

The background of the entire page is a collage of various items including open makeup compacts with pink and purple powders, tubes of lipstick in red and pink, a red cherry, a green leaf, a splash of water, and a red apple. The central text is overlaid on this background.

30^{sj} ANNIVERSARY

รายงานประจำปี 2558 2015
ANNUAL REPORT



บริษัท เอส แอนด์ เจ อินเตอร์เนชั่นแนล เอนเตอร์ไพรส์ จำกัด (มหาชน)
S&J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED

คณะกรรมการ
Board Of Directors



Mr.Boonkiet Chokwatana
Chairman



Mrs.Tipaporn Chokwatana
Vice Chairman



Mr.Thirasak Vikitset
Managing Director



Dr.Atthakorn Glankwamdee
Deputy Managing Director



Mr.Khachomsakdi Vanaratseath
Chairman Of Audit Committee



Admiral Apichart Pengsritong
Independent Director



Pol.Gen.Somchai Prabhasabhakdi
Director Of Audit Committee



Mrs.Pradittha Chongwattana
Director Of Audit Committee



Mr.Surong Ongkosit
Director Of Audit Committee



Mr.Suthep Dansiriviroj
Director



Mrs.Pismai Chandrubeksa
Independent Director



Mrs.Kaewta Ongsaranakorn
Director



Prof.Dr.Malyn Ungsurungsie
Director



Mrs.Chitraporn Vikitset
Director



Mrs.Teerada Ambhanwong
Director

Annual Report 2015

S & J International Enterprises Public Company Limited

| Content | Page |
|---|------|
| S&J Quality Policy | 1 |
| Policy against corruption | 2 |
| Message from the Chairman | 3 |
| Report of the Audit Committee | 4 |
| Report of the Risk Management Committee | 5 |
| Policy and Overview Business Operation | 6 |
| Policy of Dividing The Company's Operations in Group | 7 |
| Group Shareholding Structure | 10 |
| Nature of Business,Revenue Structure | 11 |
| Major Changes in Operating Business | 12 |
| Risk Factors | 20 |
| Dispute | 24 |
| Property and Shareholders Informaion | 25 |
| Dividend Policy | 29 |
| Managenment Structure | 30 |
| Corporate Governance | 41 |
| Internal control and risk management | 95 |
| Relating Transaction | 100 |
| The management take a position in subsidiaries, associated and related companies. | 109 |
| Summary of Financial Information | 111 |
| Explantion and Andysis of Management | 112 |
| The Board of directors's Responsibility Report towards financial Statements | 120 |
| Auditor's Report | 121 |
| Financial Statements | 122 |
| Notes to the financial statements | 132 |
| Details relating to management and authorized personnel | 172 |
| General Information and Other Important Information | 179 |
| Legal entities with over 10% shareholding by the company | 181 |

**Investors are able to access more information of securities issuer
from the annual report (Form 56-1)
of Company on www.sec.or.th or Company's website, www.snjinter.com**

FLC-CERT CERTIFIED LABOR CONTRACTOR AND EMPLOYER

CERTIFICATE of Conformity

Appendix 3: Evidence part of the FAIRTRADE Certification

The organization: **ML International Enterprises Public Company Limited with PLC 002964** submitted the following written to be part of their **FAIRTRADE** Certification:

your answer:

| Number of organization | Valid From | Address | Function |
|---|--------------------------|--|------------------|
| ML International Enterprises Public Company Limited | one of the certification | 8th Floor 11, Bangkok 10 Room 2020 Bangkok BKK, Thailand | Director General |

Page 3 of 3


 Certified
 Fairtrade


S & J Quality Policy

We pledge to be a strong link in the supply chain. To our customers, we are committed to produce correct quality products, deliver them on time, and with competitive price. To our suppliers, we foster win-win partnerships that also enhance customer value. Our action will always be socially responsible and environmental friendly. Each employee will continue to improve and provide greater customer satisfaction through fast, flexible, and precise response.



Mr. Thirasak Vikitset

Managing Director



Policy against corruption

The Board of Directors of S & J International Enterprises Public Company Limited has approved the signing of the declaration of intention alignment private practice Thailand in the fight against corruption on February 24, 2015. So in order to comply with the requirements set out in the Corporate Governance of the company as well as to the spirit and responsibility to society as a whole, the company's policy to comply with the law against corruption. It prohibits directors, management and employees accept or support corrupt all forms both direct and indirect in written the following are guidelines.

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

The policy against corruption has been passed a resolution by the Board of Directors No.1 on February 24, 2015 and become effective since February 24, 2015.



(Mr.Boonkiet Chokwatana)

Chairman

Message from the Chairman

During 2015, the Thai economy experienced a period of recession, brought about both by internal, and external factors. For the internal factors, these were mainly related to Thailand's economic growth rate being at 3%, reflecting restricted purchasing power, also coupled with cautious consumer spending. Moreover, externally, exports showed little recovery, primarily due to tight liquidity in the world economy, as well as there being a lack of international economic growth.

However, since the beginning of the year the Company's executives were aware of these underlying trends, and therefore took a number of steps to mitigate the effects. Firstly, they adopted a strong attitude of positive thinking, which gave them the strength of mind to create suitable strategies for carrying out the year's business. As a result, the Company created a series of innovative new products, which were received particularly well, both by customers, and consumers. Additionally, new customers were developed, in order to increase sales.

Furthermore, amended working systems were put in place to control overheads, this included reducing costs for raw materials, production operations, as well as administrative and selling expenses. Also, effective money management, helped bring about reduced expenditure, and lower costs of goods, enabling the Company to be more competitive, both locally and overseas.

This resulted in sales of 4,403 million baht, amounting to 95.2% compared to last year, with local sales of 2,117 million baht, being 87.1 % of the previous year, overseas sales were 2,286 million baht, increasing 4.2 %, profit before tax was 275 million baht, increasing 18.5 % from last year. In addition, there were a number of key investments that took place, this included participating in one joint venture, and setting up in total three new companies. These businesses are intended to concentrate on research and development, and also create additional value added products, in order to expand the Company's commercial activities, and help bring about future increased revenue and profit.

Furthermore, in 2015, S&J celebrated thirty years of carrying out business. During which time, there has been continuous growth in sales, and profitability. Also, on behalf of the Board of Directors, I would like to offer assurance that S&J has set up suitable risk management policies, and contingencies plans, to deal with any unanticipated events that might occur.

Moreover, as part of good corporate governance, an anti-corruption policy was set up, which is also intended to strengthen stake-holder confidence. Additionally, the Company's administration activities, were evaluated by a number of associations and institutions, including the Corporate Governance Report of Thai Listed Companies, undertaken by the Thai Institute of Directors, a quality assessment carried out by the Thai Investors Association, on how well a listed company can organize and manage its Annual General Meeting, as well as being reviewed for Thailand Sustainability Investment 2015, by The Stock Exchange of Thailand.

Therefore, on behalf of the Board of Directors, I would like to thank our shareholders, and partners, for showing their trust and support, for us to continue carrying out the Company's business. Also, extending many thanks to all executives and employees, who were united in strong commitment, and responsibility throughout. These were key factors in operating the business, and resulted in continued stability, for us to be able to achieve sustainable long lasting growth.



Mr.Boonkiet Chokwatana
Chairman

Report of the Audit Committee

Consisting of four qualified independent directors the Audit Committee by

- | | | |
|---------------------|----------------|-----------------------------|
| 1. Mr.Khachornsakdi | Vanaratseath | Chairman Of Audit Committee |
| 2. Pol.Gen.Somchai | Prabhasabhakdi | Director Of Audit Committee |
| 3. Mrs.Pradittha | Chongwattana | Director Of Audit Committee |
| 4. Mr.Surong | Ongkosit | Director Of Audit Committee |

In summary, the Audit Committee performed its duties as specified in the Board-approved charter. By Director of Audit who is knowledgeable and experienced in reviewing the financial statements.

This year the committee held 4 meetings upon consultations with the management, the internal auditor, and the external auditor as necessary. The committee's main activities in 2015 as summarized below:

1. To review the Company's financial statements, to ensure that the Company has complied with Financial Reporting Standards (TFRS), including procedures to report accurately and meetings with the external auditors without executive in charge presented.
2. To review the adequacy of internal controls. Ensuring that its compliance with professional standards. Approve the annual audit plan to control the effectiveness of the operation. Efficient use of resources Property Maintenance Reliability and completeness of financial and operational. The results of the audit report and make recommendations to management to improve performance.
3. Consider the performance and independence of the external auditor. The acting auditor in the past year. And consider and propose the audit fees for the year 2016 to the Board of Directors.
4. Review of Corporate Governance, The Company's compliance with the law on Securities and Exchange Commission, Terms of the Stock Exchange of Thailand as well as other laws related especially in the transaction. To ensure the company with the implementation of the normal course of business sensibly. In recent years the company has legal disputes with insiders and outsiders . Including support to executives and employees have been informed policy against corrupt. Adopted on February 24, 2015 upheld the norm in practice.

The Audit Committee has comments that The company has adequate internal control system and sufficient manner. And compliant the Principles of Good Corporate Governance. A social responsibility as being reviewed for Thailand Sustainability Investment 2015 or the stock sustainable. For listed companies with market capitalization of not more than 3,000 million baht.



Mr.Khachornsakdi Vanaratseath
Chairman of Audit Committee

Report of the Risk Management Committee

The Risk Management Committee comprises of seven members:

| | | |
|----------------------|------------------|---------------------------------------|
| 1. Mr. Thirasak | Vikitset | Chairman of Risk Management Committee |
| 2. Dr. Atthakorn | Glankwandee | Director of Risk Management Committee |
| 3. Prof. Dr. Narumon | Saardchom | Director of Risk Management Committee |
| 4. Dr. Krirkiat | Srisernpoke | Director of Risk Management Committee |
| 5. Miss. Sumeth | Surachartchairit | Director of Risk Management Committee |
| 6. Mrs. Daranee | Ajjaneeyakul | Director of Risk Management Committee |
| 7. Mr. Pattara | Vikitset | Director of Risk Management Committee |

The committee performs their duties in compliance with the Charter of the Risk Management Committee, which was approved by the Board of Directors on May 11, 2015. In 2015, the meeting was held to assess and monitor all risk management process in order to ensure that the Company has consistent systematic procedures. Moreover, the Company provided seminars for the committee members as follows;

1. Strategy risk
2. Human risk
3. Technology risk

The committee intend to carry out the risk management sufficiently and appropriate. The Anti-Corruption Policy is also incorporated into the risk management plan, to pave way towards a sustainable enterprise.



Mr. Thirasak Vikitset

Chairman of the Risk Management Committee

Policy and Overview Business Operation

Overview of Business

The company is a manufacturer of cosmetics and cosmeceuticals such as shower cream, lipstick, skin cream, powder, cologne, etc. for both domestic and foreign customers under the trademark per formula and standard of the customers which were distributed to various domestic and foreign countries around the world under the high quality international standards of production. The experience and expertise earned over 30 years is recognized as one of the leading manufacturers of the cosmetics by having the growth and market share increased steadily over from the past.

Vision, Goals, Objectives or Strategic for operational

Vision

“ To Create World’s Best Buying Experience In Beauty Business ”

- S & J create impression and a great experience to all customers/ business partners in the beauty business.

| S & J's Core Values | | |
|---------------------|---------------------|---|
| V | Vision | Thinking and forward looking |
| A | Responsibility | Focusing on achievement of the ideas into practice. |
| L | Leadership | Have the audacity to think that will lead to follow and accept failure as a lesson. |
| U | Unity | Working as the team and joint efforts to achieve the successful results. |
| E | Ethics and Morality | Having loyalty towards self, families, organizations, clients, and society. |

Mission

- S & J will deliver innovative aesthetic products on time at reasonable price and quality in order respond to all the customers over the world.
- S & J will respect and responsible towards our world, society and customers.

| Engage | Encourage | Enrich | Endorse |
|--|-------------------------|--|--|
| In constantly creating excellent and innovative work | A learning organization | One's work with passion and expertise and a better quality of life | Social responsibilities and activities |

Long-term Goals

Provide the Competency Model process as follows :

- Commit to success, committed to perform a good job or exceed the existing standards. The collaboration with vision, mission and strategic supporting of agencies and organizations, or the achievement of the organization established, also includes the creation or development of a process performed by a great challenge.
- Customer Focus, the focus and emphasis along with learning the customer which causes understand the customer insight both internal customers and external customers, can meet the customer requirements for each level truly cares. Not overlook in details of customer which could result in loss of business, and make customers to recognize S & J as the one of the customers best buying experience.
- Team Work, willing to work with others, knowing roles of by self and be a part of the team, accept the opinions of others and can achieve synergy coordination along with encourage desirable results in the whole of the organization.

Policy of Dividing The Company's Operations in Group

S & J

The company is responsible for the design, research and development. Sourcing of raw materials and packaging. Production is planned with cooperating with customers, and factory production to meet the needs of our customers.

Subsidiaries

A group of companies which supports the business of the company and is significant as its business unit meanwhile the company is their major investor. Affiliates are also a group of companies which is supervised by the company closely in order to ensure the pursuit of the company's policy as well as to have an efficient service. The companies in this type are as follows:

Top Trend Manufacturing Co., Ltd. (TTM)

was established in 1983 to manufacture plastic packaging cosmetic and medicine, whose its customer are mostly cosmetic contract manufacturers. In addition, there are certain customers, who having ordered the packaging, will then request it be sent to a contract filler to produce the finished goods, with the original capital of Baht 10 million. The company held 6.25 % of shares. The office of TTM is located at 553/2-6 SOI Saengsuk, Sathupradit Rd., Chongnonsee, Yannawa, Bangkok 10120, and the factory of TTM is located at 334, Moo 1, Sriracha Industrial Zone, Sukaphiban 8 Road, Boun, Sriracha, Chonburi 20230. As of 31 December, 2015, TTM has issued and fully paid up Capital of Baht 120 million with 50.00 % of shares held by the company.

Wildlives (Thailand) Co., Ltd. (WL)

was established in 2003 to distribute consumer products type of sun-protection cream and mosquitoes-protection cream, with the original capital of Baht 1 million. The company held 99.99 % of shares. The head quarter of WL is located at 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120. As of 31 December, 2015, WL has issued and fully paid up capital of Baht 1 million with 99.99 % of shares held by the company.

EF Co., Ltd. (EF)

was established in 1996 to distribute consumer products type of personal care, i.e., soap, shampoo, lotion and spa products, with the original capital of Baht 1 million. The Company held 49.96 % of shares. The head quarter of EF is located at 600/4, Moo 11, Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230. As of 31 December, 2015, EF has issued and fully paid up capital of Baht 4 million with 99.99 % of shares held by the company.

S & J International (UK) Ltd. (S & J - UK)

was established in 2009 as a marketing services and trading company, carrying out business in products and services related to the cosmetics and personal care industry. S & J - UK has its office in the U.K. at 1B Montague Road, Wimbledon, London, SW191TB. As of 31 December, 2015, S & J - UK has issued and fully paid up capital of 100,000 GBP (5 million Thai Baht), with 100% of shares held by the company.

Policy of Dividing The Company's Operations in Group

Guangzhou S & J Cosmetic Co., Ltd. (S & J - China)

was established in 2010 to provide marketing services and trading of raw material and packaging. S & J - China has its office at Guangzhou World Trade Centre South Tower, Room 1411, 371-375 Huan Shi Dong Road, Guangzhou, P.R.C. 510095. As of 31 December, 2015, S & J - China has issued and fully paid up capital of 150,000 USD (5 million Thai Baht), with 100% of shares held by S & J - UK.

4WD Vision (HK) Ltd. (4WD - HK)

was established in 2012 to provide marketing services and trading of raw material and packaging. S & J - HK has its office at Rooms 2101-3, China Insurance Group Building, 141 Des Vaux Road Central, Hong Kong. As of 31 December, 2015, S & J - HK has issued and fully paid up capital of 150,000 USD (5 million Thai Baht), with 100% of shares held by S & J - UK.

In 2016, S & J - HK has changed its name to 4WD Vision (HK) Ltd.

4WD Vision Co.,Ltd. (4WD)

Established in 2015 to provide trading, with the original capital of Baht 10 million. The company held 99.99 % of shares. The head quarter of 4WD is located at 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120. As of 31 December, 2015, 4WD has issued capital of Baht 10 million and paid up capital of Baht 2.5 million with 99.99 % of shares held by the company.

SAAS Co.,Ltd. (SAAS)

Established in 2015 to provide research and development and develop formula of cosmetic manufacturing, with the original capital of Baht 20 million. The company held 99.99 % of shares. The head quarter of SAAS is located at 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120. As of 31 December, 2015, SAAS has issued capital of Baht 20 million and paid up capital of Baht 10.0 million with 99.99 % of shares held by the company.

Associates

Mean a group of companies which have investment ratio with its affiliates in order to provide benefits to the company strategically and for business coordination especially in form of various product development besides company's products. The companies in this type are as follows:

Operational Energy Group Limited (OEG)

was established in 1996 for operation, maintenance and power plant management services provider, with the original capital of Baht 30 million. The company held 25.95 % of shares. The head quarter of OEG is located at 170/14 Floor 6th Ocean Tower 1 Building, New Ratchadapisek Road, Klongtoey, Bangkok 10110. As of 31 December, 2015, OEG has issued and fully paid up capital of Baht 30 million with 30.00 % of shares held by the company.

Policy of Dividing The Company's Operations in Group

Yamahatsu (Thailand) Co., Ltd. (YHT)

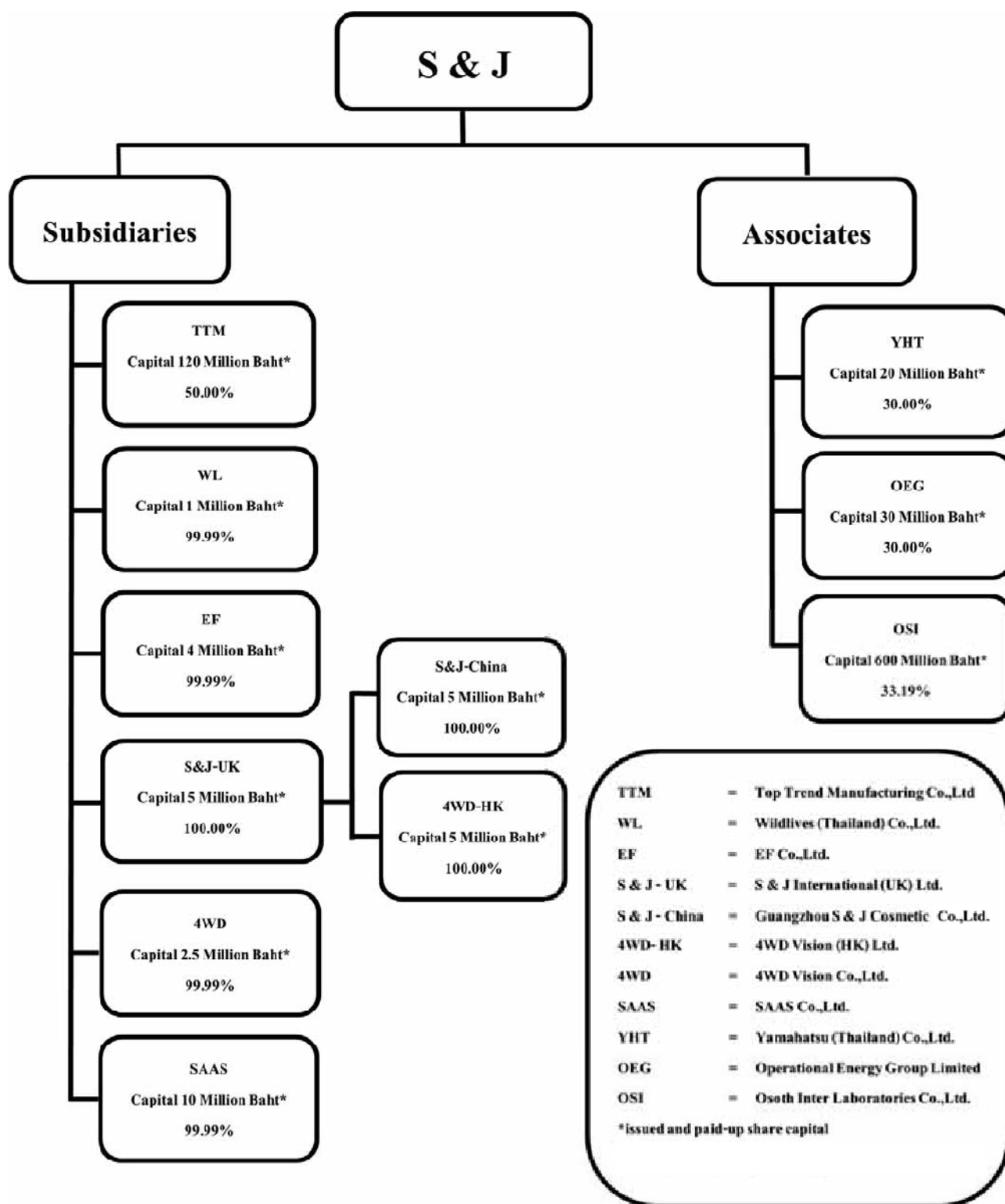
was established in 1995 to manufacture for hair color, curling liquid, and other items relating to hair, with the original capital of Baht 20 million. The company held 30.00 % of shares. The head quarter and factory of YHT is located at 600/48, Moo 11, Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230. As of 31 December, 2015, YHT has issued and fully paid up Capital of Baht 20 million with 30.00 % of shares held by the company.

Osoth Inter Laboratories Co., Ltd. (OSI)

was established in 1987 to manufacture and distribute pharmaceuticals, with the original capital of Baht 10 million. The company held 19.00 % of shares. The head quarter and factory of OSI is located at 600/9, Moo 11, Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230. As of 31 December, 2015, OSI has issued and fully paid up capital of Baht 600 million with 33.19 % of shares held by the company.

The company's operating policy is to establish delegation within the group by each company having their own Board of Director to oversee and be responsible for their own company. Each Board of Directors has freedom to take care and supervise the company's activities under their own authority and designated responsibilities.

