level 2, the fair value is based on the comparison 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.

31. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the businesses. 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 paid to ordinary shareholders.

32. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the Company's Board of Directors on 26 February 2019.



ENVISIONING AHEAD, INNOVATING FORWARD

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TEXTILE PRESTIGE PUBLIC COMPANY LIMITED
704/1-9 Rama 3 Rd., Yannawa, Bangkok 10120
Tel. (662) 294-0071 Fax. (662) 294-2386
<http://www.tpcorp.co.th> E-mail: tpc@tpcorp.co.th