Group – Shareholding Structure



Relation with major shareholding

- Nil -

Nature of Business

Revenue Structure

(Unit 1 : 1 Million baht)

| Product/Service | Action By | % Share holding | Yr. 2015 | | Yr. 2014 | | Yr. 2013 | |
|---|-----------|-----------------|----------------|--------------|----------------|--------------|----------------|--------------|
| | | | Revenue | % | Revenue | % | Revenue | % |
| Cosmetics - Local sales | S&J | - | 2,117.3 | 46.7 | 2,431.5 | 51.4 | 2,417.3 | 54.1 |
| - Oversea sales | | | 2,285.5 | 50.4 | 2,193.8 | 46.3 | 1,924.8 | 43.1 |
| Dividend income | | | 82.2 | 1.8 | 76.9 | 1.6 | 76.8 | 1.7 |
| Share of profit from investments in associates | | | 49.1 | 1.1 | 32.2 | 0.7 | 47.8 | 1.1 |
| Total | | | 4,534.1 | 100.0 | 4,734.4 | 100.0 | 4,466.7 | 100.0 |
| Plastic container - Local sales | TTM | 50.00 | 810.7 | 89.4 | 950.1 | 89.1 | 945.5 | 90.5 |
| - Oversea sales | | | 96.2 | 10.6 | 116.2 | 10.9 | 99.4 | 9.5 |
| Total | | | 906.9 | 100.0 | 1,066.3 | 100.0 | 1,044.9 | 100.0 |
| Consumer products - Local sales | WL | 99.99 | 13.2 | 100.0 | 14.6 | 100.0 | 19.0 | 100.0 |
| - Oversea sales | | | - | - | - | - | - | - |
| Total | | | 13.2 | 100.0 | 14.6 | 100.0 | 19.0 | 100.0 |
| Consumer products - Local sales | BF | 99.99 | 24.8 | 100.0 | 26.1 | 100.0 | 24.2 | 100.0 |
| - Oversea sales | | | - | - | - | - | - | - |
| Total | | | 24.8 | 100.0 | 26.1 | 100.0 | 24.2 | 100.0 |
| Marketing services - Local sales | S&J-UK | 100.00 | - | - | - | - | - | - |
| Trading company - Oversea sales | | | 184.3 | 100.0 | 223.3 | 100.0 | 197.6 | 100.0 |
| Total | | | 184.3 | 100.0 | 223.3 | 100.0 | 197.6 | 100.0 |
| Marketing services - Local sales | S&J-China | 100.00 | - | - | - | - | - | - |
| Trading company - Oversea sales | | | 0.7 | 100.0 | 0.6 | 100.0 | 0.5 | 100.0 |
| Total | | | 0.7 | 100.0 | 0.6 | 100.0 | 0.5 | 100.0 |
| Marketing services - Local sales | 4WD-HK | 100.00 | - | - | - | - | - | - |
| Trading company - Oversea sales | | | 62.2 | 100.0 | 21.9 | 100.0 | 17.5 | 100.0 |
| Total | | | 62.2 | 100.0 | 21.9 | 100.0 | 17.5 | 100.0 |
| Marketing services - Local sales | 4WD | 99.99 | 2.0 | - | - | - | - | - |
| Trading company - Oversea sales | | | - | - | - | - | - | - |
| Total | | | 2.0 | - | - | - | - | - |
| Research and development of cosmetic formulations - Local sales | SAAS | 99.99 | - | - | - | - | - | - |
| - Oversea sales | | | - | - | - | - | - | - |
| Total | | | - | - | - | - | - | - |
| Servicing to Operate - Local sales | OEG | 30.00 | 554.5 | 100.0 | 486.0 | 100.0 | 398.4 | 100.0 |
| The power plant - Oversea sales | | | - | - | - | - | - | - |
| Total | | | 554.5 | 100.0 | 486.0 | 100.0 | 398.4 | 100.0 |
| Hair color - Local sales | YHT | 30.00 | 1,168.8 | 97.4 | 1,054.3 | 95.0 | 386.0 | 26.0 |
| - Oversea sales | | | 31.0 | 2.6 | 55.8 | 5.0 | 1,101.0 | 74.0 |
| Total | | | 1,199.8 | 100.0 | 1,110.1 | 100.0 | 1,487.0 | 100.0 |
| Manufacture and Distribute pharmaceuticals - Local sales | OSI | 33.19 | 451.5 | 99.5 | 473.6 | 99.5 | 473.3 | 99.4 |
| - Oversea sales | | | 2.2 | 0.5 | 2.6 | 0.5 | 2.8 | 0.6 |
| Total | | | 453.7 | 100.0 | 476.2 | 100.0 | 476.1 | 100.0 |

Major Changes in Operating Business

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED

● Product Design or Service

S & J emphasized on developments of all types of cosmetic products such as powder, cream and lipstick in order to continue to satisfy customers with standard modern machines and technology. Besides, the company also received worldwide quality certificates which built up more confident to customers, such as:

- GMP certificates from Food and Drug Administration, Ministry of Public Health .
- ISO 9001 : 2008 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ISO 14001 : 2004 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ISO 17025 cosmetic-lotion from Department of Medical Sciences, Ministry of Public Health.
- OHSAS 18001 : 2007 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- CSR – DIW (Corporate Social Responsibility - Department of Industrial Work) Certificate or equivalent to ISO 26000
- ISO 22716 : 2007 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ESG 100 (Environmental Social Governance 100) certificates from Thaipat Institute

● Marketing and Competition

At present, consumers of all ages, teenager, student as well as working age give more important on cosmetic products and they become part of everyday life not only lady but also increasing in gentleman need. It is found that the market for make up, skin care, hair care are varied in terms of price and quality to meet the needs of consumers and approach to the in turn, target with more intense competition.

Moreover, consumers pay their attention on natural products which are environmentally friendly and more safely. Thus result in research and development of new products types using natural herbs as raw materials in the manufacture of cosmetic products with tendency of more growing

The company's marketing strategy emphasized products with a high quality standard, including the packaging of beauty products that are innovative, easy to use. The company also developed and created suitable additional new products to meet the demand of the said customers, and expanded the new customer base, in order to strengthen and expand business in the long term. Setting prices, the company will take into consideration of product image, cost of manufacturing and marketing expenses. The company will emphasise suitable quality and prices to attract the interest of customers by considering customers' satisfaction as the most important factor.

● Materials Sourcing or Service

Materials and packaging were sourced from both domestic and foreign suppliers who are specialized in their field. They are equipped with modern production technology and machinery, also having good standards of quality control systems. Raw materials and packaging were ordered and directly shipped to S & J, and our customers gained more confidence in these suppliers. Materials were mainly locally sourced.

Major Changes in Operating Business

- **Trend of Industry and Competitive Condition in Future**

Cosmetic competition for both domestic and overseas is still high, in part due to changing consumer behavior in relation to health more. For hit products, the quality and pricing of the products are major factors in determining the competition. The company continued to emphasize on human resource developments, and overall management in order to create satisfaction and relationship with customers in expanding the market for both domestic and overseas.

Top Trend Manufacturing Co., Ltd.

- **Product Design or Service**

Most of the products are cosmetic and medicine which were produced to meet customer's requirements by selecting common or specific mold. In receiving ISO 9001 : 2000 certificate from BVQI in early 2003 and converted to a Quality Management System ISO 9001:2008 from TUV NORD institutions in late 2012 as well as to be certified adding more to system GMP standard in tube products. This will give customers confidence in the quality of our products and services even more.

- **Market and Competition**

Competition in the plastic packaging in terms of design, pricing, condition of orders and delivery time keep increasing. Top Trend emphasized in efficiency and productivity by developing employee know how in production technique, also letting employees participate in fine tuning new product designs in order to better compete.

- **Materials Sourcing or Service**

The supply of good quality of raw materials at reasonable price is the core of company's sourcing. These materials were mainly locally sourced from domestic producers, and new materials were increasingly sourced that did not effect product quality, but decreased cost of production.

- **Trend of Industry and Future Competition**

Expanding use of domestic packaging is still on an up trend with competition both in pricing and fast service are still the market requirement. Top Trend emphasized human resource development and quality management in order to build up customers' satisfaction, and its relationship in expanding markets both domestic and foreign.

Wildlives (Thailand) Co., Ltd.

- **Product Design or Service**

The company developed "Wild Lives" to market personal care products for protecting UV and insecticide, taking care of, and cleaning the body to be used for travelling, sight seeing and open air activities, and able to use in daily life. In the present, there are two main products group, i.e. sun-protection products and mosquitoes-protection products.

Major Changes in Operating Business

- **Marketing and Competition**

The company expanded its market and distribution channels over last year, especially in tourism areas in the southern and eastern parts of Thailand, in addition to the tourist places in northern part of Thailand, namely Chiang Mai, Chiang Rai, Mae Hong Son, etc. by focusing on drugstores and developing new products and marketing strategies in order to be in a competitive market but still mainly focus on key marketing strategies for success of the company.

- **Materials Sourcing or Service**

Wildlive (Thailand) Co.,Ltd. hired an affiliate company and another non affiliate company, both with ISO9001 and GMP certificates, to manufacture and source out new materials, and develop products to meet requirements of customers who were the target group, and to be in line with the market direction. Therefore, there were no effects on sourcing products as well as its quality.

- **Trend of Industry and Future Competition**

Personal care products for tourism still have a tendency to grow together with the growth of tourism, which is highly supported in Thailand including the behaviors of domestic consumers on use of the products has a trend to use this category of products more that will affect the fierce competition particularly during the Thailand summer with 25% from period of April to May in which the growth is at the maximum of 55% compared to the average sales of the whole last year.

EF Co., Ltd.

- **Product Design or Service**

EF is the distributor of consumer products and industrial supplies, the owner of product brand name “EXFAC” and household product brand name “BIO-EX”. Also, personal care products as well as industrial supplies from other traders.

- **Marketing and Competition**

Emphasize to approach customers, in form of meeting, care and good service by dividing into categories as follows:

1. BIO-EX – competing at medium level due to other trading firms import products having brand name and none brand name offer to customers. But at present every company accounts for easiness of handling both personnel and sourcing goods. So, the housekeeping company is hired to look after instead.
2. EXFAC - Competing at medium level. Most of this group will focus on the shower cream including liquid hand soap which is entertainment spot.
3. Manufacturing process group - competing at a high level. The product is used for consumption and needed of a factory in the industrial area. The requirements will vary with the size of the plant, such as OPP tape, stretch wrapping paper and other.

Major Changes in Operating Business

- **Materials Sourcing or Service**

The Company has appointed/hired qualified manufacturers who have good manufacturing practice and are certified at international standard, both in and outside group to develop and manufacture products to meet the needs of consumers in the target group. The company has capacity in sourcing to supply the needs of their customers and meet the growing market in the future.

- **Trend of Industry and Competitive Condition in Future**

The market trend of the industry is still based on competitive pricing. The company emphasized in meeting, approaching and understand the needs of entrepreneurs closely. We account for as consultant rather than goods offering in order to sustain existing markets as well as continuing to expand new markets.

S & J International (UK) Ltd.

- **Product Design or Service**

The main activities of S & J International (UK) Ltd. are providing marketing services coupled with trading of raw materials and packaging relating to cosmetic manufacturing industry and beauty care products.

- **Marketing and Competition**

Main customers are cosmetic manufacturing industry and beauty care products which the company focused on distribution of various raw materials and packaging as important, by considering on quality, price and quick response to the diverse needs of customers. In addition, the company is also providing the service in the market for customers who want to expand consumer base to UK.

- **Materials Sourcing or Service**

There exists a wide variety of manufacturers, and many in England and neighboring countries, the company can select high quality raw materials and packaging for customers, can be used to produce goods to be sold in markets around the world.

- **Trend of Industry and Competitive Condition in Future**

The competition emphasis on product quality and delivery, therefore UK are important market for cosmetics and beauty care products. Hence, consumer preferences will set the style and design for the UK. market which the company will closely monitors market trend in order to response to real need.

Guangzhou S & J Cosmetic Co., Ltd.

- **Product Design or Service**

The main activities of Guangzhou S & J Cosmetic Co., Ltd. are providing marketing services coupled with trading of raw materials and packaging relating to cosmetic manufacturing industry and beauty care products.

Major Changes in Operating Business

- **Marketing and Competition**

Main customers are cosmetic manufacturing industry and beauty care products which the company focused on distribution of various raw materials and packaging as important, by considering on quality, price and quick response to the diverse needs of customers. In addition, the company is also providing the service in the market for customers who want to expand consumer base to China.

- **Materials Sourcing or Service**

There exists a wide variety of manufacturers, and many in China and neighboring countries, the company can select high quality raw materials and packaging for customers, can be used to produce goods to be sold in markets around the world.

- **Trend of Industry and Competitive Condition in Future**

The competition emphasis on product quality and delivery, therefore China is important market for cosmetics and beauty care products. Hence, consumer preferences will set the style and design for the China market which the company will closely monitors market trend in order to response to real need.

4WD Vision (HK) Ltd.

- **Product Design or Service**

The main activities of 4WD Vision (HK) Ltd. are providing marketing services coupled with trading of raw materials and packaging relating to cosmetic manufacturing industry and beauty care products.

- **Marketing and Competition**

Main customers are cosmetic manufacturing industry and beauty care products which the company focused on distribution of various raw materials and packaging as important, by considering on quality, price and quick response to the diverse needs of customers. In addition, the company is also providing the service in the market for customers who want to expand consumer base to Hong Kong.

- **Materials Sourcing or Service**

There exists a wide variety of manufacturers, and many in Hong Kong and neighboring countries, the company can select high quality raw materials and packaging for customers, can be used to produce goods to be sold in markets around the world.

- **Trend of Industry and Competitive Condition in Future**

The competition emphasis on product quality and delivery, therefore Hong Kong is important market for cosmetics and beauty care products. Hence, consumer preferences will set the style and design for the Hong Kong market which the company will closely monitors market trend in order to response to real need.

Major Changes in Operating Business

4WD Vision Co., Ltd.

- **Product Design or Service**

4WD Vision Co., Ltd. is a fully integrated beauty services trading company, focusing on trading raw materials, packaging, and other beauty related items to be supplied primarily to Thai, and AEC markets.

- **Marketing and Competition**

As a new business, the Company is building a product portfolio to meet the increasing needs of consumers, and manufacturers in the AEC region, with a wide range of beauty products, and services.

- **Material Sourcing or Service**

Initially, 4WD Vision Co., Ltd. is working in close co-operation with other S & J trading entities, to source products and materials from Europe, Asia and America, to build viable supply chain operations for its AEC business.

- **Trend of Industry and Competitive Condition in Future**

Thailand is increasingly a key trading destination in the region, and as respective markets expand, and the inter-country flow of goods, and services become easier to facilitate, it will present significant opportunities for Thai companies to participate in new growth businesses.

SAAS Co.,Ltd.

- **Product Design or Service**

The main activity of the Company is the research, development and formulation of cosmetics and beauty care products

- **Marketing and Competition**

Due to more competitive conditions in the business both domestic or overseas in the world of free trade, research and development is an important factor to create competitiveness of the industry and it will lead to a sustainable competitive advantage.

Mainly customers are the manufacturer in cosmetics and beauty care products which the company focuses on research and develop cosmetic formulations with regard to price, quality, speed of response to customer need.

Industry competition focuses on innovative products, cosmetics and beauty care products to ensure customer satisfaction in terms of product quality, price, delivery, service. Therefore, consumer satisfaction will determine the market and the company will monitor market trends closely to provide and response the market need.

- **Material Sourcing or Service**

The raw materials used in production will depend on each product type by sourcing from both local and overseas. To purchase from local, the company will purchase it directly from manufacturers and importers. To purchase raw material from overseas, the company will consider from local prior to overseas.

Major Changes in Operating Business

- **Trend of Industry and Competitive Condition in Future**

Competition continues to focus on innovative products, cosmetics and beauty care products to respond consumer needs that keep changing along market trends including attitudes and behaviors of consumers in each group even the efficacy, texture or transformer of the products, which are used as key factors for the decisions making of consumers.

Operational Energy Group Limited

- **Product Design or Service**

OEG is a service provider for operation and maintenance to private Power Plants as well as local and overseas industrial factories and Leased engine service including Technical Due Diligence of power plant for Financial Advisor.

- **Marketing and Competition**

Operation and Maintenance business (O&M) is competitive as there are many domestic service providers and foreign experts coming into the business. Due to capability of power reserve is at stable condition and power consumption demand has tendency to increase per economic growth, we believe that it is a good opportunity to expand its customer base.

- **Material sourcing or Service**

OEG maintains quality and performance of sourcing products and services by efficiently appraising suppliers, or service providers and looks for new and qualified suppliers with strong management.

- **Trend of Industry and Future Competition**

An expanding of economics that keep increasing effected to the confidence of daily need products manufactures and service providers to invest or increase their capacities resulting to consume more electricity proportionately, caused the state and private industrial producers to expand its capacities. It is company's opportunity to speed up producing results to existing customers and public in order to be used as reference to increase customers in future.

Yamahatsu (Thailand) Co., Ltd.

- **Products Design or Services**

In 2015 the company has increased production, added more model products and new products to replace the original products. By changing manufacture formula and packaging in order to meet market needs of consumers. For foreign customers, the company has expanded more products series.

- **Marketing and Competition**

The company sold thru Hub Distribution Centers in Thailand which its customers in domestic and in several countries in Asia. They have expanded its customer several countries in Asia and update new products per requirement of customer markets resulting in sales increased.

Major Changes in Operating Business

- **Materials Sourcing or Service**

The Company have more selected of raw materials. In addition to improve inventory increased in production enabling the company can reduce the cost of raw materials from the volume of orders increased resulting in cost and price of products are competitive in the market.

Some raw materials especially chemicals that are from the oil group, its price have been increased in accordance with market forces caused the company to use strategies in purchasing such as comparing the purchase price, planning an appropriate order to obtain raw materials at cheap price and good quality standards.

- **Trend of Industry and Future Competition**

The company has been planning the formulation of products by changing formula to high-quality and used raw materials that are not specific to each formula, more than necessary. So that the company don't have to purchase a variety of materials but the purchase of raw materials on a few items at lower prices in order for costs of production can compete in the marketplace. Number of sales order increased in Asia region support the company in enabling to better manage purchase.

Osoth Inter Laboratories Co., Ltd.

- **Products Design or Services**

The company is a manufacturer and distributor of pharmaceuticals including food supplements.

- **Marketing and Competition**

The company focuses competitive strategy on product delivery differentiation from competitors by developing formulations and manufacturing processes, focused on value-added. Sales, promotion will be directed to doctors and medical specialist such as pharmacists, nurses, assistant etc. Using product pricing strategy and access to justice. Also, customer base of hospitals, universities, public health is a key production personnel.

- **Materials Sourcing or Service**

The company has sourcing of raw materials and packaging per consumers' need. The companies as distributors are major raw material suppliers who are certified ISO 9001 and GMP.

- **Trend of Industry and Future Competition**

Because of the steady growth of the economy as a whole, medicine and health policy of the government which emphasize the use of generic drugs in the country resulting to positive. pharmaceutical manufacturers of generic drugs to treat diseases that are attributed to an ASEAN Community. The demand for the use of generic drugs in the country is increased and counted as a positive opportunity for the pharmaceutical industry for the treatment of disease.

Risk Factors

Board of Directors and Management of S & J International Enterprises Public Co., Ltd. recognizes its responsibility to ensure having Good Corporate Governance in order to maximize benefit of the shareholders of the company. This has been assigned to the Risk Management Committee to govern risk management to ensure that managing of the company has adequate and continuing system. However, there are potential risk factors that may occur and effect to the company and stake-holders that should be considered as follows:

1. Risk of business

1.1 Risk from depending on key account

The company produces cosmetic per customers' order. Currently, we have one key account who ordered of more than 30% of the total sales. The company always has a good relationship with a customer from the very beginning and mutually develops business proactively and release new products in order to meet their requirement and satisfaction increasingly. This is to ensure that business performances of both parties are maintained in long term. If we lose this account, it will effect our revenue and profit.

Risk Management

- Develop new and existing products together with customers in order to respond to customer's various needs.
- Improve efficiency in the production line in order to reduce costs and gain ability to compete with others in term of pricing and quality of goods.
- Maintain a good relationship with them by consistently meet their satisfaction with the good service.
- Expand number of new customers who have potential and high purchase volume either from domestic or foreign in order to increase sales volume and profitability for the company that will result the increment of remuneration for share-holders, executive officers, employees, company's customers as well as company's suppliers in addition to reduction of risk of business and increment of company's liquidity.

2. Risk of monetary

2.1 Credit risk exposure

As of December 31, 2015 the company had net trade accounts receivables equal to 836.6 million baht, or 16.4% of sales. The company had an average collection period in 2015 equal to 65 days and debtors less than 3 months amounting to 831.0 million baht, or 99.3% of net accounts receivables. The company may have risks in collecting debt from trade accounts receivables. In case that the trade accounts receivables do not arrange payment according to terms and conditions of payment and the company do not receive the debt in full amount then may affect to the company's capital.

Risk Management

- Implement credit management by applying the Analysis of Financial Status and Customer's Quality Assessment System for reviewing and setting up the credit line and terms of each customer in order to enhance the efficiency of credit lines.

- Monthly meetings between accounting and customer service departments were held to regularly the quality of debtors.
- Resulted in regular follow up on collections jointly by accounting and customer service staff. At the same time, management monitors and regularly evaluates credit risk exposure including having Credit Trade Insurance in case of viewing risk exposure.
- The company has the policy to set allowance for doubtful accounts for customers whom are suspected of bad debt and expose them in the notes to financial statements.
- The company will have tools to prevent financial risks, such as letter of guarantee from a bank or letter of credit, etc., as well as new customers to pay money in advance before starting operation.
- To expand customers base giving its distribution and more number of customers of which the company did not lock into the base of any trade receivables group.

2.2 Risk of financial support to subsidiaries

The company has a policy of supporting subsidiaries in order to ensure they have liquid financial structures. The support is given by either lending them a fund for their working capital or providing them loan collateral.

Risk Management

The company lends and / or provides loan collateral only for affiliated companies with the approval of the board of directors or shareholders meeting from time to time depending on size of credit line (in accordance with the Notification of Capital Market Supervisory Board Re : “Connected Transactions”)

2.3 Exchange rate risk exposure.

There were no foreign currency borrowing as of December 31, 2015 but there was some importing and exporting in form of foreign currency as disclosed in remark of financial statement No. 25 The company may be exposed to the fluctuation of exchange rates. However, the company will mainly purchase raw materials locally. Ratio of raw materials purchased from foreign was approximately 27% of total raw materials and in case of exporting accounting for 50.0% of total sales in 2015.

Risk Management

- The company opened FCD (Foreign Currency Deposit) account.
- Arranging the forward exchange contract in order to protect the company from risk of fluctuation of foreign exchange rate and to acknowledge a fixed cost and selling price in Thai Baht. The forward exchange rate is the rate set on the company's analysis and decision as the proper rate at the certain time.
- Furthermore, the company closely monitored and managed foreign currency income and expenditure to be in line with the money market, in order to effectively manage money, and reduce exchange rate risk exposure.
- Company's policy is to buy – sell merchandise in same currency.
- The Risk Management Committee had included the exchange rate risk exposure from foreign exchange currency in annual plans.

3. Risk of investment

The company had jointly invested in Saha's group of companies. Investments were spread out into various business types with the purpose to build up value added equity for the company. The company had no control over decision making, and depends on each the company's Board of Directors.

The company received return on investment in form of dividend payment. If any investing company incurred loss, reserve for loss on impairment would be recorded in company's profit and loss account. Hence, structure of the aforementioned shareholding will not be effected in the records.

4. Risk from investing and operating abroad

The company has investment at UK in form of service of marketing and distribution of raw materials and packaging. (More details of investments in foreign in the topic 11 investment in subsidiaries. In the notes to financial statements for the year ended December 31, 2015). In 2015, the company had income from foreign entities accounting for 4.84% of total sales revenue.

Operating results of a foreign company may be affected by the economic recession. Changes in government regulations such as tax rate, wage, trade measures, quota imports and exports, changes in currency exchange rates political changes which may affect revenue and earnings from continuing operations in a foreign country does not meet the target.

Risk Management

To prevent risks that may occur, the company has set a clearly policy on investment and create a system to monitor and control operations. Including the appointment of its representatives. Managing Director and financial executive to manage operations in foreign countries. Also, monitor the operation of a foreign company. The meeting was held in Thailand at least once every month to consider the results of operations and joint planning and operational goals.

5. Risk from the Free Trade Area (FTA) policy

According to the Free Trade Area policy, resulted in relatively high competitive in price with other countries at low cost such as China and Vietnam. However, overall operating results of the company is in the best criteria and according to target.

Risk Management

- Corporate products : new innovative products are continuously being researched and development that has resulted from the recognition of international standards. At the same time, the company has put more emphasis on consumer research and has conducted frequent surveys of market response and satisfaction of target consumers to corporate's products continuously in order to respond to consumer need and to give them confidence and value for money when buying corporate's products.
- The company has had a long and lasting relationship with its trading partners, giving it better access to channel of distribution both in terms of number and variety.
- Executive officers and employees are consistently developing their knowledge and competency in management and operation in order to make customers satisfy with company's products and services.

- The company has been able to capitalize on the lowering of import duties by procuring materials from countries within free trade zones, such as China. Hence, the company has been able to control production costs more effectively.

6. Risk and Compliance

6.1 Risk of being sued by the consumer due to quality and may be subject to damages under the Product Liability Law.

With reference to the promulgation of liability for damage caused by unsafe products or Product Liability Law. The law requires that all operators are required to share liability to the victim for the damage caused by unsafe products. Either damage is caused by the willful act or negligent operator or not. However, the company have not received any complaints from customers, whatever last year

Risk Management

- The company has already insured about product liability.
- Having product quality inspection process before delivery to customers to ensure quality products to its customers.
- Having set up target of the work claimed by customers must be zero (Zero Claims).

6.2 Risk of being sued by Act of offenses related to computer AD 2007.

Current and future computer crime is becoming complex and increase the severity of the impact more. Due to crime computer is currently working in a manner "Organized Crime" is made in the organization and is attacked for-result and aims clearly called "Targeted Attack", which mainly focuses on interest financing such as attacking. Internet banking system or credit card system including to "Hack" a network of various companies to steal data.

Act on the offense of computer AD 2007 was enacted to serve as the tool for dealing with threats in computer networks. Whether it's theft and destruction or damage of any action causing such damage. This may affect the confidential information and the image of the company.

Risk Management

- Back up data as well as a Fire Wall System in the prevention of theft of electronic data. There is also protection of the data from within the company from outside such as formula, financial data and etc.
- Knowledge training including notification policies and regulations for the computer including key summary of the announcement on the screen (Desktop) every time using Internet to all employees to acknowledge and recognize the importance of the Computer Act.
- The Risk Management Committee had included the risk of being issued by act of offenses related to computer AD 2007 in annual plans.

Risk Factors

7. The risk of accidents or natural disasters.

The risk of accidents or other natural disasters such as fires, floods, etc., may result in damage to property of the company and some people within the organization. Operation of the company may be ceased which will affect revenue as well as profitability of the company.

Risk Management

- Prepare emergency plans to manage in case of flood or casualty enabling to carry on business continuously.
- Provide insurance to protect assets of the company that may be damaged by flood or casualty in order to protect financial loss.

Referring to the risk factors mentioned above in 2015, the Risk Management Committee has established a risk management approach COSO-ERM standard to provide efficient and effective risk management across the organization.

In addition, the risk committee proposed 2016 risk management plans as follows.

1. Strategy risk : Source of strategy risk and management risk.
2. Human risk : Increase competency in innovation by corporate culture and talent management.
3. Technology risk: Increase competency in competitiveness from information capital in level of analytical application and transformation application.

Dispute

1. The cases which may have the negative impact on the company's assets or its subsidiaries a higher number of 5 percent of the shareholders' equity as of December 31, 2015.
 - None -
2. The cases that affect the business of the Company. Or its subsidiaries Significantly I can not assess the impact numbers.
 - None -
3. The case is not of the normal business operations of the company or its subsidiaries.
 - None -

Property and Shareholders Information

1. Property Information

The company was listed in the Stock Exchange of Thailand in 1994 under the name of S&J International Enterprises Public Company Limited with the company's symbol "**S & J**" in issuing securities.

● Common Stock

As of December 31, 2015, S & J has authorized share capital amounting to Baht 200,000,000.00 (Two hundred million baht) to be composed of 200,000 common stocks of 1 Baht per share with issued and paid up share capital of Baht 149,930,828.00. Total of 149,930,828 shares are common stock.

● Preferred Stock

- None -

● Debenture

- None -

● Warrant

- None -

2. Shareholders

2.1 Name of major shareholders

(A). Top Ten of the Shareholders on the book closing date as of March 18, 2015.

| Shareholder | No. of Share | % |
|--|--------------|-------|
| 1. Sahapattana Interholding Public Company Limited | 23,016,071 | 15.35 |
| 2. I.C.C. International Public Company Limited | 21,897,781 | 14.61 |
| 3. I.D.F. Company Limited | 16,269,802 | 10.85 |
| 4. Vittayasith Company Limited | 13,039,447 | 8.70 |
| 5. Mr.Boonkiet Chokwatana | 9,181,337 | 6.12 |
| 6. Mr.Virapat Poonsakudomsin | 6,928,427 | 4.62 |
| 7. Miss Pavinee Poonsakudomsin | 6,799,410 | 4.54 |
| 8. Mr.Samrerng Manoonpol | 4,096,621 | 2.63 |
| 9. Mr.Boonsithi Chokwatana | 3,452,374 | 2.30 |
| 10. Ms.Orapin Poonsakudomsin | 2,702,307 | 1.80 |

Remark : Prior to the Annual General Meeting, investors may visit the company web site at www.snjinter.com to view the list of the top ten major shareholders of the company at any time from the day of shareholder registration book closure.

Property and Shareholders Information

The distribution of shares held by number of shareholders by dividing the number of shares held by the shareholders as follows.

| Range of the number of shares | Year 2015 | |
|-------------------------------|------------------------|--------------|
| | Number of shareholders | % |
| 1 - 50 | 87 | 9.8 |
| 51 - 100 | 36 | 4.0 |
| 101 - 500 | 81 | 9.1 |
| 501 - 1,000 | 56 | 6.3 |
| 1,001 - 3,000 | 89 | 10.0 |
| 3,001 - 5,000 | 71 | 8.0 |
| 5,000 Up | 469 | 52.8 |
| Total | 889 | 100.0 |

The distribution of shares held by type of shareholders by dividing the number of shares held by the shareholders as follows.

| Distribution of shares held | Year 2015 | |
|--|------------------------|--------------|
| | Number of shareholders | % |
| Limited companies and Public companies | 30 | 3.4 |
| Insurance companies | 1 | 0.1 |
| Outsiders not an employee | 771 | 86.7 |
| Directors & Employees | 67 | 7.5 |
| Foreign Investors | 20 | 2.3 |
| Total | 889 | 100.0 |

Types of shareholders as at March 18, 2015.

| | | No. of shareholders | Shares | % |
|-----------------|--------------------|---------------------|--------------------|---------------|
| Juristic person | Thai | 32 | 81,095,542 | 54.09 |
| | Foreigner | 3 | 1,395,988 | 0.93 |
| | Total | 35 | 82,491,530 | 55.02 |
| General public | Thai | 840 | 66,990,370 | 44.68 |
| | Foreigner | 14 | 448,928 | 0.30 |
| | Total | 854 | 67,439,298 | 44.98 |
| | Grand Total | 889 | 149,930,828 | 100.00 |

Property and Shareholders Information

Cross-Shareholding as of March 18, 2015

| Company name | | Shareholding Percentage | |
|--------------|--|-----------------------------|-----------------------------|
| | | Shareholding by the company | Shareholding in the company |
| 1. | In the case of over 50% shareholding | | |
| | 1.1 Other companies holding over 50% shares in the company | - | - |
| | Cross-shareholding by the company in other companies is not allowed. | | |
| | 1.2 The company holding over 50% shares in other companies | - | - |
| | Cross-shareholding by other companies in the company is not allowed. | | |
| | 1.3 The company holding over 50% shares in 2 other companies and over | - | - |
| | Cross-shareholding between other such companies is not allowed. | | |
| 2. | In the case of over 25% shareholding, but not exceeding 50% shareholding | | |
| | 2.1 Other companies holding over 25% but not exceeding 50% shares in the company | - | - |
| | Over 10% cross-shareholding by the company in other companies is not allowed. | | |
| | 2.2 The company holding over 25% but not exceeding 50% shares in other companies | - | - |
| | Over 10% cross-shareholding by other companies in the company is not allowed. | | |
| 3. | In the case of not exceeding 25% shareholding | | |
| | 3.1 Other companies holding not exceeding 25% shares in the company | - | - |
| | Over 25% shareholding by the company in other companies is not allowed. | | |
| | 3.2 The company holding not exceeding 25% shares in other companies | - | - |
| | Over 25% shareholding by other companies in the company is not allowed | | |
| | - Saha Pathana Inter-holding Public Company Limited (SPI) | 0.24 | 15.35 |
| | - I.C.C. International Public Company Limited (ICC) | 0.35 | 14.61 |

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”. The company has acquired shares because of receiving a good rate of return in dividends payment every year and it is beneficial business to each other.

Property and Shareholders Information

Distribution Information Shareholdings (Free Float)

As of March 18, 2015 closing date of the company entitled to attend the Annual General Meeting of Shareholders No. 36 on April 28, 2015 the company's shareholders holding is 35.21%

(B) Group of major shareholders who have influence on policy, management and operations of the company significantly.

- None -

2.2 Agreement between major shareholders.

There is no agreement between the group of major shareholders of the company. (Shareholders agreement) or with a company in matters affecting the issuance and sale of securities or management of the company.

3. Issuance of other securities

- None -

Dividend Policy

The company

The company has a policy to pay dividends regularly to shareholders at the rate of 20-80% of net profit of the company's separate financial statement (per cost method). 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 56-58 of the Articles of Association of the company. The stated clauses have an essential stipulation that dividends must be paid on the basis of profit only but not from other incomes. In case the company remains in accumulated loss status, it is prohibited to pay dividend. Dividend will be calculated on the amount of shares basis, each share has an equal dividend. The dividends must be paid within one month after the date of the Shareholders' or Board of Directors' meeting has a resolution. The board may pay interim dividends to shareholders if the board regards that the company has a sufficient profit to do so and report to shareholders in the next meeting.

Dividend payments for five fiscal periods are as follows:

| Year of Announcement | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|--------|--------|--------|--------|--------|
| 1. Net Profit (Million Baht) | 202.02 | 196.23 | 191.36 | 211.39 | 218.22 |
| 2. Number of Share (Million share) | 149.93 | 149.93 | 149.93 | 149.93 | 149.93 |
| 3. Earnings Per Share (Baht / Share) | 1.35 | 1.31 | 1.28 | 1.41 | 2.08 |
| 4. Rate of Dividend per share (Baht) | 0.85 | 0.80 | 0.80 | 1.00 | 1.10 |
| 5. Dividend Paid (Million Baht) | 127.44 | 119.94 | 119.94 | 149.93 | 115.29 |
| 6. Proportion of Dividend from Net Profit (%) | 63.08 | 61.12 | 62.68 | 70.93 | 52.84 |

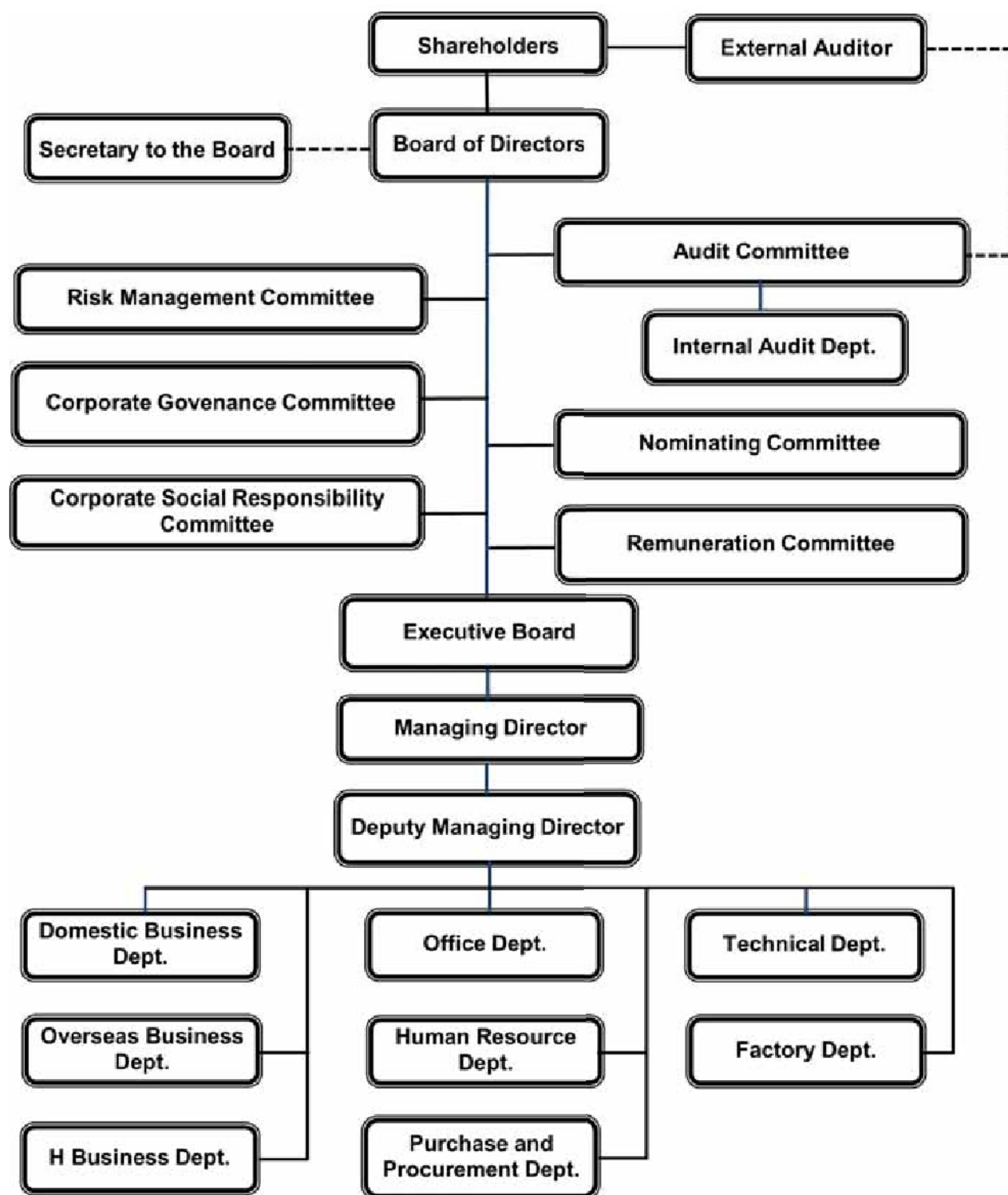
Remark

The Board of Directors meeting No 1/2016 held on February 23, 2016 had the resolution to propose to the shareholders meeting scheduled on April 26, 2016 in order to approve for dividend payment baht 1.00 per share.

Policies of subsidiaries

Dividends payment of subsidiaries, the company has not determined the ratio of dividend payment of the subsidiaries to the company which based on the results of operations and cash flows of each subsidiary. If the subsidiary has enough cash flow and made provision under the law, the Subsidiary's Board of Directors will consider the dividend payment on case by case basis. However, dividend payment will not exceed the unappropriated retained earnings of subsidiaries.

Organizational Chart



Management Structure

The company's management structure were consisted of seven boards :

1. Board of Directors
2. Board of Executive Directors
3. Board of Audit Committee
4. Board of Nominating Committee
5. Board of Remuneration Committee
6. Board of Risk Management Committee
7. Board of Corporate Social Responsibility Committee
8. Board of Corporate Governance Committee

1. Board of Directors

At present, The Board of Directors consisted of 15 members, classified into :

- 5 executive directors
- 10 non-executive directors (including 6 independent directors)

| Name | Director | Executive Director | Audit Committee | Nomination Committee | Remuneration Committee | Risk Management Committee | Corporate Social Responsibility Committee | Corporate Governance Committee |
|------------------------------------|--------------------------|--------------------|-----------------|----------------------|------------------------|---------------------------|---|--------------------------------|
| 1. Mr.Boonkiet Chokwatana | Chairman | - | - | Chairman | Chairman | - | - | - |
| 2. Mrs.Tipaporn Chokwatana | Vice Chairman | - | - | Director | - | - | - | - |
| 3. Mr.Thirasak Vikitset | Managing Director | Chairman | - | Director | Director | Chairman | - | - |
| 4. Dr.Atthakorn Glankwamdee | Deputy Managing Director | Director | - | Director | - | Director | - | - |
| 5. Admiral Apichart Pengsritong | Independent Director | - | - | - | - | - | Director | - |
| 6. Mrs.Kaewta Ongsaranakorn | Director | Director | - | Director | Director | - | - | Director |
| 7. Prof.Dr.Malyn Ungsurungsie | Director | Director | - | - | - | - | Chairman | - |
| 8. Mrs.Chitraporn Vikitset | Director | Director | - | - | - | - | - | - |
| 9. Mrs.Teerada Ambhanwong | Director | - | - | - | - | - | - | - |
| 10. Mrs.Pisamai Chandrubeksa | Independent Director | - | - | - | Director | - | - | - |
| 11. Mr.Suthep Dansiriviroj | Director | - | - | - | - | - | - | - |
| 12. Mr.Khachomsakdi Vanaratseath | Independent Director | - | Chairman | - | - | - | - | - |
| 13. Mrs.Pradittha Chongwattana | Independent Director | - | Director | - | - | - | - | - |
| 14. Mr.Surong Ongkosit | Independent Director | - | Director | - | - | - | - | - |
| 15. Pol.Gen.Somchai Prabhasabhakdi | Independent Director | - | Director | - | - | - | - | Chairman |

Remark : Qualification standards for independent director and The Audit Committee members were in accordance with the provisions set forth in related announcements.

Management Structure

Directors representing the company

2 of 9 directors are represent of the company required to sign their names together with the affixing of company seal.

- | | | |
|----|----------------|---------------|
| 1. | Mr.Boonkiet | Chokwatana |
| 2. | Mrs.Tipaporn | Chokwatana |
| 3. | Mr.Thirasak | Vikitset |
| 4. | Mr.Atthakorn | Glinkwamdee |
| 5. | Mrs.Kaewta | Ongsaranakorn |
| 6. | Mrs.Malyn | Ungsurungsie |
| 7. | Mrs.Chitraporn | Vikitset |
| 8. | Mrs.Teerada | Ambhanwong |
| 9. | Mr. Suthep | Dansiriviroj |

Personal information of company directors

The details of personal information of company directors were displayed per the section “Details relating to management and authorized personnel”.

Term of holding a position

The general meeting of shareholders at every annual giving director retires as number 1 in 3. If the number of directors to be divided straight into 3 parts does not, then the number nearest to 1 in 3 Directors who retire by rotation may be re-elected again.

The number of Directors meetings

During 2015, The Board of Directors and other committees regularly held their meetings, whose attendance record by the director were summarized as follows:

| Name | Director | Executive Director | Audit Committee | Nomination Committee | Remuneration Committee | Risk Management Committee | Corporate Social Responsibility Committee | Corporate Governance Committee | Unit : Times |
|--------------------------------------|----------|--------------------|-----------------|----------------------|------------------------|---------------------------|---|--------------------------------|--------------|
| | | | | | | | | | |
| 1. Mr. Boonket Chokwatana | 5/5 | - | - | 4/4 | 1/1 | - | - | - | - |
| 2. Mrs. Tipaporn Chokwatana | 4/5 | - | - | 2/4 | - | - | - | - | - |
| 3. Mr. Thirak Witset | 5/5 | 14/22 | - | 4/4 | 1/1 | 1/1 | - | - | - |
| 4. Dr. Athakorn Glankwamdee | 4/5 | 19/22 | - | 4/4 | - | 1/1 | - | - | - |
| 5. Admiral Apichart Pengsritong | 5/5 | - | - | - | - | - | 3/4 | - | - |
| 6. Mrs. Kaewta Ongsaranakorn | 5/5 | 15/22 | - | 4/4 | 1/1 | - | - | 4/5 | - |
| 7. Prof. Dr. Malyn Ungsurungsie | 5/5 | 13/22 | - | - | - | - | 4/4 | - | - |
| 8. Mrs. Chiraporn Witset | 4/5 | 10/22 | - | - | - | - | - | - | - |
| 9. Mrs. Teerada Ambhanwong | 3/5 | - | - | - | - | - | - | - | - |
| 10. Mrs. Pismai Chandrubeksa | 4/5 | - | - | - | 1/1 | - | - | - | - |
| 11. Mr. Suthep Dansinwong | 5/5 | - | - | - | - | - | - | - | - |
| 12. Mr. Khachomsakdi Vanaratseath | 4/5 | - | 4/4 | - | - | - | - | - | - |
| 13. Mrs. Pradittha Chongwattana | 5/5 | - | 4/4 | - | - | - | - | - | - |
| 14. Mr. Surong Ongkosit | 5/5 | - | 4/4 | - | - | - | - | - | - |
| 15. Pol. Gen. Somchai Prabhasabhakdi | 4/5* | - | 3/4** | - | - | - | - | 5/5 | 5/5 |
| 16. Mr. Varth Tritapun | - | - | - | - | - | - | - | - | - |
| 17. Mr. Simon Rhoderick Knight | - | 13/22 | - | - | - | - | - | - | - |
| 18. Miss. Sumeth Surachartcharit | - | 17/22 | - | - | - | 1/1 | - | - | - |
| 19. Mrs. Thongsuk Upathambhakul | - | 22/22 | - | - | - | - | 4/4 | - | - |
| 20. Mrs. Patchara Pongwichan | - | 21/22 | - | - | - | - | 1/4*** | 5/5 | - |
| 21. Mrs. Pannee Chantavaraluk | - | - | - | - | - | 1/1 | - | - | - |
| 22. Mrs. Suthanya Sumana | - | 20/22 | - | - | - | - | 3/4 | - | - |
| 23. Mrs. Daranee Ajaneeyakul | - | 20/22 | - | - | - | 1/1 | - | - | - |
| 24. Mrs. Tanyanan Tantikovit | - | 22/22 | - | - | - | - | 4/4 | - | - |
| 25. Mrs. Rujapa Srisurang | - | - | - | - | - | - | 4/4 | - | - |
| 26. Mr. Pattara Witset | - | - | - | - | - | 1/1 | - | - | - |
| 27. Prof. Dr. Narumon Saardchom | - | - | - | - | - | 1/1 | - | - | - |
| 28. Dr. Kritdet Srsermpoke | - | - | - | - | - | 1/1** | - | - | - |
| 29. Miss. Thatsruang Saengwichian | - | - | - | - | - | - | 3/4** | - | - |
| 30. Mr. Sumit Khopalboon | - | - | - | - | - | - | - | 5/5 | - |
| 31. Miss. Vasana Vloedpreechatrakul | - | 4/22*** | - | - | - | - | - | - | - |

Remark : * Appointed on April 28, 2015

** Appointed on May 11, 2015

*** Resigned on May 11, 2015

Management Structure

2. The Management

At present, there were 10 management members, authorized by the company to carry out duties in accordance with the company's policies as follows:

The list of the Management is as follows:

| Name | | Position | Term of holding a position |
|------|------------------------------|--|----------------------------|
| 1. | Mr.Thirasak Vikitset | Managing Director / Director who is Management | May, 2015 – May, 2016 |
| 2. | Dr.Atthakorn Glankwarndee | Deputy Managing Director / Director which are Management | May, 2015 – May, 2016 |
| 3. | Mrs.Kaewta Ongsaranakorn | Director/Director which are Management | May, 2015 – May, 2016 |
| 4. | Prof.Dr.Malyn Ungsurungsie | Director/Director which are Management | May, 2015 – May, 2016 |
| 5. | Mrs.Chitraporn Vikitset | Director/Director which are Management | May, 2015 – May, 2016 |
| 6. | Mr.Simon Rhoderick Knight | Overseas Business Department Manager | May, 2015 – May, 2016 |
| 7. | Miss Sumeth Surachartchairit | Factory Department Manager | May, 2015 – May, 2016 |
| 8. | Mr.Varith Tritrapun | Office Assistant Department Manager (Accounting & Financial) | May, 2015 – May, 2016 |
| 9. | Mrs.Thongsuk Upathambhakul | Domestic Business Assistant Department Manager | May, 2015 – May, 2016 |
| 10. | Mrs.Patchara Pongwichan | Human Resource Assistant Manager | May, 2015 – May, 2016 |

Remark : The definition for the company's management members were in accordance with those set by the Securities and Exchange Committee.

Personal information of management members

The details of personal information of management members were displayed per the section "Details relating to management and authorized personnel".

3. Company Secretary

The Board of Directors has appointed Mr.Sumit Khopai boon, who was duly qualified, with sound knowledge and experiences, as the Company Secretary effective from February 24, 2016 (See the details on his education and career background under the heading "Details relating to management and authorized personnel", having the duties and responsibilities as specified in The company directors, Securities and Exchange Act (no. 4) B.E. 2551, together with other duties assigned by The Board of Directors.

Management Structure

The Company Secretary was assigned the following responsibilities:

1. To provide preliminary advice to the company directors on laws, regulations and articles of the company, and to monitor proper and regular compliance, as well as to report substantive changes to the directors.
2. To coordinate between the company directors and the management, to supervise and coordinate matters pertaining to the relevant laws and regulations, including proceedings to ensure compliance with resolutions of The Board of Directors.
3. To organize shareholders' meeting and The Board of Directors' meeting in accordance with laws, company articles and other directives.
4. To record minutes of the shareholders' meeting and The Board of Directors' meeting as well as to monitor compliance with resolutions of the shareholders' meeting and The Board of Directors' meeting.
5. To oversee the disclosure of information and file the relevant reports under the rules and regulations of The Securities and Exchange Commission and the Stock Exchange of Thailand.
6. To prepare and archive the following documents:
 - Company directors' register
 - Notice of The Board of Directors' meeting/minutes of the Board of Directors' meeting
 - Notice of the shareholders' meeting/minutes of shareholders' meeting
 - Annual registration statement (Form 56-1) and Annual report (Form 56-2)
7. Hold reports of interests submitted by the Directors or Executives, as well as sent copies to the President and Chairman of the Audit Committee within 7 days from the day of receiving the report.
8. Organize orientations with guidelines to newly appointed board members.
9. Communicate with general shareholders to ensure that they have complete and continual knowledge of their rights including the Company's news and information.
10. Undertake other responsibilities as regulated by SEC and others as assigned by the Company.

4. Remuneration amount

1. Remuneration for company directors

The Board of Directors earlier appointed The Remuneration Committee to set the budget and allocation criteria for the directors based on operating results, authority, duty, responsibility scope, and performances of the directors by setting the criteria as meeting allowance and yearly remuneration. The said resolution would be proposed to the Board of Directors' meeting for their consideration prior to submitting to the shareholders' meeting for final approval of the said remuneration budget every year.

Whereas the remuneration fee for the management would be required to follow the criteria set forth by the company, by considering from operating results of the company, duty and responsibility scope assigned.

Management Structure

2. Remuneration amount

2.1 Remuneration for company directors

The shareholders' meeting approved annual remuneration budget for company directors for total amount not exceeding 15 million baht per year as before, until further changes. The disbursement of said remuneration budget required the consideration by The Remuneration Committee, and the approval of The Board of Directors, with such disbursement not exceeding the budget amount earlier approved by the shareholders' meeting and compared with other group of companies in the same level. This is not inclusive of remuneration or welfare to which the directors are entitled to in the capacity as a staff member or an employee of the company.

1. Annual Remuneration is paid to all directors. The Remuneration Committee will allocate the remuneration on basis of principle, operational results and propose to the Board of Directors.
2. Meeting fee, payment is paid to attending directors only. In case of there is a meeting more than 1 time in each month, it accounts to receive the meeting fee not exceeding 1 time.
3. Remuneration of other sub committees which organized by the Board will be in the consideration of the Remuneration Committee by considering in accordance with appropriateness, and to be in line with duties and responsibilities.

Details of meeting allowance payments were as follows:

| | 2015 (baht/meeting) | 2014 (baht/meeting) |
|---|---------------------|---------------------|
| Board of Directors | | |
| Audit Committee | | |
| ● Chairman | 12,000 | 12,000 |
| ● Director | 9,000 | 9,000 |
| Nominating Committee | | |
| Remuneration Committee | | |
| Risk Management Committee | | |
| Corporate Social Responsibility Committee | | |
| ● Chairman | 10,000 | 10,000 |
| ● Director | 8,000 | 5,000 |
| Corporate Governance Committee * | | |
| ● Chairman | 10,000 | - |
| ● Director | 8,000 | - |

Remark : * Board of Corporate Governance Committee was established in May 2015.

Remuneration paid in 2015 totalling baht 10,074,000.00

Details of remuneration received by each company director in 2015 are as follows:

| Name | Directors fee | Meeting fee | | | | | | | Total Directors Fee |
|-----------------------------------|---------------------|-------------------|-------------------|----------------------|------------------------|------------------|------------------|--------------------------------|----------------------|
| | | Board of Director | Audit Committee | Nominating Committee | Remuneration Committee | Risk Management | CSR Committee | Corporate Governance Committee | |
| 1. Mr.Boonkiet Chokwatana | 1,000,000.00 | 60,000.00 | - | 40,000.00 | 10,000.00 | - | - | - | 1,110,000.00 |
| 2. Mrs.Tipaporn Chokwatana | 800,000.00 | 36,000.00 | - | 13,000.00 | - | - | - | - | 849,000.00 |
| 3. Mr.Thirasak Vikitsat | 1,500,000.00 | 45,000.00 | - | 29,000.00 | 5,000.00 | 10,000.00 | - | - | 1,589,000.00 |
| 4. Dr.Athakorn Giamkwanadee | 800,000.00 | 36,000.00 | - | 29,000.00 | - | - | - | - | 865,000.00 |
| 5. Admiral Apichart Pengsritong | 350,000.00 | 45,000.00 | - | - | - | - | 21,000.00 | - | 416,000.00 |
| 6. Mrs.Kaewta Ongsaranakorn | 800,000.00 | 45,000.00 | - | 29,000.00 | 5,000.00 | - | - | 32,000.00 | 911,000.00 |
| 7. Prof.Dr.Malyn Ungsurungsie | 750,000.00 | 45,000.00 | - | - | - | - | 40,000.00 | - | 835,000.00 |
| 8. Mrs.Chitraporn Vikitsat | 800,000.00 | 27,000.00 | - | - | - | - | - | - | 827,000.00 |
| 9. Mrs.Pisamai Chandrubeksa | 350,000.00 | 27,000.00 | - | - | - | - | - | - | 377,000.00 |
| 10. Mrs. Teerada Ambhanwong | 350,000.00 | 36,000.00 | - | - | 5,000.00 | - | - | - | 391,000.00 |
| 11. Mr.Khachornsakdi Vanaraisaeth | 450,000.00 | 36,000.00 | 48,000.00 | - | - | - | - | - | 534,000.00 |
| 12. Mrs.Praditha Chongwatana | 350,000.00 | 45,000.00 | 36,000.00 | - | - | - | - | - | 431,000.00 |
| 13. Mr.Surong Ongkosit | 350,000.00 | 45,000.00 | 36,000.00 | - | - | - | - | - | 431,000.00 |
| 14. Mr. Suthep Dansiriviroj | 350,000.00 | 45,000.00 | - | - | - | - | - | - | 395,000.00 |
| 15.Pol.Gen.Somchai Prabhasabhakdi | - | 36,000.00 | 27,000.00 | - | - | - | - | 50,000.00 | 113,000.00 |
| Total | 9,000,000.00 | 609,000.00 | 147,000.00 | 140,000.00 | 25,000.00 | 10,000.00 | 61,000.00 | 82,000.00 | 10,074,000.00 |

Management Structure

2.2 Remuneration payment to Executive Board and its executives.

Management will consider in accordance with the rules and policies of the company based on the results of operations of the company and individual performance in 2015 the compensation of Management Committee, the executives from the manager down to the first four and the executives in all four cases, that the equivalent of 10 persons have the compensation to pay as follows.

| Remuneration | 2015 | | 2014 | |
|-------------------|---------------|---------------|---------------|---------------|
| | No. of person | Amount | No. of person | Amount |
| Salary and Patron | 10 | 44,191,295.00 | 10 | 41,483,650.00 |

3. Others remuneration

3.1 Other remuneration for company directors

- None -

3.2 Other remuneration for management members

The Company has established a provident fund to management by subscribing to be provident fund membership. The company has contributed at rate of 3 percent of salary.

The company has contributed provident fund for the management of 10 persons which were included in remuneration in the form of salaries and subsidies above.

5. Personnel

The company focus on the allocation of manpower to suit the size of the division and to prepare the workforce for the future plans. As of December 31, 2015 and 2014, the company employed a total of 2,156 and 2,178 respectively by the main line of the 6 Division as follows.

| Main Division | 2015 (Persons) | 2014 (Persons) |
|--------------------|----------------|----------------|
| Customer Service | 313 | 343 |
| Office | 79 | 73 |
| Human Resource | 123 | 131 |
| Technical | 341 | 368 |
| Factory | 1,298 | 1,260 |
| Internal Audit | 2 | 3 |
| Grand Total | 2,156 | 2,178 |

Management Structure

| Staff Benefit | 2015 (Million Baht) | 2014 (Million Baht) |
|---------------------------|---------------------|---------------------|
| Employee benefit expenses | 688.10 | 668.10 |
| Providence Funds | 8.20 | 7.60 |

S & J recognizes the importance of human capital in the organization who drive sustainable growth and leap. So, knowledge, ability of personnel are essential that organization needs to develop a system of care and to install a positive attitude at work place from beginning of being employee through the activities and processes. Learning in different ways both in and outside the classroom, such as training, teaching, job assignment to work tasks, observation etc. During the past year, there were no changes in number of employees or labour dispute significantly.

Personnel Supervision and Development

Vision

Human capabilities (knowledge, skills and behaviors) in operation and ready to get along with business changes.

Mission

1. Participation in the success of the business.
2. Development of management and human resources to respond to the environment of changes in organization.
3. Promotion and build up happiness in the workplace.

Strategy with 3 key strategies as follows:

1. Development: Personnel Development Planning according to Competency Model.
2. System: Human Resource Management and Development System according to Business Plan.
3. Morale: Compensation and Benefits Improvement Planning.

S & J focuses on human development to drive the organization towards its goals and business success. By determining the types of development and training in 3 categories as follows:



Management Structure

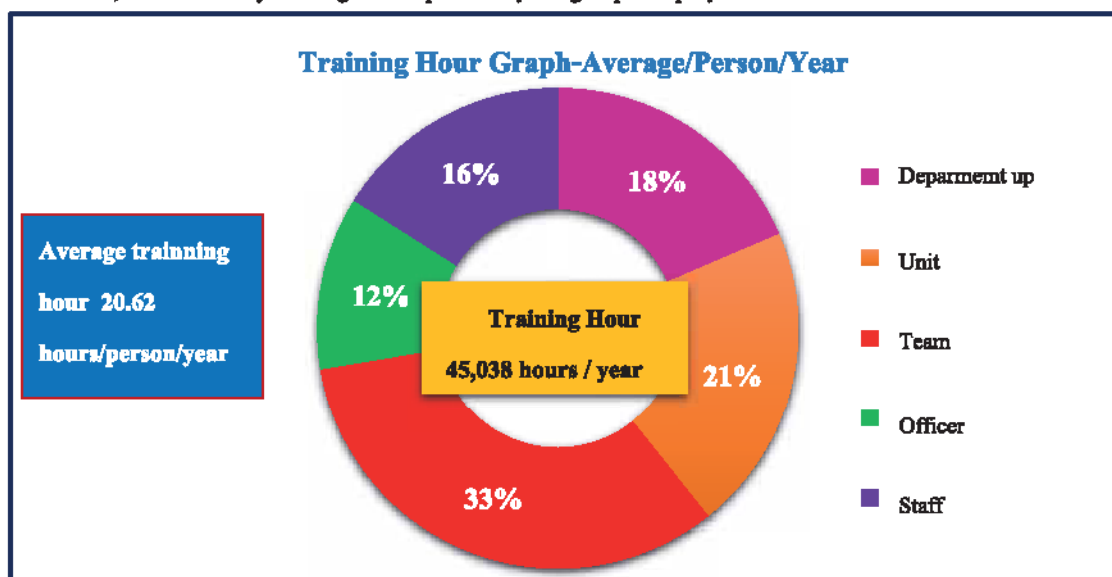
1. The Annual Training

S & J's focuses on building knowledge / skills through training and development necessary program in 5 categories as follows:

- | | |
|-----------------------------|---------------|
| 1. Fundamental - 4 courses, | equal to 8%. |
| 2. Management - 5 courses, | equal to 10%. |
| 3. Quality - 18 courses, | equal to 37%. |
| 4. Safety - 20 courses, | equal to 41%. |
| 5. Technical - 2 courses, | equal to 4%. |
| Total 49 courses , | equal to 100% |

Total cost of more than 4 million baht.

As such, to conclude by training hour separated by the group's employees as follows:



2. OJT Training

In addition to the development of the training in form of Class Room Training, the company also focuses on employee development as Non-Class Room in various forms, including OJT (On-the-Job Training) which is a training course that helps enhance knowledge and technical skills performance of department at the Bangkok office, Sriracha and Pinthong factory totaling over 1,500 courses accounting for 18,633 hours. In addition, the company has arranged projects study both local & overseas training programs including other projects to develop personnel capability appropriately.

3. External training

S & J has sent staff to external training courses in specific programs to promote professional knowledge in more than 70 courses per year to fulfill knowledge and skill as needed for operation to ensure for operation efficiency.

Notes: See the "2015 Annual Sustainability Report, Topics: Good People"

The Board of Directors has focused on the creation of good corporate governance. The system operates with good management, transparency, integrity and accountability. Balance of power and internal control systems are adequate and appropriate coupled with respect for the rights and equality of shareholders. Regard of the stakeholders as a whole to order to prosperity, economic value and wealth for shareholders. Administer according to the principles of good corporate governance of the Stock Exchange of Thailand and on the basis of economic self-sufficiency, validity with good immunity by virtue of their knowledge, prudence and caution used in planning and operations. At the same time, strengthen its directors, executives and employees with honesty, integrity, diligence, perseverance, intelligence sharing in operations and to support the changes of economic, political, cultural, social and environment for the benefit of a balanced and sustainable.

The Board of Directors has reviewed the corporate governance of the company annually. Developed the principles of good corporate governance in accordance with the rules consistently and make good corporate governance principles (Revision No. 1) to adhere to the guidelines "Principles of Good Corporate Governance for Listed Companies 2012" by the Stock Exchange of Thailand and conforming to ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) which has been approved by the Board of Directors No. 1/2014 on February 25, 2014 and effective from February 25, 2014 which consist of :

1. Policy on Corporate Governance
2. Corporate Governance in 5 categories.
 - 2.1 Rights of shareholders
 - 2.2 Treatment of shareholders equally
 - 2.3 In respect of stakeholders
 - 2.4 Disclosure and transparency
 - 2.5 Responsibilities of the Board of Directors
3. Code of Business Conduct
 - 3.1 Responsibilities to stakeholders
 - 3.2 Conflict of interests
 - 3.3 Receptions, receiving or giving gifts
 - 3.4 Anti-Corruption, corruption
 - 3.5 Non-infringement of intellectual property
 - 3.6 Does not violate human rights.
 - 3.7 Occupational Safety and Health

4. Conduct of directors, management and employees

4.1 Responsible

4.2 Maintaining the company's assets

4.3 Clues or complaints and protection measures

4.4 Diagnosis doubt

Leveraging standards and practices of good corporate governance of the company to conform to the changes occurring in the present and prepares to enter the tournament in the ASIAN region is also a guide for the conduct of directors, management and employees in doing duties for the company with a good conscience. The Board of Directors considered the practice of good corporate governance is important to encourage and support the adoption of a master mind at work and follow up regularly. The company distributed the company's principles to directors, executives and employees and discloses the company's website (www.snjinter.com).

1. Governance Policies

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

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, Executives and employees to company operations.
2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.
3. Actions shall be taken to ensure that the company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected, shareholders shall be treated equitably.
7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.

8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.

9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.

10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.

11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the company's interests.

Principles of Corporate Governance divided into 5 categories as follows:

Chapter 1 : Right of Shareholders

The Board of Directors duly recognized the importance of the shareholders and duly respected their ownership rights. Accordingly, the company ensured that its corporate governance policy also carried provisions to safeguard the shareholders' rights, while ensuring that any action taken by the company would not infringe upon their rights. Accordingly, the company provided for the facilitation of rights exercise by all shareholders, as follows:

1.1. Basic Rights

- Right to own, sell, buy or transfer shares.
- Right to be aware of adequate information of the company's business in a timely manner and consistently. The company published and disclosed corporate information on the website in both Thai and English through the Stock Exchange of Thailand's website (www.set.or.th) and the company's website (www.snjinter.com).
- Right to attend the Shareholders Meeting and vote for approval of the important resolutions
- Right to nominate the proxy to attend the Shareholders Meeting and vote on their behalf
- Right to nominate or dismiss directors and consider on remuneration for Board of Directors
- Right to appoint auditors and their remuneration
- Right to be equally allocated of the profit/dividend

1.2 The right to significant information access

Shareholders were entitled to access information on an equitable basis. In that regard, the company facilitated information distribution in both Thai and English languages, via the channels of The Stock Exchange of Thailand and company website, to provide shareholders with additional access channel. Such information included performance results, connected transactions, changes in the funding structure, changes in supervisory control, transactions of significant company assets, and other information essential for decision-making by shareholders.

1.3 The right to attend the shareholders' meeting

The Board of Directors has held a meeting of shareholders every year within 4 months as from the end of the Company's annual accounting year on 31 December each year. In order to allow shareholders to participate in monitoring the company's performance, the company set appropriate date, time, place, and method. In case of emergency which the company needs to propose special agenda regarding shareholders' benefit, regulations or related laws which need to be approved by shareholders, the company shall call for an extraordinary shareholders' meeting. For 2015, the Company does not call for extraordinary shareholders' meeting.

• Prior to the shareholders' meeting

In 2015, the Company conducted 36th General Shareholder's Meeting on Tuesday 28 April 2015.

(1) The company provided the shareholders with the opportunity to propose meeting agenda prior to the meeting date for 2015, during the period of December 1 - 31, 2014, by providing related conditions on company website on November 11, 2014 together with news channel of The Stock Exchange of Thailand. Nevertheless, there were no shareholders proposing any meeting agenda during the said specified period.

(2) Shareholders were notified of the board of directors' resolution determining the date of 36th shareholders' meeting 2 months prior to the meeting date, i.e. on February 24, 2015, through the Stock Exchange of Thailand's website and the company's website so as to enable the shareholders to set aside time for attending the meeting.

(3) The meeting notice together with all relevant documents in both Thai and English were published on the Company website on March 16, 2015, which was 30 days in advance of the meeting date.

(4) The same information was sent to the Thailand Securities Depository Company Limited, the Company's Share Registrar, for forwarding to shareholders in document format on April 3, 2015, i.e. 21 days in advance of the meeting date in order to give the shareholders sufficient time to study the meeting documents.

(5) The notice of the meeting were also advertised in daily newspapers for a period of 3 consecutive days, and 27 days prior to the meeting date, i.e. 1 - 3 April 2015.

(6) Prior to the meeting date, the Company had provided an opportunity for shareholders who may have queries regarding agenda to send them in advance during period 2-20 April 2015, via company's website. The procedure of sending questions was also mailed together with the notice of shareholder's meeting. In 2015, there were no questions received in advance.

(7) The documents sent out to the shareholders were, the meeting invitation letter providing details on the rationale for each meeting agenda, together with related opinions by The Board of Directors and the documents in support of the voting decision by the shareholders for each meeting agenda. Furthermore, the documents also included the annual report publication, profile of the persons nominated as directors replacing those due to retire upon term completion, definition of independent director, profile of independent directors proposed as proxies by the shareholders, company regulations regarding the shareholders' meeting, the documents and evidences required for the shareholders to present for meeting attendance, meeting regulations, procedures for shareholders to post advance questions prior to the shareholders meeting, meeting procedures, the map of the meeting venue, and the registration form. Other documents were the proxy appointment letter form B for voting in line with the shareholders' decision, or the proxy appointment letter either form A and C which shareholders could download from company website.

• On the day of the shareholders' meeting

(1) Date, time, and venue was taken place at shareholders' convenience and appropriated for the meeting. In 2015, annual general meeting of shareholders was held on Tuesday April 28, 2015 at 13.00 at Montien Riverside Hotel, started registration at 11.00 o'clock.

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

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

(4) The Board of Directors placed much emphasis on the shareholders' meeting, by considering as their obligations to always attend the meeting in person unless facing inevitable circumstances or becoming seriously ill.

For the shareholders' meeting for the year 2015, 14 directors (100%) attended said meeting, including Chairman of all committees. Furthermore, the meeting was also attended by the Managing Director, the Chief Financial Officer, Executive Directors, as well as the company auditor, so as to provide shareholders with the opportunity to ask questions related to the meeting agenda in progress. In addition, the company also invited representatives from the company's audit office of Dr. Virach & Associates Office Co.,Ltd., and Vira Law Office Co.,Ltd., to act as meeting observers during vote tallying for each meeting agenda, to ensure that the meeting was conducted in a transparent manner, complying with legal and company articles requirements.

(5) Prior to meeting commencement, the Company Secretary informed the meeting of the meeting quorum, the vote-casting and vote-counting methods for each meeting agenda according to laws and company regulations. Voting rights in the meeting were commensurate with the number of shares held, with one share equal to one vote.

In the case where some shareholders joined the meeting after the meeting commencement, the company still allowed said shareholders to cast votes for the remaining agenda not yet considered and voted upon by including them as the meeting quorum.

(6) During the meeting, The Chairman proceeded with the meeting agenda in such order earlier set forth in the meeting invitation letter without adding any further agenda or altering any significant information without prior notice to the shareholders, while allowing equal opportunity for all shareholders to present question, comment or suggestion for each meeting agenda.

In that regard, for the shareholders' meeting in 2015, there was 2 shareholders presenting question to the meeting, where by the Managing Director responded in a straightforward manner.

(7) The Company has adopted Barcode system used to sum up votes on each meeting agenda and displayed resolution of the screen in the meeting room and acknowledged by the shareholders simultaneously in order to provide fast and accurate results which being announced promptly after the end of each agenda. The Company has used ballot item on the agenda of appointment of directors and permit the shareholders to elect directors individually. For transparency, the company kept the said ballots at the Bangkok office for checking after finishing the meeting.

The important agenda of the shareholders' meeting is as follows:

1. The appointment of directors: The company provides opportunity to shareholders to appoint directors individually with profiles of the candidates in addition to information regarding their positions in other companies with obvious statement in case it is company of the similar business or competitor and the attendance of meeting of the Board of Directors with the screening of the Nominating Committee.

2. The remuneration of directors: The company provides the detail of the remuneration proposed in comply with the policy and conditions of remuneration for the directors that is screened by the Remuneration Committee. The company proposes the remuneration amount for the approval passed in the each shareholders' meeting every year and discloses the remuneration as per each individual director in the annual report and form 56-1.

3. The appointment of the Company's Auditor and auditing fee: The company provides detail of the name of auditor, auditor office, relations with the company, the number of years of performance of duty, reason for change of auditor, and information on comparison of auditing fee between last year and this year that passes the consideration of the Audit Committee.

4. Dividend payment : The company provides the details of the management of profit and the dividend payment to comply to the policy of dividend payment of the company and to provide the comparison of dividend payment between this year and last year in addition to the closing date of the company's share register book to collect the names of shareholders according to Section 225 of the Securities and Exchange Act in order to set the rights to receive the dividend.

• Subsequent to the shareholders' meeting

1. The company disclosed the resolutions adopted by the shareholders' meeting, together with the voting results for each meeting agenda, in both Thai and English, via the news channel of the SET, and the company website, on the following day.

2. The company compiled the meeting minutes subsequent to the shareholders' meeting, by incorporating all essential details and summarizing voting results for each meeting agenda, classified as consent, dissent, and abstention votes, together with the record on the discussion and conclusion regarding significant topics. Said minutes was submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within 14 days subsequent to the meeting, and disseminated on the company website, in both Thai and English, so as to enable the shareholders to review said minutes content without having to wait until the next shareholders' meeting. Also, sent the reports to the Ministry of Commerce within time set forth by law.

3. The company recorded the meeting on VDO, for further distribution to the shareholders upon request.

4. After the shareholders' meeting approved dividend payment, company shall inform the resolution including dividend payment's details via SET news and cooperate with the registrar of Thailand Securities Depositories Co., Ltd. to ensure all shareholders receiving payment correctly and completely. Including the notice in daily newspapers for a period of 3 consecutive days on 12-14 May 2015.

Chapter 2 : Equitable Treatment of Shareholders

The Company attaches importance and ensures that all shareholders are treated equally and fairly either they are major shareholders, minority shareholders, overseas shareholder or institute investors as following :

2.1 The Shareholders' Meeting

1. In case of foreign nationality shareholders, an English version of the meeting notice, supporting documents and meeting minutes were sent out along with the Thai version. These were also available on our web site www.sqjinter.com in both languages 30 days before the meeting date.
2. In the case where shareholders could not attend the meeting in person, the company provided opportunity to shareholders to assign any person or independent director of the company as their proxy to attend the meeting and exercise the rights on their behalf. The company provides information concerning all 3 members of Audit Committee by informing name, age and address attaching to the letter of invitations in addition to identifying the documents, evidences and instructions on procedure of the assignment of proxy to all shareholders in order that they can arrange appropriately and do not have any problem for the attendance of proxy.

In the 36th Annual General Meeting of Shareholder held on Tuesday 28 April 2015, 5 shareholders who possesses 16,543,822 shares assigned the proxy to member of the Audit Committee who was the independent director of the company and delegated their vote to him.

3. The allocation of votes in the meeting was based on the number of shares being held by each shareholder, with 1 vote representing 1 share.
4. The exercise of vote must be done openly and ballot box must be prepared for each and every agenda. The counting of vote is done on the no consent votes and/or abstaining only. These numbers will be deducted from the total votes presenting in the meeting, the remaining numbers will be regarded as consent votes. The company implemented the barcode system to count the votes and display on screens available in the meeting room immediately for the transparency and check.
5. The company proceeded with the meeting agenda according to earlier specified agenda, without adding any further agenda or altering any significant information without prior notice to the shareholders.
6. Preparing the duty stamps with no cost to facilitate the assignment of proxy whose proxy forms have no duty stamps put on.

2.2 Supervision over inside information

The company has laid down the policy safeguarding against inside information abuse, by stating in writing in the business ethics manual, and the code of conduct for company directors, the management and employees, not allowing company directors, the management, and employees, to exploit the information or assets belonging to the company, or accorded own position, in such manner seeking unjust gains for own self or for others. In relation to this, the company handed out relevant manuals to company directors, the management, and the employees, to serve as guidelines for their business operations and assignments, while also disseminating those information on company website.

Furthermore, the company also incorporated above information into company regulations, together with the penalty provision. During the past year, the directors, the management, and the employees strictly followed those company policies on a consistent basis.

2.3 Supervision over the transaction of company securities

The company clearly specified conditions regarding the transaction of company securities in its business ethics, by forbidding the directors, the management, and the employees working in those departments accessible to inside information, to engage in the transaction of company securities, during the period of 1 month before the disclosure of such information to the public. The company distributed said instructions in circular to all concerned parties each quarter.

In this regard, the company laid down the regulation requiring company directors and management members to duly report own first securities holding, together with any subsequent change in securities holding, to The Securities and Exchange Commission, in accordance with article 59 of The Securities and Exchange Act B.E. 2535. Furthermore, the company provided for the report on securities holding by the directors and their spouses, as a regular item in The Board of Directors' meeting.

In 2015, all the company directors and management members strictly followed accordingly, without engaging in such transactions during the said period.

2.4 Treatment of conflict of interests

The company treated the issue of conflict of interests with caution and reason, with the company's interests in mind, by laying down operations systems in a transparent manner, deemed as one major policy regarding good governance practice and business ethics for the company. The company supervised the implementation of connected transactions so as to comply with the announcement by The Capital Market Supervisory Board. Before implementing each connected transaction requiring prior approval from The Board of Directors, the item was first proposed to The Audit Committee for endorsement prior to submitting to The Board of Directors for further approval. The directors with possible conflict of interests were not allowed to take part in the meeting. Afterwards, the company informed said meeting resolution to the shareholders via the news channel of the SET together with the company website. The information included the disclosure of names and relationship of connected parties, pricing policy, transaction value, and other related details, as well as the opinions of The Board of Directors pertaining to such transactions.

Furthermore, the company held The Board of Directors' meeting subsequent to the shareholders' meeting each year.

In 2015, the company informed the connected transaction type of transaction regarding rental or lease of immovable property not exceeding 3 years for 1 transaction and type of transaction relating to assets or services for 1 transaction, refer to the item of Related Party Transactions. However, there is no connected transaction need to seek an approval from the Shareholders' Meeting. There are no connected transaction and acquisition or sale of assets transaction that contravene or fail to comply with the rules of the Stock Exchange of Thailand and the Securities and Exchange Commission.

2.5 Supervision over assets transaction

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

Chapter 3 : Consideration of The Roles of Stakeholders

Based on its recognition of the rights of stakeholders, The Board of Directors duly laid down relevant policies and guidelines in the company's business ethics manual, and distributed them to the directors, management members and the employees, to be followed as practice guidelines, to ensure that all stakeholders receive fair and equitable treatment.

3.1 Shareholders

The company duly respected the basic rights accorded the shareholders in accordance with the laws, regulations, and business ethics of the company. At the same time, the company had proper mechanism in place to ensure that the shareholders receive accurate and reliable information, having proper measures safeguarding against conflict of interests, and against the exploitation of inside information for personal gain. Furthermore, the company also aimed to generate justifiable return for the shareholders, by laying down appropriate dividend payment policy on a consistent basis.

In year 2015, the company paid the dividend from the result of business performance of year 2014 at rate of 0.85 Baht per share. The total dividend was equal to 63.08% of net profit of the separate financial statements by setting the date of payment on 26 May 2015. We have paid the dividend to shareholders for 35 years consecutively and this is accounted as real long-term wealth for all shareholders. Each and every shareholder is invited to attend the Annual General Meeting of Shareholders of Year 2014 and has right of vote for each and every important agenda item as well as receive the important information through various medias, e.g. pamphlet and e-information. Besides, the company also reports the business performance at every quarter and disclose the transactions done with related persons in the same condition as that done with external persons for their awareness via the news system of the Stock Exchange of Thailand and the company's website.

3.2 Company employees

In the company's recognition of company employees as its valuable human resources playing the critical role in leading the organization toward success, The Board of Directors therefore set the company's policy to devote its best efforts to develop and upgrade the employees' potentials on a consistent basis. At the same time, the company sought to provide job security and advancement opportunities to all employees based on their own potentials, as well as encouraging the employees to play a part in charting the company policies. At the same time, the company laid down its remuneration policy toward the employees by providing the employees with fair and reasonable remuneration commensurate with the capability, responsibility, and performance results for each employee (See details under the heading "Management Structure" on employees).

The company provided necessary welfare benefits to the employees to promote better livelihood and living quality, such as, the provident fund, employee retirement pension, nursing room, annual health check-up, special welfare product items, work uniform, and residence loan program, etc. The company also has set up a welfare committee to allow employees to participate in the administration of welfare included give a chance for employees to participate as The Friends for Friends, The Dhamma for a Happy Life , The Kathin for Community , New Year's Events, etc.

Remark : For additional details in the Sustainability Development Report 2015, refer to the item of “Good People”.

3.3 Customers

The Board of Directors 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. Complaints are processed with care and dealt with fairly.

Policies and practices of the company were conducted as follows.

The company is concentrated in creating new innovation, emphasizes a good service by creating the satisfaction of customers on products and service with the offer of products of good quality at the appropriate price in order that they earn the optimum benefit of both quality and price. The company always keeps trade secret of customers as well as pays attention to and handles their complaints fairly through the Company's Customer Relationship Service. Customers can inquire, comment, or complain through many channels, e.g. direct line : 0-2676-2727, fax : 0-2676-2726 or e-mail address : sjoffice@snjinter.com.

3.4 Competitors

The Board of Directors 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.

Referring to policy and method of the said practice, S & J had done as follows:

The business transactions with any partner must be competitive under the fair criteria. The company regards competitors is a part of enhancement of its potential to be more stable and strong. During past year, the company had no dispute with competitors.

3.5 Trading Partners

The Board of Directors treats trading partnersequitably and takes into account mutual interests by prescribing the following policies and guidelines.

1. The company has a system for screening trading partnersin 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.

Policies and practices of the company were conducted as follows.

The company adheres to the conditions of trade, provides the accurate information with good relationship and mutual understanding, including exchanges knowledge, cooperates in the development of products and service to have value added, does not request or receive or agree to receive any gift or benefit which is out of scope of the trading agreement. In past year, there was no dispute case with trading partners.

3.6 Creditors

The company has set a policy to treat all groups of creditors equally and fairly by strictly following contracts or conditions as earlier agreed-upon with the creditors. The company's financial position was disclosed accurately and on time. In case of noncompliance with any conditions, the company shall inform the creditors in advance to jointly solve the problem and prevent from damage.

The company allowed the trade account payables to submit their invoices to the company during the 1-6 of each month, with transferring payments every 25 of each month .

In past year, the company has settled the payment to creditors on time according to credit terms stipulated in the contract. The company strictly runs the business under the criteria of trading competition honestly and fairly in accordance with the laws. The company has also never dispute in regard to trading competitors from the beginning until now.

3.7 The community and society

Based on its due recognition of the responsibilities toward the community and society, the company laid down the policy seeking to promote conscience and responsibilities among company employees at all levels on a consistent basis, as well as promoting those activities contributing to the interests of the community and society as a whole. In relation to this, the company set-up a committee to supervise its Corporate Social Responsibility (CSR) activities on a consistent basis.

Remark : For details in the Sustainability Development Report 2015, refer to the item of "Environmental Cooperation Driven".

3.8 The Environment

The company has recognized responsibilities toward the environments, and assigned it to be one of the policies in the company's missions. The Board of Directors laid down clear policy pertaining to corporate governance practice and business ethics, by ensuring that the company carried out its business operations with due concern toward natural resources and the environments. The company conducts the business with due consideration to effect incurred to natural resources and environment by implementing the standard system of treatment on environment (ISO:14001) consistently. The company sets up the committee for safety, occupational health and environment to run the works on safety and occupational health, develops consciousness on responsibilities to community and society among people in the organization continuously, and supports the activities which are good for entire community and society.

Remark : For details in the Sustainability Development Report 2015, refer to the item of "Responsibilities on Community and Environment".

3.9 Government

The Board of Directors 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.

From the said policies and practices, the company has done the followings.

The company has concise tax management by payment tax accurately and timely comply with the law including tax refund to increase the company's liquidity and tax planning. In recent year, the company provides lawful tax information and no any significant dispute regarding taxation.

3.10 Non-infringement of Intellectual Property

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.

Referring to policy and method of the said practice, S & J had done as follows:

With our policy to operate business based on ethical conducts and integrity principle, encourages staff to create innovations in terms of both products and services as well as joining hands with customers, trading partners to invent and develop high quality products and services to meet the demand of market and customers. In past year, the Company had no dispute with non-infringement of Intellectual Property.

3.11 Non-infringement of Human Rights

The Board of Directors respects 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.

Referring to policy and method of the said practice, S & J had done as follows:

The company conducts 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, religion, sex, social practices as the main base area of human rights. Foster the idea of human rights to the employees since joining the company. Through an orientation about the ethics of the company, as well as to avoid partnering with organizations that can lead to violations of human rights. In past year, the Company had no dispute with non-infringement of Human Rights.

3.12 Policy and guidelines fighting against fraud and bribery seeking business benefits

The Board of Directors laid down the policy against authority abuse and bribery, to safeguard the company's interests, by including them in the business ethics, together with promoting awareness, values, and attitudes to employees in performance according to laws and regulations with integrity. Moreover, the business ethics also prohibited the company's directors, the management and employees from seeking, accepting, or agreeing to receive any assets or benefits that are dishonest from the customers, or outside persons in connection with the work of the company. Also, it prohibited them from giving or offering to give any assets or benefits so the person may act or omit the action that is against the law or against the position. The company has the stipulation of penalties for those committing offence.

The company had a process for verification, tracking, and risk assessment on corruption, and planned to prevent such risks by assigning the Internal Audit Office to audit and present to the meeting of The Audit Committee in order to review internal control system and monitor the results from internal audit. In the case of corruption found, the Internal Audit Office will report directly to The Audit Committee who will then report The Board of Directors.

According to the company has declaration of intent to join Collective Action Coalition of Thailand's Private Sector in Anti-Corruption, in 2015, the company has transferred policies for anti-corruption and bribery to directors ,executives, and supervisors in topic " The SJI's Unite to Anti-Corruption", as well as provided training sessions for employees in orientation. Furthermore, the company has set up the working group for Anti-Corruption to review, revise and amend the working practices, proceduces and announcements of the company for transparency in the company's operations and building confidence with stakeholders.

In 2015, the company found no issues of significant defects on corruption and operations not in accordance with law or relevant regulations or violate to the code of conduct.

3.13 Declaration and complaint

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

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.

3.14 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.

Participation channels for stakeholders : In case that shareholders and stakeholders has any concern in regard to accuracy of financial statements, deficiency of internal control or violation of laws and code of ethics, shareholders and stakeholders can contact via Stock Exchange Department through phone number 0-2676-2727 ext 2581-2582, Fax No. 0-2676-2747 and e-mail address : sji_sec@snjinter.com via the internal audit section which reports direct to the Audit Committee at phone number 0-2676-2727 ext 2784 and Fax No. 0-2676-2726 the result of investigation will be passed to the Board of Directors. The information on person who raises such inquiries and complaints shall be treated as confidential. In year 2015, the company did not receive any complaint from shareholders or stakeholders.

Chapter 4 : Disclosure and Transparency

4.1 The Board of Directors oversees that there is proper, transparent and timely disclosure of significant information in accordance with the relevant laws and regulations. These disclosures include reports filed in accordance with accounting periods and reports of events having an impact on shareholders' interests, as well as the disclosure of other information pursuant to good corporate governance principles prescribed by the Stock Exchange of Thailand. Disclosure is made to the extent that the company's legitimate interests are not prejudiced. Information is published in both Thai and English on the company's website, disclosure channels of the Stock Exchange of Thailand and other channels which are comprehensively and equitably accessible.

4.2 The Board of Directors has established units or responsible persons to perform investor relations functions to communicate with external persons equitably and fairly.

The corporate governance policies and corporate governance in the disclosure and transparency, the company gives the importance of having corporate governance system, compliance with laws, company regulations, rules of the Securities and Exchange Commission and Stock Exchange of Thailand. The company has disclosed material information that has or may have an impact on the change in the price of securities of the company or investing or the rights and interests of shareholders to the shareholders and investors as correctly informed, on time, transparent, equal and of the same quality.

(1) Information that reported by fiscal year including annual financial statements information form (Form 56-1) and annual reports (Form 56-2).

(2) Information that reported by the event, including the acquisition / disposition of assets. Transaction relating to the joint venture, paid / not paid a dividend, financial assistance, etc.

By sending such information through the information system of the Stock Exchange of Thailand and published on the company's website (www.snjinter.com) both in Thai and English version. Data is updated as regularly. Over the past year, the company has no criminal record against to rules of the Securities and Exchange Commission and Stock Exchange of Thailand.

Information that is disclosed in annual information form (Form 56-1) and annual reports (Form 56-2) have been prepared and disclosed in accordance with the Securities and Exchange Commission, Stock Exchange of Thailand and the principles of good corporate governance for the year 2015 to promote transparency of doing business as follows:

1. Shareholder structure. Reveal the top 10 shareholders of the company at closing date, the registration of the Annual General Meeting of Shareholders for the current year and published on the website (www.snjinter.com).

2. Dividend payment policy (Details in section 7.4 policy to pay dividends).

3. Compliance with corporate governance principles. The disclosure policy, corporate governance policy, ethics, code of conduct and published on the company's website (www.snjinter.com).

In 2015, the company's report on corporate governance policies which is consistent with the principles of good corporate governance in 2012 of Stock Exchange of Thailand and published in the Annual Information Form (Form 56-1), annual reports (Form 56-2) and website of the company (www.snjinter.com).

4. Social and Environmental. The disclosure of social and environmental policies and policy compliance by reporting social responsibility and disclosed in Form 56-1 and Form 56-2 in the "Sustainability Development Report 2015 : Good People".

5. The internal control and internal audit. The disclosure of the report of the Audit Committee, the internal control system of accounting from auditor and disclosed the information on the assessment of the Board of Directors on the company's internal control systems in various 5 parts.

5.1 Internal Control

5.2 Risk Assessment

5.3 Operational Control

5.4 Information Systems and Data Communications

5.5 Monitoring System

6. The Annual Report of the Board on financial reporting. The Board recognizes the responsibility for the reliability and accuracy of financial information for shareholders or investors making decisions. Responsibility report of the Board of Directors to Financial Report was prepared and signed by the Chairman of the Board and Managing Director in the Annual Information Form (Form 56-1) and Annual Reports (Form 56-2).

7. Relating transaction or connecting transaction. The company has complied with the rules of the Securities and Exchange Commission and the Stock Exchange of Thailand with clear guidelines in order to eliminate the conflict of interest carefully with realistic and for the benefit of the company and shareholders. Details of connected relationship, nature of transaction terms / pricing policies and the value of the transaction to Stock Exchange of Thailand and published on the company's website (www.snjinter.com) and are summarized in the Annual Information Form (Form 56-1), Annual Reports (Form 56-2) under relating transaction.

8. The key relating transaction must also be considered and approved by the Board of Directors of the company. The policy of operating relating transactions must conform to the regulations of the capital market and Stock Exchange of Thailand. If any transactions are transactions that must be reported to the Stock Exchange of Thailand whether this amount is within the powers of the executive committee, that transaction must be presented to the Board for consideration and approval and to provide audit opinion if the opinion is different resulting of each directors gets to know the details before proceeding to the Stock Exchange of Thailand.

9. Reporting of Buying-Selling / holding property of the company. The company has set forth in the buying-selling securities of the company in ethics. Prohibits directors, executives and employees in the business unit to insider information buy-sell securities of the company during 1 month prior to the public disclosure of financial statements. In addition, company directors, executives including spouses and children who are immature have to report the change of company's stock holding to the Securities and Exchange Commission and shall report to the Board in the next meeting and disclosure of the company's stock holding of Directors and Executive by showing the number of shares held at the beginning and year-end and trading during the year in the Annual Information Form (Form 56-1) and Annual Reports (Form 56-2) under heading changes in the management structure of company's shareholding of Directors and Executive.

10. Reporting for conflict of interest of the Company Directors. The company determines the rules that the Directors and Executives must report of stakeholding of Directors, Executives and relating personnel when a Director or Executive has the position at first and report on changes of stakeholding by submitting this report to the company secretary. And the company secretary will send a copy of the report to the Chairman of the Board and Chairman of the Audit Committee within 7 days from the date of receipt of the report.

11. Auditor is independent, reliable and has been approved by the Securities and Exchange Commission. In 2014, and the shareholders meeting approved the appointment of:

- Mr. Chaiyakorn Aunpitipongsa, the CPA No. 3196 and / or.
- Dr. Virach Apimateethumrong, the CPA No. 1378 and / or.
- Mr. Apiruk Atianuwat, the CPA License No. 5202. and / or.
- Dr. Preecha Suan, the CPA License No. 6718.

Dr. Virach & Associates Office Co., Ltd. as auditors of the company for the year 2015 by determining audit fee totaling THB 2,085,000.00. For the other services are the observed destruction products in the amount of THB 85,000.00 and in reviewing the work of other auditors in the amount of THB 90,000.00.

In 2015 the Financial Statements of the company is certified by the auditors and submitted to the Securities and Exchange Commission and the Stock Exchange of Thailand on time both quarterly and annual financial statements and not to amend by the Securities and Exchange Commission.

12. Communication of the company. The company committed to the important of disclosing transparency information in order to the shareholders / investors can access the company's information conveniently evenly and equally by providing a way to access information through multiple channels, such as disclosure of Stock Exchange of Thailand of Form 56-1 and Form 56-2 Quarterly Performance Report of the company's website (www.snjinter.com), to meet analysts / investors and documents reflect the financial position of the company and activities to visit the company's operations at Sahapat industrial park in Sri Racha (Company Visit).

13. The dissemination of information through the company's website (www.snjinter.com). The company has a website as a channel of communication and information dissemination about the company's event relating the company, shareholders / investors in both Thai and English version in these matters.

- 13.1 Vision Mission Policies
- 13.2 Nature of the business
- 13.3 Shareholding structure
- 13.4 Organization structure
- 13.5 Business group structure
- 13.6 The Board of Directors, Executives, the Company Secretary and Internal Audit Manager Information
- 13.7 Document and information
- 13.8 Quarterly and annual financial statements
- 13.9 Information for investor
- 13.10 Annual Report can be downloaded
- 13.11 Notice of the meeting can be downloaded here
- 13.12 The corporate governance policies, principle of corporate governance 5 sections, ethics in business, code of ethics for directors, management and employees

14. Relationship with investors. The company has assigned Mr.Varith Tritrapun be responsible for investor relations in providing information and news to investors and related persons as required contacting Tel. (662) 676-2727 Ext. 2508 Fax. (662) 676-2747 E-Mail address : sji_sec@snjinter.com.

Corporate Governance

In 2015, the company and the Saha Group together with the SET hold "investors, analysts meet Saha Group" 7th at 19th Saha Group Fair at Queen Sirikit National Convention Center to enclose investors, analysts and the media met with the Board and management closely. Managing Director provided the information about the business, operations, industry, economic outlook and key developments including answers and question. The company prepared book summarizes the history and key operational results distributed to investors, analysts and media at the event as well as all of them have visited product and innovative of companies in the group that was on display at the 19th Saha Group Fair. An opportunity to purchase product at special price which has been received very well with attendance increasing every year. This caused investors, analysts and the media learned an overview of the business of the Saha Group, and more published through the Stock Exchange and the company's website (www.snjinter.com).



Chapter 5 : Responsibilities of the Board

5.1. 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.

5.2. 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.

5.3. The Board of Directors has appointed Company Committees to screen key matters prior to submission to the Board of Directors.

5.4. 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.

5.5. The Board of Directors has a policy which require Company Directors and Executive Officers holding directorial positions in other companies to make a disclosure to the Company Chairman and Chairman of the Audit Committee.

5.6. 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.

5.7. The Board of Directors has prescribed policies for governance, business ethics and codes of conduct for Company Directors, Executive Officers and employees to ensure a harmonized approach.

5.8. The Board of Directors has prescribed a company vision and mission so that the Company Directors, Executive Officers and employees would strive towards the same goal.

5.9. The Board of Directors has a policy of continually promoting and sponsoring the development of knowledge amongst Company Directors, Executive Officers and employees.

5.10. 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.

5.11. The Board of Directors prescribes a duty for Company Directors to attend all Board Meetings unless there is a necessary cause.

5.12. The Board of Directors has a policy of encouraging senior Executive Officers to attend Board Meetings.

5.13. 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.

5.14. 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 Executive Officer 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.

5.15. 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.

5.16. The Board of Directors prohibits Company Directors and Executive Officers from trading in Company shares in the 1-month period prior to the public disclosure of financial statements.

5.17. The Board of Directors has directed Company Directors and Executive Officers 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.

5.18. The Board of Directors has directed Company Directors and Executive Officers to disclose personal interests and interests of connected persons in accordance with the prescribed rules.

5.19. The Board of Directors has established an internal audit unit as an internal agency accountable to the Audit Committee.

5.20. The Board of Directors requires an annual assessment of the Board of Directors' performance.

5.21. 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.

5.22. The Board of Directors oversee 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.

5.23. The Board of Directors has prescribed a succession plan for employees in various positions in view of their advancement to higher positions.

5.24. The Board of Directors provides an orientation for first term Company Directors.

5.25. The Board of Directors has established an internal control system and risk management system.

5.26. The Board of Directors has provided for the monitoring and assessment of corporate governance by establishing a corporate governance committee.

From the corporate governance policies and corporate governance under section of the Board of Directors' responsibility, the Board has an important role in corporate governance. Duties with responsibility, honesty caution. Provide good governance with corporate governance policy, ethical business conduct and ethics for directors, executives and employees in writing. There are reviewed annually and has developed good corporate governance in accordance with new rules constantly. And make good corporate governance principles (Revision 1) to comply with the "Principles of Good Corporate Governance for Listed Companies 2012" by the Stock Exchange of Thailand. By an increase in the corporate governance 5 sections which were approved by the Board of Directors' Meeting No. 1/2014 on February 25, 2014 to replace the original. And distributed to directors, executives, employees as well as through the company's website (www.snginter.com) by designated the Board of Directors, management and employees adhere to in order for the company directors, executives and employees has the same aims. Overseeing the work of the company according to the law and regulations for the benefit of the company and shareholders by disclosed of practice in stakeholders on ethical business practices and to encourage everyone to get involved and stakeholders understand and be able to act in a concrete practices. So, we do "Policy Governance Ethics in business and ethics of directors, management and employees" in the video cartoon animation which will be completed in early 2015.

Last year, the company has no criminal record against rules of the Securities and Exchange Commission and Stock Exchange of Thailand.

5.1 Board of Committees

The Board of Directors has appointed various committees with appropriate expertise to responsible for each side to ensure that the company's shareholders operated and scrutinized carefully. The committees consist of Board of Directors, Audit Committee, Nominating Committee and Remuneration Committee, Risk Management Committee, Corporate Social Committee and Corporate Governance Committee.

The Board of Directors defines the authority and responsibilities of each committee clearly to operate in accordance with the policies and objectives of the company. Each committee will have one chairman to take care of the operations in accordance with the policies of the Board of Directors.

Important Definitions

| Keyword | Meaning |
|------------------------|---|
| Managing director | Chief Executive Officer (CEO) / Managing Director. |
| Executive Committee | Executive who was appointed as a director of the company. |
| Non-Executive Director | The Non-Executive Directors. |
| Independent Director | Directors who qualify under the law and has the freedom to express their opinions in order to improve administration to be advanced, transparent, having good governance. |
| Sub-Committees | The subgroup of committees set up by The Board of Directors to study and review job in any side. |
| The Audit Committee | The committee that set up by The Board of Directors to act as regulators to ensure in house operations efficiency, effectiveness. There is system to propose financial reports as complete, accurate, reliable. The information was disclosed in full and in accordance with international norms. The system of internal control and audit standards are strong enough. |
| Remuneration Committee | The committee that set up by The Board of Directors in order to consider the remuneration of directors and senior management. |
| Nominating Committee | The committee that set up by The Board of Directors in order to consider candidates with the right qualifications to serve as a director |
| Company Secretary | The person who is appointed by the Board of Directors to prepare and file the notice of the meeting and the minutes of the board of directors and shareholders, as well as other important documents as authorized or required by law. |

5.1.1 The Board of Directors

Pursuant to the Articles of Association of the company, it is stipulated that the Board of Directors shall consist of at least 5 directors provided that not less than half of the total numbers must have residents in Thailand.

The Board of Directors consists of 15 directors as follows:

- Executive Directors 5 persons
 - Non Executive Directors 4 persons
 - Independent Directors 6 persons
- (Four of them are also members of Audit Committee)

There are 10 Non Executive Directors of whom six are Independent Directors or equal to 40.00 % of the total number of the Board. And among 6 Independent Directors, 4 of them are members of the Audit Committee. The Chairman shall not be the same person who is taking an office of Managing Director.

All directors have a determination to perform their duty as trusted by the Board of Directors and shareholders. They are all independent in expressing their idea, considering and approving any issue by regarding the optimum benefit to the company.

Authority of the Board of Directors.

1. To appoint, remove and authorize consultants to the Board of Directors, and/or to other individuals.
2. To approve loans, of the amount greater than the authority of the Executive Board, to companies with a business relation to the company as shareholders or to companies with a trading relation or other companies.
3. To approve guarantee of loan, of the amount greater than the authority of the Executive Board, to companies with a business relation with the company as shareholders or to companies with a trading relation or other companies.
4. To approve engagement in a legal act, this is not a financial transaction, of the amount greater than the authority of the Executive Board.
5. To approve acceptance or cancellation of loans of the amount greater than the authority of the Executive Board.
6. To approve investment, sale of investment capital in ordinary shares and/or any other securities of the amount greater than the authority of the Executive Board.
7. To approve sourcing and investment in fixed assets of the amount greater than the authority of the Executive Board.
8. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated and out of date, which are of the amount greater than the authority of the Executive Board.
9. To approve modification, change of price and destruction of raw materials and/or remaining inventories which are deteriorated or out of date, which are of the amount greater than the authority of the Executive Board.
10. To approve compromise or settlement of dispute by arbitration, complaint, filling of lawsuits and /or any legal proceeding on behalf of the company on matter which are not/or normal business course with an amount exceeding the authority of the Executive Board.
11. To propose to shareholders an increase or a decrease of capital, a change of share value: modification of memorandum, articles of association and /or objectives of the company.
12. To approve incorporation, merger or dissolution of subsidiaries.
13. To authorize to management, managerial employees of the company, or any other individual to act on their behalf.
14. To invite member of the management, executives, or relevant employees to provide explanations, opinions or documents as necessary.
15. To consult with specialist or company consultants (if any) or hire third-party consultant or outside specialist if necessary at the expense of the company.
16. To appoint and remove a company secretary.

Duty and responsibility scope of The Board of Directors

1. To establish directions, goals and business policies of the company.
2. To approve plans and annual budgets; including to supervise the performance of the management in order to ensure effectiveness and compliance with the laws and established policies and plans.
3. To encourage the development of the policy of corporate governance, ethics and business code of ethics in written in order for company directors, executives and employees to use as guideline in the conduct of the business and follow up its real practice.
4. To arrange for a sufficient internal control system in order to ensure that transactions are approved by authorized individuals, examined and prepared accurate accounting reports; and, to implement various systems preventing inappropriate use of company assets.
5. Transactions with possible conflict of interests must be carefully reviewed, with a definite guideline to ensure the interests of the company and the shareholders. Individuals with interests may not be involved in the decision-making process. They must observe the requirements on the proper procedure and disclosure of transactions with possible conflict of interests.
6. To approve the reviewed and/or audited financial reports, which have been approved by the Audit Committee.
7. To be equally responsible to all shareholders, and, to correctly, basely and transparently disclose information to shareholders and investors.
8. To acknowledge business management reports from the Executive Board.
9. To convene shareholders meeting by specified date, time, place and agenda as well as dividends (if any) and to provide shareholders with opinions of the Board of Directors on the matters proposed to the shareholders. During the twenty-one days prior to each shareholder meeting, the company may stop share transfer registration by informing the shareholders at the headquarters and the branch offices at least fourteen days prior to the day of share transfer registration suspension. Alternatively, a record date (RD) may be determined no longer than two months prior to the day of any shareholders meeting, and the share registration book closure date must be one day after the record date. This is to compile a list of names under Section 225 of the Securities and Exchange Act, in order to determine the right to attend shareholders meeting and to receive dividends.
10. To prepare the Report on the company Board of Directors' Responsibilities for Financial Statements and disclose it in the annual report of the company (56-2 Form) and the annual disclosure report (56-1 Form).
11. To follow up on documents to be submitted to relevant regulatory agencies, in order to ensure that the statements or the items are correct as per the data appearing in the account books, the registration or any other document of the company.
12. To approve the charter of the Board of Directors and/or other committees.
13. To engage in any other action, which is beyond the authority of the Executive Board, or which the Board of Directors deems appropriate.

Term of Directors

Directors have their periodical term as stipulated in the Articles of Association of the company and a director may be re-appointed upon the expiry of his term. There is the Nomination Committee to recruit and screen the qualified persons in order to ensure that the persons who may be appointed as directors have appropriate knowledge, skills and experience prior to proposing to the Board of Directors for consideration.

The company views that all directors of the company who were elected by the shareholders as directors are qualified as capable, morality and ethics as well as perform well all along and if the meeting of the shareholders is still giving their trust in electing of such scholars as members of Board of Directors. The company must respect the rights of shareholders, as such the company does not determine the number of consecutive term of office of the Director.

The company has not determined the proportion of the Board per investment, number of companies that each director holds and terms to be served consecutively as long as possible. It is believed that the business and expertise of each director does not depend on age or the number of positions.

In 2015, the company had an independent director served for over 9 years and still are qualified under the requirements of independent directors. They are capable and experience in the company and can also function as an independent director as well.

In addition, The Board of Directors has significant roles in leading the entity to a success. The roles and responsibilities of the Board of Directors are consequently as follows:

- **Leadership and Visions**

The Board of Directors consists of the persons possessing knowledge, skills, and experience in various aspects and fields. They understand their roles and responsibilities that enable them to perform their duties effectively in addition to set policy, objectives and business strategies as well as oversee and supervise the management member by implementing the good corporate governance as tool to manage the value added and ensure the business performance of the company shall meet the set objectives and targets for the optimum benefits of the company and shareholders. They are independent in expressing their opinions and decision. There is a segregation of roles and responsibilities of the Board of Directors, management and staff members. Besides, it is provided that there is the Audit Committee to directly oversee the performance of internal audit section and ensure to have sufficient internal audit system as well as sufficient risk management.

The Board of Directors sets Key Performance Indicators (KPI) on finance and plans in the beginning of year and follows up on monthly and quarterly basis in order to be aware of performance status. If the result of business performance is lower than set target, there shall be an analysis to find out the cause and consider the remedial solutions.

Board of Directors has monitored the performance of the management. The imposition of a report on implementation of the resolution of the Board of Directors. The financial results of the company and the holding of directors and management to the Board of Directors on a quarterly basis. At the end of the year, the Board of Directors will consider the performance of the management by comparing performance on the plans set by the agreement, the evaluation of the year. In addition, the directors and executive officers are required to report to the company to its stakeholders or of the individuals who are involved. The stakeholders involved in the management of the company, in accordance with the conditions and procedures prescribed by the Capital Market Supervisory Board.

- **Eliminating conflicts of interest**

The Board has a clear guideline for care. To eliminate conflicts of interest with prudence Lange. And for the benefit of the Company and its shareholders. The item may have a conflict of interest. The company has informed the meeting and openly about these transactions, which are now adequate for transparency. Accordance with the Capital Market Commission. The President is the equity out of the meeting and vote on the agenda for the release of the company's decision not to provide financial assistance. Except in the case of loans or loan guarantees in proportion to their shareholding. And has prepared a report in the Annual Report (56-2) and annual information form (56-1).

5.1.2 Executive Board : EB

The Board of Directors sets up the Executive Board to support its administration as assigned by the Board. The Executive Board comprises 12 members with 1 year term and shall be nominated by the resolution of the meeting of the Board held after the Annual General Meeting of Shareholders.

The list of the Executive Board is as follows:

| Name | | Position | Term of holding a position |
|-----------------------------|------------------|-----------------------------|----------------------------|
| 1.Mr.Thirasak | Vikitset | Chairman of Executive Board | May, 2015 –May, 2016 |
| 2. Dr.Atthakorn | Glinkwamdee | Director of Executive Board | May, 2015 –May, 2016 |
| 3. Mrs.Kaewta | Ongsaranakorn | Director of Executive Board | May, 2015 –May, 2016 |
| 4. Prof. Dr.Malyn | Ungsurungsie | Director of Executive Board | May, 2015 –May, 2016 |
| 5. Mrs.Chitraporn | Vikitset | Director of Executive Board | May, 2015 –May, 2016 |
| 6.Mr.Simon Rhoderick Knight | | Director of Executive Board | May, 2015 –May, 2016 |
| 7. Miss.Sumeth | Surachartchairit | Director of Executive Board | May, 2015 –May, 2016 |
| 8. Mrs.Thongsuk | Upathambhakul | Director of Executive Board | May, 2015 –May, 2016 |
| 9. Mrs.Patchara | Pongwichan | Director of Executive Board | May, 2015 –May, 2016 |
| 10. Mrs.Suthanya | Sumana | Director of Executive Board | May, 2015 –May, 2016 |
| 11. Mrs.Darancee | Ajjanecyakul | Director of Executive Board | May, 2015 –May, 2016 |
| 12. Mrs.Tanyanan | Tantikovit | Director of Executive Board | May, 2015 –May, 2016 |

Secretary to the Board of Executive Board : Mrs.Patchara Pongwichan

Authority of the Executive Board.

1. To appoint, remove, transfer, evaluate and determine compensation and welfare of employees of different levels.
2. To appoint and remove any other working committee to carry out actions necessary for the management of the company.
3. To issue regulations and announcement on performance of duties: to assign authority to members of the Executive Board and/or employees serving managerial posts: and, to execute authorization on company assets.
4. To approve loans to related companies as shareholders or the company as trading parties or other companies, provided that the amount does not exceed the limited amount 20 million baht per company.
5. To approve guarantee of loan to related companies as shareholders or the company as trading parties or other companies, provided that the amount does not exceed the limited amount 20 million baht per company.
6. To approve engagement in non-financial juristic actions provided that the amount does not exceed the limited amount 20 million baht per case.

7. To approve acceptance or cancellation of loans provided that the amount does not exceed the limited amount 20 million baht per case.

8. To approve investment, sale of investment capital in ordinary shares and/or any other securities, provided that the amount does not exceed the limited amount 20 million baht per case.

9. To approve sourcing and investment in fixed assets, provided that the amount does not exceed the limited amount 20 million baht per case.

10. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost destroyed, deterioration and out of date, provided that the book value does not exceed the limited amount 20 million baht per case.

11. To approve modification, change of price and destruction of raw materials and/or remaining inventory which are deteriorated or out of date, provided that the book value does not exceed the limited amount 20 million baht per case.

12. To approve compromise or settlement of disputes by arbitration, complaint, filling of lawsuits and/or any legal proceeding on behalf of the company on matters which are not normal business course of the value not exceeding the specified amount. In such case of a normal business course, the amount must not exceed the limited amount 20 million baht.

13. To authorize executive of the company or other individuals to act on their behalf.

14. To invite members of the management or relevant employee to provide explanations, opinions or documents as necessary.

15. To consult with specialists or company consultant (if any) or hire third-party consultant or outside specialists if necessary at the expense of the company.

16. To stipulate any other regulations as deemed appropriate.

Duty and responsibility scope of The Board of Directors

1. Present the company's objectives, policy, plan, and annual budget to The Board of Directors.
2. Managing company's operations in order to comply with the direction, target, and business policy of the company.
3. Promote the competitiveness of the company, while encouraging consistent innovation development activities.
4. Supervise company operations to comply with the laws, objectives, company regulations, resolutions by the shareholders' meeting, resolutions by The Board of Directors, as well as other standard practices concerned.
5. The Executive Board members may allocate work responsibilities among themselves, whereby they are required to report the progress of own responsible work to The Executive Board.

6. Supervise the compilation of financial statements, for review and/or verification by the certified public accountant, prior to submitting to The Audit Committee, and The Board of Directors, for endorsement respectively.
7. Review the matters to be submitted to The Board of Directors for further acknowledgment or approval.
8. Review and revise the charter for The Executive Board, to be submitted to The Board of Directors for further approval.
9. Engage in other acts as assigned by The Board of Directors.

Key Authority and Responsibilities of The Management

1. To ensure that the company operation is in compliance with policies, laws, objectives, company regulations, shareholders meeting resolutions, Board of Directors resolutions and Executive Board resolutions in a responsible, cautious and honest manner.
2. To carry out company's activities to be in line with the good corporate governance principle established by the Board of Directors.
3. To engage in other duties as assigned by the Managing Director, the Executive Board and the Board of Directors.

Controller

The company does not have any controller who has the influence over the company's management policy, or its operations, in such manner deemed as significant.

Authority, duty and responsibility scope of the Managing Director

1. Manage company operations so as to well comply with the laws, objectives, company regulations, resolutions by the shareholders' meeting, resolutions by The Board of Directors, resolutions by The Executive Board, and other standard practices concerned.
2. Instruct or engage in necessary and appropriate acts, so as to achieve those purposes laid down in above item 1. Should the matter be deemed significant, the Managing Director is required to report said matter to The Board of Directors and/or The Executive Board.

3. Review and approve the recruitment, appointment, transfer, and dismissal of employees, granting approval to the promotion or disciplinary action against employees, as well as deciding on the remuneration and welfare benefits for employees. However, such action must not contradict with the authority and the decision by The Executive Board.
4. Set company regulations regarding work practice, which must not contradict with the policies, regulations, provisions, instructions, or resolutions, set forth by the shareholders' meeting, The Board of Directors' meeting, and/or The Executive Board's meeting.
5. Authorize and/or assign other persons to carry out specific assignment on own behalf.
6. Promote and encourage company operations to be carried out with morality, to well comply with the laws, ethics, and cultures, based on good governance principles.
7. The exercise of authority by the Managing Director shall not be permitted, if he/she is deemed to have interests at stake, or have conflict of interests with the company.
8. In the exercise of authority by the Managing Director, should there arise any doubt or unclear aspect regarding such action, the matter shall be forwarded to The Board of Directors for consideration and conclusion.
9. Engage in other acts as assigned by The Board of Directors, and/or The Executive Board.

5.1.3 Audit Committee : AC

The Board of Directors sets up the Audit Committee to support its corporate governance in aspects of process of financial report, internal control, audit process, and the adherence of related rules and regulations. The Audit Committee comprises 4 independent directors with 1 year term and shall be nominated by the resolution of the meeting of the Board held after the Annual General Meeting of Shareholders.

The list of the Audit Committee is as follows:

| Name | Position | Term of holding a position |
|---|--|----------------------------|
| 1. Mr.Khachornsakdi Vanaratseath Date appointed April, 26 1993 | Chairman/ Independent Director having extensive knowledge and experiences regarding the audit of the company's financial statements. | May, 2015 –May, 2016 |
| 2. Mrs.Pradittha Chongwattana Date appointed April, 26 2002 | Director/ Independent Director having extensive knowledge and experiences regarding the audit of the company's financial statements. | May, 2015 –May, 2016 |
| 3. Mr.Surong Ongkosit Date appointed April, 26 2008 | Director/ Independent Director | May, 2015 –May, 2016 |
| 4. Pol.Gen.Somchai Prabhasabhakdi Date appointed April, 28 2015 | Director/ Independent Director | May, 2015 –May, 2016 |

Internal audit manager and Secretary to the Board of Audit Committee : Mrs.Pannee Chantavaralak

Authority of The Audit Committee

1. Coordinate to facilitate common understanding to be in the same direction among the certified public accountant, The Board of Directors, and the internal control office.
2. To invite the management, or company relevant employees to provide clarification and comment, to take part in meetings, and to submit documents deemed necessary. As well as having the authority to access corporate documents of all levels.
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. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Audit Committee

1. To review that the company has accurate and adequate financial reporting.
2. To review that the company has suitable and efficient internal control system and internal audit and determine independence of the internal audit including agreement of appointment, transfer and dismissal of the chief of the internal audit office or any other unit in charge of internal audit.
3. To review that the company comply with laws concerning securities and stock exchange, the Stock Exchange's regulations, and other laws related to the company's business.
4. To consider, select and suggest independent persons to be the Company's Auditor, and propose such person's fees, as well as to attend a non-management meeting with the Auditor at least once a year.
5. To review that connected transactions or transactions that may have conflicts of interests are complied with the laws and the Stock Exchange of Thailand's regulations in order to ensure that they are reasonable and for the best benefit of the company.
6. To prepare the Audit Committee's Report and have it disclosed in the Company's Annual Report, to which must be signed by the Audit Committee's Chairperson and consist of at least the following information.
 - a. An opinion on the accuracy, completeness and reliability of the Company's Financial Report.
 - b. An opinion on the adequacy of the Company's Internal Control System.
 - c. An opinion on compliance with the laws concerning securities and stock exchange, the Stock Exchange of Thailand's regulations, or other laws relating to the company's business.
 - d. An opinion on the suitability of the Auditor.
 - e. An opinion on transactions that may have conflicts of interests.
 - f. The number of the Audit Committee Meetings, and its attendance record of each committee member.
 - g. An opinion or overview comment that the Audit Committee perceived from its performance under the charter.
 - h. Other information that the shareholders and general investors should know under its scope of duties and responsibilities assigned by the Company's Board of Directors.
7. In carrying out the Audit Committee's duties, if it found or has any suspects that there are transactions or the following doings which may have a considerable impact on the company's financial status and performance; it should report them to the Board of Directors in order to correct them within a suitable time frame set by the Audit Committee.
 - a. Transactions causing conflicts of interests.
 - b. Fraud or irregularity or have key mistakes in the internal control system.
 - c. Breach of laws concerning securities and stock exchange, regulations of the Stock Exchange of Thailand, and other laws related to the company's business.

If the Company's Board of Directors or its executives failed to arrange to have them corrected within due course, any member of the Audit Committee may report such transactions or doings to the Securities and Exchange Commission or the Stock Exchange of Thailand.

8. To support and follow up that the company has effective risk management system.
9. To improve the Charter of the Audit Committee and present it to the Company's Board of Directors for approval.
10. To perform any other matters as assigned by the Company's Board of Directors with the Audit Committee's agreement under the Company Regulations and laws.

5.1.4 Nominating Committee : NC

The Board of Directors sets up the Nominating Committee to support its corporate governance in aspect of recruitment of qualified personalities to be appointed as directors in order to ensure the company has a transparent process of recruitment. The Nominating Committee comprises 5 members whose 2 of them, including its Chairman, shall not be executive officer. The members of the committee shall be in office with 1 year term and shall be nominated by the resolution of the meeting of the Board held after the Annual General Meeting of Shareholders.

The list of the Nominating Committee is as follows:

| Name | Position | Term of holding a position |
|--|----------------------------------|----------------------------|
| 1. Mr.Boonkiet Chokwatana Date appointed April 23, 2007 | Chairman of Nominating Committee | May, 2015 –May, 2016 |
| 2. Mrs.Tipaporn Chokwatana Date appointed April 23, 2007 | Director of Nominating Committee | May, 2015 –May, 2016 |
| 3. Mr.Thirasak Vikitset Date appointed April 23, 2007 | Director of Nominating Committee | May, 2015 –May, 2016 |
| 4. Dr.Atthakorn Glankwamdee Date appointed April 23, 2007 | Director of Nominating Committee | May, 2015 –May, 2016 |
| 5. Mrs.Kaewta Ongsaranakom Date appointed April 23, 2007 | Director of Nominating Committee | May, 2015 –May, 2016 |

Authority of The Nominating Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Nominating Committee

1. Set the criteria and method in selecting the persons to be nominated as directors.
2. Review the background and relevant information of the persons to be nominated as directors, 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 the persons to be nominated as company directors, for The Board of Directors to consider and approve. However, in the case of the directors 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 Nominating 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.

5.1.5 The Remuneration Committee's : RC

The Board of Directors sets up the Remuneration Committee to support its corporate governance in aspect of perusal of regulation on type and detail of remuneration in order to ensure that the company has a transparent and fair consideration on remuneration. The Remuneration Committee comprises 4 members whose 2 of them, who is also its Chairman, shall not be executive officer. The members of the committee shall be in office with 1 year term and shall be nominated by the resolution of the meeting of the Board held after the Annual General Meeting of Shareholders.

The list of the Remuneration Committee is as follows:

| Name | Position | Term of holding a position |
|---|------------------------------------|----------------------------|
| 1. Mr.Boonkiet Chokwatana Date appointed April 23, 2007 | Chairman of Remuneration Committee | May, 2015 –May, 2016 |
| 2. Mr.Thirasak Vikitset Date appointed April 23, 2007 | Director of Remuneration Committee | May, 2015 –May, 2016 |
| 3. Mrs.Kaewta Ongsaranakom Date appointed April 23, 2007 | Director of Remuneration Committee | May, 2015 –May, 2016 |
| 5. Mrs.Pismai Chandrubeksa Date appointed April 23, 2007 | Director of Remuneration Committee | May, 2015 –May, 2016 |

Authority of The Remuneration Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Remuneration Committee

1. Review the remuneration criteria for The Board of 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 Board of Directors, by taking into account 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 Board of Directors, 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 Remuneration 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, to be proposed to The Board of Directors for consideration and approval.
6. Engage in other acts as assigned by The Board of Directors.

5.1.6 Risk Management Committee

The Board of Directors sets up the Risk Management Committee to support its corporate governance in aspect of management of risk of the Company to be more efficiently performed under the policy and procedure proposed to and approved by the Board of Directors. The Risk Management Committee comprises 7 members whose 4 of them, including its Chairman, shall not be executive officer and 6 of them shall be executive officers. The members of the committee shall be in office with 1 year term and shall be nominated by the resolution of the meeting of the Board held after the Annual General Meeting of Shareholders.

The list of the Risk Management Committee is as follows:

| Name | | Position | Term of holding a position |
|-----------------|------------------|---------------------------------------|----------------------------|
| 1. Mr.Thirasak | Vikitset | Chairman of Risk Management Committee | May, 2015 –May, 2016 |
| 2. Dr.Atthakorn | Glankwamdee | Director of Risk Management Committee | May, 2015 –May, 2016 |
| 3. Dr.Krirkiat | Srisermpoke | Director of Risk Management Committee | May, 2015 –May, 2016 |
| 4. Miss.Sumeth | Surachartchairit | Director of Risk Management Committee | May, 2015 –May, 2016 |
| 5. Mrs.Daranee | Ajjaneeyakul | Director of Risk Management Committee | May, 2015 –May, 2016 |
| 6. Ph.D.Narumon | Saardchom | Director of Risk Management Committee | May, 2015 –May, 2016 |
| 7. Mr.Pattara | Vikitset | Director of Risk Management Committee | May, 2015 –May, 2016 |

Secretary to the Board of Risk Management Committee : Mrs.Pannee Chantavaralak

Authority of The Risk Management Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Risk Management Committee

1. To determine policies, targets and plans of corporate risk management systems clearly and consistently and keeping close communication with the Audit Committee
2. To encourage and stimulate cooperation in company risk management at all levels.
3. To supervise corporate risk management appropriately and effectively
4. To develop corporate risk management systems with efficiency and consistency
5. Other duties as assigned by the Board of Directors

5.1.7 The Corporate Social Responsibility Committee : CSR

The Board of Directors sets up the Corporate Social Responsibility Committee to support its corporate governance in aspect of corporate social and environment responsibility by concentrating on impact on shareholders and stakeholders. The Corporate Social Responsibility Committee comprises 7 members with 1 year term and shall be nominated by the resolution of the meeting of the Board held after the Annual General Meeting of Shareholders.

The list of the Corporate Social Responsibility Committee is as follows:

| Name | | Position | Term of holding a position |
|---------------------|---------------|---------------------------|----------------------------|
| 1. Prof. Dr.Malyn | Ungsurungsie | Chairman of CSR Committee | May, 2015 –May, 2016 |
| 2. Admiral Apichart | Pengsritong | Director of CSR Committee | May, 2015 –May, 2016 |
| 3. Mrs.Thongsuk | Upathambhakul | Director of CSR Committee | May, 2015 –May, 2016 |
| 4. Mrs.Suthanya | Sumana | Director of CSR Committee | May, 2015 –May, 2016 |
| 5. Mrs.Rujapa | Srisurang | Director of CSR Committee | May, 2015 –May, 2016 |
| 6. Mrs.Tanyanan | Tantikovit | Director of CSR Committee | May, 2015 –May, 2016 |
| 7. Miss.Thatsruang | Saengwichian | Director of CSR Committee | May, 2015 –May, 2016 |

Secretary to the Board of CSR Committee : Mrs.Rujapa Srisurang

Authority of The Corporate Social Responsibility Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

Duty and responsibility scope of The Corporate Social Responsibility Committee

1. Set up policy and framework of activities for the Company's Corporate Social Responsibility.
2. Review and screen the activities and policies on social and environment responsibility in order to propose to the Board of Directors.
3. Review and approve strategies and activities of the company in order to achieve the objectives and policies on social and environment responsibility.
4. Review and screen annual plan and budget for activities on social and environment responsibility to propose to the Board of Directors.

Corporate Governance

5. Review and monitor the progress of activities on social and environment responsibility and assess their achievement in addition to quality of related projects.
6. Suggested corporate governance policies and business ethics including employees ethics of the company.
7. Other duties as assigned by the Board of Directors.

5.1.8 Corporate Governance Committee : CG

The Board of Directors has set up the Corporate Governance Committee to support its corporate governance in aspect of corporate governance responsibility on various operations to achieve its objectives and targets set forth in order to create added value and confident to shareholders and stakeholders. The Corporate Social Responsibility Committee comprises 5 members with 1 year term and shall be nominated by the resolution of the meeting of the Board held after the Annual General Meeting of Shareholders.

The list of the Corporate Governance Committee is as follows:

| Name | | Position | Term of holding a position |
|--------------------|----------------|--------------------------|----------------------------|
| 1. Pol.Gen.Somchai | Prabhasabhakdi | Chairman of CG Committee | May, 2015 –May, 2016 |
| 2. Mrs.Kaewta | Ongsaranakom | Director of CG Committee | May, 2015 –May, 2016 |
| 3. Mr.Varith | Tritrapun | Director of CG Committee | May, 2015 –May, 2016 |
| 4. Mrs.Patchara | Pongwichan | Director of CG Committee | May, 2015 –May, 2016 |
| 5. Mr.Sumit | Khopaiboon | Director of CG Committee | May, 2015 –May, 2016 |

Secretary to the Board of CG Committee : Mr.Sumit Khopaiboon

Authority of The Corporate Governance Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.
3. To set up the working group to process the corporate governance activities at all levels.

Duty and responsibility scope of The Corporate Governance Committee

1. Set up, review and revise the policy of corporate governance, the principles of Corporate Governance, Business Ethics, Code of Conduct for Company Directors, Executives and Employees and Policy against Corruption, regulations, work practices and announcements, rules and relevant laws consistency.
2. Set up work practices according to the principles of Corporate Governance, Policy against Corruption ,also monitor and evaluate them consistency.
3. Promote and encourage company directors, executives and employees to practice according to the principles of Corporate Governance and Policy against Corruption.
4. Review and revise the charter for The Corporate Governance Committee, to be proposed to The Board of Directors for consideration and approval.
5. Other duties as assigned by the Board of Directors

◆ Board and Management Development

The company provides the orientation for new directors in order to be aware of business policy of the company in addition to related information such as regulations, procedures and business performance. In addition, they shall visit factory and receive Director's Handbook produced by Securities and Exchange Commission (SEC).

The company supports and facilitates trainings for members of the Board of Directors, the Management, and employees who are important resources who move the entity to meet the success. New directors are supported to participate in the director training programmes, such as Director Certificate Programme (DCP), Director Accreditation Programme (DAP), Role of the Compensation Committee (RCC), etc. arranged by the Thai Institute of Directors Association (IOD). In addition, the Board of Directors has meeting to exchange idea and opinion with Board of Directors and the Senior Management of other entities in Thailand and overseas consistently.

The Board of Directors participated in training programs organized by Association of Thai Institute of Directors (IOD) as follows:

1. The Director Accreditation Program (DAP)
2. The Director Certification Program (DCP)
3. Role of the Compensation Committee (RCC)
4. Risk Management Committee Program (RMP)
5. Role of the Chairman Program (RCP)
6. Audit Committee Program (ACP)

Corporate Governance

| NAME | | DAP | DCP | RCC | RMP | RCP | ACP |
|----------------------|----------------|---------|---------|---------|--------|---------|--------|
| 1. Mr.Boonkiet | Chokwatana | 3/2003 | 41/2004 | - | - | - | - |
| 2. Mrs.Tipaporn | Chokwatana | 3/2003 | 68/2005 | - | - | - | - |
| 3. Mr.Thirasak | Vikitset | 3/2003 | 68/2005 | - | - | - | - |
| 4. Dr.Athakorn | Glankwamdee | 3/2003 | 68/2005 | - | - | - | - |
| 5. Admiral Apichart | Pengsritong | 82/2010 | - | - | - | - | - |
| 6. Mrs.Kaewta | Ongsaranakom | - | 27/2003 | 10/2010 | - | - | - |
| 7. Prof.Dr.Malyn | Ungsurungsie | 17/2004 | - | - | - | - | - |
| 8. Mrs.Chitraporn | Vikitset | 66/2007 | - | - | - | - | - |
| 9. Mrs.Teerada | Ambhanwong | 3/2003 | 51/2004 | - | - | - | - |
| 10. Mrs.Pismai | Chandrubeksa | 82/2010 | - | - | - | - | - |
| 11. Mr.Suthep | Dansiriviroj | 32/2005 | 60/2005 | - | 5/2014 | - | - |
| 12. Mr.Khachornsakdi | Vanaratseath | 3/2003 | - | - | - | - | - |
| 13. Mrs.Pradittha | Chongwattana | - | 5/2001 | - | - | - | - |
| 14. Mr.Surong | Ongkosit | 12/2004 | 68/2005 | - | - | - | - |
| 15. Pol.Gen.Somchai | Prabhasabhakdi | 25/2004 | 51/2004 | - | - | 12/2005 | 2/2004 |

In addition, the company supports and encourage to development of knowledge and skills to the company Secretary. Secretary to the Audit Committee, and those related to the corporate governance. Seminar participants were involved organized by the SEC. / Thailand / Thailand Association of the company / IOD and institutions continuously and consistently.

Corporate Governance

Report on the change in shareholding of the Directors and The Management as of December 31,

| Name | Common share 2014 | Increase (Decrease) During the year | Common share 2015 | Shareholding ratio (%) | 2015 | |
|------------------------------------|-------------------------|--|-------------------------|------------------------------|-----------|-----------|
| | | | | | Director | Spouse |
| 1. Mr.Boonkiet Chokwatana | 11,812,551 | - | 11,812,551 | 7.88 | 9,181,337 | 2,631,214 |
| 2. Mrs.Tipaporn Chokwatana | 11,812,551 | - | 11,812,551 | 7.88 | 2,631,214 | 9,181,337 |
| 3. Mr.Thirasak Vikitset | 2,596,174 | - | 2,596,174 | 1.73 | 1,636,051 | 960,123 |
| 4. Dr.Atthakorn Glankwamdee | 470,774 | - | 470,774 | 0.31 | 470,774 | - |
| 5. Admiral Apichart Pengsritong | 85,714 | - | 85,714 | 0.06 | 85,714 | - |
| 6. Mrs.Kaewta Ongsaranakorn | 974,642 | - | 974,642 | 0.65 | 741,082 | 233,560 |
| 7. Prof.Dr.Malyn Ungsurungsie | 172,284 | 5,000 | 177,284 | 0.12 | 177,284 | - |
| 8. Mrs.Chitraporn Vikitset | 2,596,174 | - | 2,596,174 | 1.73 | 960,123 | 1,636,051 |
| 9. Mrs.Teerada Ambhanwong | 142,857 | - | 142,857 | 0.10 | 142,857 | - |
| 10. Mrs.Pismai Chandrubeksa | 84,285 | - | 84,285 | 0.06 | 84,285 | - |
| 11. Mr.Khachornsakdi Vanaratseath | 142,857 | - | 142,857 | 0.10 | 142,857 | - |
| 12. Mrs.Pradittha Chongwattana | 169,428 | - | 169,428 | 0.11 | 167,857 | 1,571 |
| 13. Mr.Surong Ongkosit | - | - | - | - | - | - |
| 14. Mr.Suthep Dansiriviroj | - | - | - | - | - | - |
| 15. Pol.Gen.Somchai Prabhasabhakdi | - | - | - | - | - | - |
| 16. Mr.Simon Rhoderick Knight | 116,142 | - | 116,142 | 0.08 | 116,142 | - |
| 17. Miss Sumeth Surachartchairit | 195,212 | 8,000 | 203,212 | 0.14 | 203,212 | - |
| 18. Mr.Varith Tritrapun | 245,383 | - | 245,383 | 0.16 | 245,383 | - |
| 19. Mrs.Thongsuk Upathambhakul | 136,178 | - | 136,178 | 0.09 | 136,178 | - |
| 20. Mrs.Patchara Pongwichan | 120,178 | - | 120,178 | 0.08 | 120,178 | - |

Remark: Included spouse and children who are not yet mature.

5.2 Nominating and Appointing Board of Directors and Executives

5.2.1 Qualifications of the Independent Directors

Definition : “Independent Directors” having qualifications in accordance with the notification of The Capital Market Supervisory Board as follows:

1. Holding shares not exceeding 1 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, including the shares being held by related persons of independent directors.
2. Neither being nor having been an executive director, employee, staff, or advisor who received regular salaries, or being a controlling person of the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or persons having supervision authority over the company, unless the foregoing status ended not less than two years prior to the date of their appointments as independent directors. Nevertheless, such prohibited nature would not apply in the case of these independent directors having earlier served as government officials, or advisors to government agency acting as major shareholder in the company or having supervision authority over the company.
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executive, major shareholder, controlling person, or person to be nominated as executive or as controlling person of the company or its subsidiary.
4. Not having business relationship with the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, in such manner likely to interfere with own independent judgement, and neither being nor having been a significant shareholder or person having supervision authority over the person who has business relationship with the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, unless the foregoing relationship ended not less than two years prior to the date of appointment as independent director.

The term ‘business relationship’ aforementioned under paragraph one included any normal business transaction, rental or lease of immovable property, transaction relating to the assets or services or the granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action, resulting in the company or its 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 calculation method for the value of connected transactions under The Notification of The Capital Market Supervisory Board regarding The Compromise Criteria for Connected Transactions. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.

5. Neither being nor having been an auditor of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.

6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority or partner of the professional advisor, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.

7. Not being a director who has been appointed as the representative of the company's director, major shareholder, or being a shareholder who is related to the major shareholder.

8. Not engaging in business operations of the same business nature or in competition against the business operations of the company or its subsidiaries, nor serving as a significant partner in a limited partnership or otherwise serving as a director participating in the management, or serving as employee or consultant receiving regular salary or holding over 1% shares out off total shares in other companies engaging in the same business nature or in competition against the company and its subsidiaries.

9. Not having any characteristics which make him incapable of expressing independent opinions with

If the Capital Market Supervisory Board issues a notification of any change in regard to qualification of independent directors, the independent directors of the company must possess all qualifications as stated in new issued notification entirely.

After being appointed as independent director having qualifications complying with the criteria under item 1 to 9, the independent director may then be assigned by The Board of Directors to participate in the decision-making procedures for the company, its parent company, subsidiary, affiliate, same-level subsidiary or juristic person who may have conflicts of interest on the condition that such decision must be a collective one.

All independent directors of the company were not engaged in business relationship or provided any professional service to the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest. Furthermore, they also did not serve as independent directors in its parent company, subsidiary, or same-level subsidiary.

- **Number of directorship in other entities**

The company has not stipulated the ratio of number of directorship per the amount of investment, the number of directorship in other entities, age, and the number of term in office of each director because we believe that the business competency and expertise of each director do not depend on age or number of entities that he assumes the similar position as far as he has a firm and sincere determination to perform his duty as trusted by the Board of Directors and shareholders. Authority to appoint any person to assume the position of directors is merely the right of shareholders. They have right to appoint someone whom they regard as appropriate to set the policy and control the business performance on their behalf. The company discloses list of directors, their profile, experience, shares holding and the information regarding the directorship in other entities of each director in the annual report and form 56-1. In addition, information of the persons who are proposed to shareholders to appoint in the shareholders' meeting is also posted on the company's website.

It is also stipulated in the Policy and procedure in regard to assumption of the position of director in other entities of managing director and management member that there must be a consideration on detail of business of those entities. Is there any requirement for the directors or management member of the company to assist or represent the company as the as partner in joint venture agreement or not. If it is required that they have to represent the company, there will be a consideration on expertise and appropriation of each director or management member to see who is suitable to that type of business.

The company is confident that there is no impact on the discharge of their directorial functions since the Director, have devoted full efforts to the company by regularly attending all meetings and conferring benefits to the company at all time.

- **Self-evaluation by The Board of Directors**

The evaluation of the Board of Directors performance for the year 2015 has been carry out, in which the evaluation was set to conduct yearly. Each of the directors will be given opportunity to assess the performance the board as a whole, so as to review performance results, problems, and obstacles faced during the past year, in order to contribute to better effective performances by The Board of Directors.

In 2015, the Company's Secretary sent out both whole board evaluation forms to all directors. Every director was independent in taking such evaluation. The evaluation form was returned to the Company's Secretary once completed to be collected, summarized, and reported to The Board of Directors at The Board of Directors' meeting, the evaluation result was in "Good" criteria with the average score of 81.93% in which the percentage score criteria was set as follows:

| Score | Criteria |
|----------|-----------|
| > 91% | Excellent |
| > 71-90% | Good |
| > 51-70% | Fair |
| > 31-50% | Poor |

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

● Plan for Successors

The company has plans for successors to be ready for in case the executives are unable to work. The details are as follows.

1. To provide opportunity for middle management to work closely with senior management.
2. To prepare having senior management be ready to take up other functions if necessary.
3. To prepare specialized personnel to be able to take up higher management positions.
4. To establish various committees for development of works and potentials of flame works in a systematic process.
5. To encourage middle management to propose their various plans.
6. To provide training courses for middle management to take up high posts.
7. To organize a training course for senior and middle management to promote common awareness for accountability, integrity and corporate image as a whole.
8. To provide executive training for each department for higher potential, advance planning in addition to systematic thinking to middle managements.
9. To enhance charitable spirit and activities among executives at all levels for promoting happy living in societies.

- **Combination or Segregation of Positions**

Chairman of the Board of Directors, Chairman of the Audit Committee and Managing Director are not the same person. The above three persons perform their responsibilities independently with balance of power. It is stipulated to clearly segregate their roles, authorities and duties. All directors have an independence to express their opinions on the administration of the company to be proper, transparent and examinable.

Though Chairman of the Board of Directors is not an independent director, but he performs his duties and responsibilities independently and totally empower all directors to have independence in the administration of the entity. The company is confident that the Chairman understands and emphasizes on the principles of Good Corporate Governance and ensures it is always adhered to strictly.

5.2.3 The selection of the directors and management members

In case of someone retiring, the Nominating Committee is to engage in the selection of such person(s) deemed as appropriate per rules set by Securities and Exchange Commission, Thailand and The Stock Exchange of Thailand to assume the directorship being vacated by term completion, for proposal to the Board of Directors and subsequent nomination to the shareholders' general meeting for them to consider every candidate to appoint each.

The Organization Structure of Board of Directors

Pursuant to clause 18 of section 3 of the Company's Articles of Association, the Board of Directors shall comprise at least 5 directors provided that not less than half of the total number of directors must have residence in Thailand.

Nomination of Board of Directors

Pursuant to clause 20 of section 3 of the Company's Articles of Association, the Board of Directors is nominated by the resolution of the Meeting of Shareholders in accordance with the following rules and methods:

1. Each shareholder has one vote per one share
2. To elect directors, it is optional to nominate individual director or the full board of directors in one time in that vote according to the consent of shareholders' resolution. For every vote, either for nominating individual director or full board, each candidate will get votes according to number of all shares possessed by each shareholder as same as that in clause (A). Each shareholder can not divide the vote for each candidate unequally.

3. The candidates with the number of votes from high to low in sequence will be nominated as directors according to number of directors required for that nomination. If there are some candidates, with equal number of vote, more than required directors for that nomination, the chairman will finally adjudicate the nomination.

The right of minor shareholders regarding director(s) appointment Nomination of Directors

The company provided minor shareholders with the opportunity to nominate candidates to be appointed as Company Directors, prior to the holding of the shareholders' meeting, according to the criteria set forth by the company.

Procedure of Demotion of Directors

- Expiration on normal term

Pursuant to clause 21 of section 3 of the Company's Articles of Association, one-third of the Board of Directors shall retire by rotation from office at each Annual General Meeting of Shareholders. If their number is not a multiple of three, then the number nearest to one-third must retire from office. The directors retiring on expiry of their term can be re-appointed to the office.

- Other Terminations not in due course

1. According to the Company's Articles of Association no.22 of Chapter 3 : Board of Directors, it defined that the director shall be terminated/dismissed from the position in the case of : (not with standing serving out the term as provided in no.21)
 - (A) Death
 - (B) Resignation
 - (C) Deficiency of Some Qualifications or Lack of Attribution according to the Law
 - (D) Shareholders have a resolution to terminate with the votes of three- forth of the number of shareholders and have a right of vote in the meeting with the condition that the above votes are not less than half of total votes of shareholders in the meeting.
 - (E) Adjudication of the Court

In case that the position of director is vacant due to other causes besides the expiration on normal term, board of directors will nominate someone to substitute him / her in the next meetings with the condition that he / she is qualified and is not a person with the legally-forbidden character provided that the term of vacancy is not less than 2 months. The substitute director will be in the position with the remaining term of the resigned director. The resolution of the board above must not be less than three-fourth of the remaining directors.

2. Pursuant to clause 25 of section 3 of the Company's Articles of Association, a director may be removed prior to the expiry of his term by a resolution passed by the votes of not less than three-fourths of the shareholders present or represented, and entitled to vote at the General Meeting and holding at least half of the total number of shares held by shareholders attending the meeting and entitled to vote.

The selection method for the persons to be appointed other executives.

The management is responsible for the appointment of other executives in accordance with the Company Regulation by considering from employees who are competent and appropriate.

5.3 To oversee the operations of its subsidiaries and associates.

In the case of a subsidiary, the company will be overseen by sending directors to be representative in the subsidiary more than one-half of the total directors and if a subsidiary has any decision as operational results that may affect the company, significantly, the representative directors will inform the Company Directors in order to report to the Board of Directors. For associates, the company is not able to control much but only to send directors to be representative. This number of directors will be based on the shareholding of the company. Changes of number are subject to the resolution of the annual general meeting of the shareholders.

To send a representative to represent the company, to be according to the regulations of the management. It is not a resolution of the Board of Directors.

The company has included annual internal audit plans of the subsidiaries and reported to the Board of Directors for their acknowledgement on suitable and sufficient.

5.4 Internal Information Protection

S & J has a policy for preventing executives from taking internal information for personal use, and includes restrictions on buying or selling securities especially one month before financial statements are released to the public. Holding securities agenda by directors is included in every Board of Directors meeting. Directors have to send to S & J a copy of their security holding report, which was sent to the S.E.T. whenever it changed. If the information found is for personal benefit, that person will be penalized per the company's working rules.

5.5 Compensation for Auditor

5.5.1. Audit fee

The company and its subsidiaries pay the audit fee for the last year fiscal period to :

- The company's auditor on the amount of Baht 2,085,000.00
- The audit company where the auditor is employed, an individual or an enterprise concerning the auditor or the audit company on the amount of Baht

5.5.2. Non-audit fee

The company and its subsidiaries pay the compensation for other services to :

Observance on destruction of goods to

- The company's auditor on the amount of Baht85,000.00..... and future payment for the agreed services that were not completely fulfilled in last fiscal year on the amount of Baht -.....

Other service for reviewing the work of other auditors to

- Auditors of the company in the past fiscal year amounted to Baht 90,000.00 and will be paid in the future as a result of the agreement that has not been completed in the past fiscal year the total amount - Baht.
- The audit company where the auditor is employed, an individual or an enterprise concerning the auditor or the audit company on the amount of Baht and future payment for the agreed services that were not completely fulfilled in last fiscal year on the amount of Baht.....-

5.6 Compliance with the principles of good governance in other matters.

5.6.1. The Board of Directors has reviewed the corporate governance of the company annually. Developed the principles of good corporate governance in accordance with the rules consistently and make good corporate governance principles (Revision 1) to adhere to the guidelines "Principles of Good Corporate Governance for Listed Companies 2012" by the Stock Exchange of Thailand which has been approved by the Board of Directors per abovementioned.

5.6.2. The attendance of Directors in sub committees is disclosed in the section "Sub Committees".

Internal control and risk management

1. Opinion of the Board of Directors on the adequacy and appropriateness of the internal control system.

The company recognizes the importance of the system of internal control which all employees of the company have joint roles and responsibilities together by fixing the duties and responsibilities, operating power on administrative and operation level is written clearly, covers financial control, operations, management, governance, compliance with the relevant laws and relating regulations to ensuring accomplishment of the objectives of the company will be achieved as follows:

1. Strategies and goals are clearly defined, consistent and support mission of the company.
2. Achieve the performance objectives. The resource management in an efficient and cost effective.
3. Report significant information both financial, administrative and implementation are accurate and reliable.
4. Implementation and practicing are in consistent with policies, rules and regulations set forth with the law and other regulations related to business.
5. Has the safety of personnel, property including data in information systems.
6. Has suitable oversight and management of the effectiveness.
7. Continuing in improving operational quality.

The Board of Directors Meeting No. 1/2016 held on February 23, 2016 by a committee of 4 members attended the meeting. The Board of Directors reviewed the system of internal control by asking for assessment of internal controls. The overall conclusion based on the evaluation of internal control systems in different 5 elements as follows.

1. The Internal Control
2. Risk Assessment
3. Control Operation
4. Information and data communications.
6. Monitoring System

The management is confident appropriate that the company's internal control system strong enough to carry out such an effective way to protect your property from damage that may occur from use or distribution without permission and monitoring of the operations of the subsidiary. The assets of the company and its subsidiaries caused by the director or executive deployed without adequate power.

The company's internal audit department is responsible and accountable for ensuring an independent assessment of the internal control system risk management and governance the Audit Committee reviews the company's compliance with official regulations especially the transaction.

In 2015 the internal audit have a plan policies and guidelines to determine in advance. The agency believes that the internal controls are appropriate and adequate. To operate in accordance with the objectives and requirements of the relevant legislation. Asset protection from fraud accounting and reporting accuracy and reliability. Although there may be some aspects of performance that should be considered and revised in a way, if considered as a whole can be assured that it will be able to achieve the following objectives of the organization.

Internal control and risk management

Controlled environment

The organization and environment of the company have character that makes the management to operate effectively. Encourage everyone recognizes the need for internal control system. The policy and business goals are clear, regard to fairness to employees, customers, business partners including responsible to the shareholders, society and the environment. Review of the performance to meet defined goals regularly in order to comply with the conditions at that time. Prepare organizational structure and a charter of various committees including the duties and responsibilities of the Managing Director in writing to define authority clearly, in addition, setting policies of governance, ethics in business and conduct of directors management and staff in writing to guide the conduct of directors, management and staff which makes the system of internal control operates more effectively. It also records check, which is overseen by the Audit Committee, the approval of financial transactions, procurement regulations to be made in writing to prevent of using wrongly authority of assets or excess power. The company provides training both on and offsite to develop staff skills, have the knowledge and appropriate ability to operate in each position.

Risk Assessment

The company policies generally accepted accounting principles, the financial report fully true through the review of the Audit Committee and have been audited by the certified auditors. The company assesses type of risk cause of the risk factors, opportunities and impacts that may occur to find ways to prevent and manage the risks that may arise as to the acceptable level as well as explained to the management and employees to help reduce and prevent risks that may arise. The internal audit unit to monitor each operational unit and taking into account the risks that may arise having the Board of Directors and the Audit Committee are supported.

Control of the work

The company granted scope of authority and approved amount to each level of management clearly and in writing. Including segregation of the roles and responsibilities of each working unit for check and balance. In the case of transactions with major shareholders, the Directors, management or related to such persons including connected transactions, the company has followed the steps of the Capital Market Commission and will conclude the said transaction as a normal business transaction in order to report to the Board of Directors. If not, it will be asked to approve per the procedure and inform the Stock Exchange of Thailand in accordance with. The Company's follow-up, review of the results of operations of the company on monthly basis and monitor the operation of the company in accordance with resolution of the Board of Directors, Shareholders and related laws. In the event of approval of the transaction in a manner that is binding on the company long-term, the company is monitored to comply with the conditions agreed upon and reviewing the appropriateness of the contract in accordance with the situation. Also to highlight the clear duty of the employees to be legitimate, the company has determined that employee must abide by the rules and regulations of the company and laws strictly under the principles of good corporate governance.

Internal control and risk management

Information systems and data communications

The company provides both internal and external communications effectively. Accounting documents are kept in full by category and use accounting policies generally accepted accounting principles in the communications for financial information or other information that is accurate, current to people involved for making decision. There is a storage system that can monitor the accuracy and security of data and information effectively. In a proposal to the Board for consideration, there is sufficient information to make decision. There is a comprehensive minute of meeting, comments, questions or observations of Directors of the company in the consideration (if any) and resolution which can be verified.

Tracking system

The company's operating results is monitored on a monthly basis and is compared with the performance in the year prior to the analysis of the causes of the differences and adjust their strategies to meet the needs in order to achieve a goal. In addition to having adequate internal control by requiring internal audit unit to audit, analyze and evaluate the internal control of various system and monitor performance continuously. Assigned to report directly to the audit committee if any significant defects are found, Audit Committee has to report to the Board of Directors for corrective action and to monitor progress in improving deficiencies regularly.

From the assessment of the internal controls of the company in 5 various aspects of the above, the Board of Directors including the 3 members of the Audit Committee concluded that the internal controls are appropriate and sufficient. The Board recognizes that any system of internal control may not be guaranteed against all damages resulting from mistakes is significant, but it can be prevented or guarantee at reasonable level.

2. Opinion of the Audit Committee in case of having different opinion from Board of Directors.

- No different -

Internal control and risk management

Auditors of the company are the office of Dr. Virach & Associated Office Co., Ltd. who audited financial statements quarterly and annual 2015 commented on the internal control system as follows:

Translation

Date: February 23, 2016

To: The Board of Directors of S & J International Enterprise Public Company Limited.

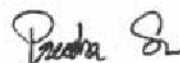
Dr. Virach & Associates Office Co., Ltd. (office) has examined the Financial Statements of S & J International Enterprise Public Company Limited. for the year ended 31 December, 2015 in accordance with Financial Reporting Standards including testing accounting transactions and others that it considers necessary which the audited report dated on February 19, 2016 was already issued. To perform accounting audit, we have studied and evaluated the effectiveness of internal control of the company accounts to determine the timing and scope of the audit, to express an opinion on the financial statements of the company.

Please be informed that the auditor has audited but not inspected all the items but on a test only. In addition, the study and evaluation of internal control performance in accounting have objectives in particular, as mentioned at the beginning. Therefore, significant weaknesses that may exist in the internal control system of accounting in a checking account could not be found. However, in auditing accounting, we did not find any significant weaknesses in the internal control system of accounting.

We would like to thank you the management giving us an opportunity to provide the service this time and thank you management division of company officers for their co-operation and support given our officers all along until the auditing completed.

Yours truly,

Dr. Virach & Associates Office Co., Ltd.



(Dr. Preccha Suan)

Authorized Auditor Registration No. 6718

3. Chief of internal audit's information

At the meeting of the Audit Committee Meeting No. 1/ 2015 held on 24 February, 2015 appointed Mrs. Pannee Chantavorakit to be chief internal auditor in addition to Secretary of the Audit Committee of the company since February 24, 2015 due to a highly qualified individuals knowledge experience could be used making the internal audit of the company with great success.

The scope and responsibilities as follows:

1. Planned annual audit according to the standards of professional conduct internal audit.
2. Determeaning step, process guidelines and audit procedures of the internal audit.
3. Supervision of the internal audit to be planned.
4. Evaluate performance of the audit.
5. Present the audit results to the Audit Committee.
6. Served as secretary of the Audit Committee.
7. Coordinate with all staff, including the CPA.

And disclosed personal record of the chief internal auditor in the Form 56-1 and Form 56-2 in the section on the Board of Directors and management.

As such, to consider and approve the appointment, transfer and dismissal of the incumbent head of the internal audit must be approved by the Audit Committee and be submitted to the Board for approval. Qualification of the incumbent head of internal audit listed in Appendix 3.

4. Information for bookkeeper

The company's bookkeeper under the accounting Act AD 2000 is Mr. Sumit Khopaiboon as the Finance and Account Section Manager supervised the preparation of the financial statements and the disclosure of information of a company to be complete and accurate with qualification of the bookkeeper listed in attachment 3.

Relating Transaction

Disclosure of transactions in the notes to the financial statements no. 27

| | Related companies | Relationship | Trade account receivables | Prepaid Expense | Other account receivables | Accrued Revenue | Trade account payables | Other account payables | Unearned rental |
|----|---------------------------------------|------------------|---------------------------|-----------------|---------------------------|-----------------|------------------------|------------------------|-----------------|
| 1 | Top Trend Manufacturing Co.,Ltd. | Joint Management | - | - | - | - | 38,382,496.31 | 15,515.00 | - |
| 2 | B.F. Co.,Ltd. | Joint Management | 2,065,980.85 | - | 716,114.36 | 90,000.00 | 19,392.68 | 854,638.53 | - |
| 3 | Wildlives (Thailand) Co.,Ltd. | Joint Management | - | - | 1,113,678.48 | 300.00 | - | - | - |
| 4 | S&J International (UK) Limited | Joint Management | 65,417.29 | 1,374,878.12 | 227,922.89 | - | 17,083,448.85 | - | - |
| 5 | 4WD Vision Co.,Ltd. | Joint Management | - | - | - | 250.00 | - | - | - |
| 6 | Yamahatsu (Thailand) Co.,Ltd. | Joint Management | 8,238,962.41 | - | - | - | - | - | - |
| 7 | Osoth Interlaboratories Co.,Ltd. | Joint Management | - | - | 17,779.12 | 80.00 | 1,602,659.05 | - | - |
| 8 | General Glass Co.,Ltd. | Joint Management | - | - | - | - | - | - | - |
| 9 | Thai Lotte Co.,Ltd. | Joint Management | - | - | - | 535.00 | - | - | 24,759.97 |
| 10 | H&B Kabinburi Co.,Ltd. | Joint Management | - | - | - | - | 2,036,450.75 | - | - |
| 11 | Better Way (Thailand) Co.,Ltd. | Joint Management | 215,614,103.32 | - | 446,525.81 | - | - | - | - |
| 12 | International Laboratories Corp.,Ltd. | Joint Management | 3,237,863.14 | - | - | - | 3,793,130.75 | 3,509.60 | - |
| 13 | Vitayasithi Co.,Ltd. | Joint Management | - | - | - | - | - | - | - |
| 14 | O.C.C. Plc. | Joint Management | 3,194,874.48 | - | - | - | - | - | - |
| 15 | I.C.C. International Plc. | Joint Management | 2,709,408.92 | - | - | - | 1,202,326.90 | - | - |

Relating Transaction

| Related companies | Relationship | Trade account receivables | Prepaid Expense | Other account receivables | Accrued Revenue | Trade account payables | Other account payables | Unearned rental |
|---|------------------|---------------------------|---------------------|---------------------------|------------------|------------------------|------------------------|------------------|
| 16 Oriental Sabon Business Co.,Ltd. | Joint Management | 1,779,630.96 | - | - | - | - | - | - |
| 17 People 's Garment Plc. | Joint Management | - | - | - | - | 8,505,327.28 | - | - |
| 18 Thai Wacoal Plc. | Co-shareholders | 5,384,546.88 | - | - | - | - | - | - |
| 19 Saha Pathanapivul Plc. | Co-shareholders | 1,087,162.80 | - | - | - | - | - | - |
| 20 Saha Pathana Inter-Holding Plc. | Co-shareholders | - | - | - | - | - | 4,261,077.93 | - |
| 21 B.K.C International Co.,Ltd. | Joint Management | - | - | - | - | - | - | - |
| 22 Sabacogen (Chonburi) Plc. | Joint Management | - | - | - | - | - | - | - |
| 23 T-Way Co., Ltd. | Joint Management | - | - | - | - | - | - | - |
| 24 K. Commercial & Construction Co., Ltd. | Joint Management | - | - | - | - | - | - | - |
| 25 Shop Global (Thailand) Co., Ltd. | Joint Management | 224,234.98 | - | - | - | - | - | - |
| 26 United Assets Development Co.,Ltd. | Joint Management | 69,460.50 | - | - | - | - | - | - |
| 27 Erawan textile Co.,Ltd. | Joint Management | - | - | - | - | - | - | - |
| 28 Make Up Technique International Co.,Ltd. | Joint Management | 309,434.37 | - | - | - | - | - | - |
| 29 EPF Co.,Ltd. | Joint Management | 241,308.54 | - | - | - | - | - | - |
| Total | | 244,222,389.44 | 1,374,878.12 | 2,522,020.66 | 91,165.00 | 72,625,232.57 | 5,134,741.06 | 24,759.97 |

Relating Transaction

| Related companies | Relationship | Sales | Rental income | Other income | Dividend income | Purchase and service | Rental expenses | Other expenses |
|--|------------------|------------------|---------------|--------------|-----------------|----------------------|-----------------|----------------|
| 1 Top Trend Manufacturing Co.,Ltd. | Joint Management | - | - | 948,277.43 | 4,200,000.00 | 240,456,555.67 | - | 330,520.40 |
| 2 E.F. Co.,Ltd. | Joint Management | 4,203,908.63 | 163,850.00 | 2,565,289.34 | 499,925.00 | 477,226.00 | - | 8,344,649.89 |
| 3 Wildfives (Thailand) Co.,Ltd. | Joint Management | - | 311,400.00 | 4,219,698.19 | 499,965.00 | - | - | - |
| 4 S&J International (UK) Limited | Joint Management | 6,622,071.88 | - | 187,259.94 | 1,702,013.00 | 238,488,805.06 | - | - |
| 5 4WD Vision Co.,Ltd. | Joint Management | - | - | 250.00 | - | 361,868.00 | - | - |
| 6 Yamahatsu (Thailand) Co.,Ltd. | Joint Management | 36,723,110.97 | 26,728,800.00 | 3,980.00 | - | - | - | - |
| 7 Osoth Interlaboratories Co.,Ltd. | Joint Management | - | 1,920,000.00 | 1,194,735.68 | - | 4,907,097.68 | - | 1,351,533.40 |
| 8 General Glass Co.,Ltd. | Joint Management | - | - | - | - | 989,391.78 | - | - |
| 9 Thai Lotte Co.,Ltd. | Joint Management | - | 199,164.60 | 33,458.31 | - | - | - | - |
| 10 H&B Kabinburi Co.,Ltd. | Joint Management | - | - | - | - | 24,083,842.61 | - | 108,964.28 |
| 11 Better Way (Thailand) Co.,Ltd. | Joint Management | 1,243,732,818.65 | - | 392,494.81 | - | - | - | - |
| 12 International Laboratories Corp.,Ltd. | Joint Management | 28,080,276.92 | - | - | - | 33,160,435.82 | - | 443,550.64 |
| 13 Vitayasithi Co.,Ltd. | Joint Management | - | - | - | - | - | 1,108,400.00 | 454,648.70 |
| 14 O.C.C. Plc. | Joint Management | 16,980,256.58 | - | - | - | - | - | - |
| 15 I.C.C. International Plc. | Joint Management | 19,560,930.27 | 196,740.00 | 115,340.00 | - | 16,645,241.97 | - | 643,484.25 |

Relating Transaction

| Related companies | Relationship | Sales | Rental income | Other income | Dividend income | Purchase and service | Rental expenses | Other expenses |
|---|------------------|-------------------------|----------------------|---------------------|---------------------|-----------------------|---------------------|----------------------|
| 16 Oriental Sakon Business Co.,Ltd. | Joint Management | 6,256,453.01 | - | - | - | - | - | - |
| 17 People 's Garment Plc. | Joint Management | - | - | - | - | 11,935,924.00 | - | - |
| 18 Thai Wacoal Plc. | Co-shareholders | 10,234,094.02 | - | - | - | - | 776,600.00 | 258,860.95 |
| 19 Saha Pathanapivul Plc. | Co-shareholders | 7,616,766.01 | - | - | - | - | - | - |
| 20 Saha Pathana Inter-Holding Plc. | Co-shareholders | - | - | - | - | - | 6,308,264.00 | 69,566,172.48 |
| 21 B.K.C International Co.,Ltd. | Joint Management | - | - | - | - | - | - | - |
| 22 Sahasogen (Chonburi) Plc. | Joint Management | - | - | - | - | - | - | - |
| 23 T-Way Co., Ltd. | Joint Management | - | - | - | - | - | - | - |
| 24 K. Commercial & Construction Co., Ltd. | Joint Management | - | - | - | - | - | - | - |
| 25 Shop Global (Thailand) Co., Ltd. | Joint Management | 325,351.06 | - | - | - | - | - | - |
| 26 United Assets Development Co.,Ltd. | Joint Management | - | - | - | - | - | - | - |
| 27 Brawan textile Co.,Ltd. | Joint Management | - | - | - | - | - | - | - |
| 28 Make Up Technique International Co.,Ltd. | Joint Management | 289,191.00 | - | - | - | - | - | - |
| 29 EPF Co.,Ltd. | Joint Management | 1,124,514.00 | - | - | - | - | - | - |
| Total | | 1,381,749,743.00 | 29,519,954.60 | 9,660,783.70 | 6,901,903.00 | 571,506,388.59 | 8,193,264.00 | 81,502,384.99 |

Relating Transaction

Disclosure information of relating transaction

In 2015, the company requested to gain an approval of the related transaction as follows :

1. Type of Rental transaction on non movable property 3 Years

According to the resolution of the Board of Directors Meeting # 2/2015 of S &J International Enterprises Public Company Limited held on May 11, 2015, the details are as follows:

❖ Approval having Yamahatsu (Thailand) Co.,Ltd. to rent building No. 600/48 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand to renew contract per details as follows :

1. The date on which the transaction occurred : May, 2015
2. The parties involved
 - Renter : S&J International Enterprises Public Company Limited
 - Tenant : Yamahatsu (Thailand) Co.,Ltd.
3. The general characteristics of the transaction : Rental transaction on non movable property 3 Years.
4. Rental area
 - Factory Building Space : 7,360 square meters @ 250.0 baht per square meter accounting for rental per month 1,840,000.0 baht.
 - Surrounding Building Space: 5,140 square meters @ 40.0 baht per square meter accounting for rental per month 205,600.0 baht.
 - Warehousing Space : 1,948 square meters @ 150.0 baht per square meter accounting for rental per month 292,200.0 baht.
5. Rental per month : 2,337,800.0 baht
6. Total value of transaciton : 84,160,800.0 baht
7. Policy for setting rental price: The price should be the market price by considering location, place, characteristic and the useful of the property.
8. Rental period : 3 years (May 1, 2015 – April 30, 2018)
9. Type & scope of equity of connected persons:
 - S&J is a major shareholder holding 30.0% (Proportion of shareholding after purchased an additional share)
 - Co – Directors
 - Mr. Thirasak Vikitset
 - Mrs.Chitraporn Vikitset
10. Interested directors not attend the meeting and not vote :
 - Mr. Thirasak Vikitset
 - Mrs.Chitraporn Vikitset (absent)

Relating Transaction

11. Opinions by the company's Board of Directors and The Audit Committee: The company's Board of Directors and The Audit Committee considered and agreed to renew the rental contract of the aforementioned building for another 3 years including to increase the price as proposed due to reasonable in term of pricing and other related conditions i.e. its location, condition of the building and benefit receives from using the property.
12. Transaction volume : The transaction as stated above would be within scope of the related transaction according to the Notification of the Capital Market Commission on disclosure of the information and operation of the listed company in categories of related transactions on type of rental transaction on non movable property not more than 3 years which has the transaction value more than 0.03% but less than 3% of NTA (2.68%). This transaction must be approved by the Board of Directors and disclosed to the Stock Exchange of Thailand but need not an approval from the General Shareholders Meeting.

2. Type of assets or services

According to the resolution of the Board of Directors Meeting # 3/2015 of S & J International Enterprises Public Company Limited held on August 10, 2015, the details are as follows:

◆ Approval an acquisition of assets or services transaction with related person : Acquisition of common stock of Thai Wacoal Plc. from Erawan Textile Co.,Ltd. - connected person through the Stock Exchange of Thailand (Big Lot Transaction) in the amount of 100,000 shares at the price Baht 50.25 per share (at agreed price based on the closing price on July 14, 2015) totaling Baht 5,025,000.00, per details as follows :

1. The date on which the transaction occurred : Within August, 2015
2. The related parties

Buyer : S&J International Enterprises PLC.

Seller : Erawan Textile Co.,Ltd.

Relationship with Seller : Co - major shareholders

| Company | Shareholding on | |
|---------------------------------|--------------------------------------|-------------------------|
| | S & J International Enterprises Plc. | Erawan Textile Co.,Ltd. |
| Saha Pathana Inter-Holding Plc. | 15.35 % | 16.04 % |
| I.C.C. International Plc. | 14.61 % | 16.41 % |

3. General Transaction : Acquisition of common stocks of Thai Wacoal Plc.

4. Details of Property Acquired :

- Company name : Thai Wacoal Plc.
- Type of Business : Manufacture lady lingerie
- Registered Capital : 120,000,000 shares
- Divided to common stock : 120,000,000 shares @ Baht 1 par value each
- Issued and paid-up Capital : 120,000,000 shares
- Divided to common stock : 120,000,000 shares @ Baht 1 par value each

5. Total value of acquired assets :

- Common stocks of Thai Wacoal Plc. 100,000 shares @ Baht 50.25, amounting to Baht 5,025,000.00
- Proportion of shareholding before investing : None
- Proportion of shareholding after investing : 100,000 shares or 0.08% of paid-up capital

6. Purpose of purchases :

- Increase proportion of investing in the company which has potential and opportunity to grow continuously.
- Return on investment in form of dividend income.

7. The sources of funds : Company's working capital.

8. Interested directors not attend the meeting and not vote : - None -

9. Opinions by the company's Board of Directors :

To invest in business which has good basic factors and good potential return in the future.

10. Opinions by The Audit Committee and/or company director(s) significantly different from those by The Board of Directors : - None -

11. Transaction volume :

The transaction as stated above would be within scope of the related transaction according to the Notification of the Capital Market Commission on disclosure of the information and operation of the listed company in categories of related transactions on type of assets or services which has the transaction value more than 1 Million Baht but less than 20 Million Baht or to be more than 0.03% but less than 3% of NTA whichever is higher. This transaction must be approved by the Board of Directors and disclosed to the Stock Exchange of Thailand but need not approval by the General Shareholders Meeting. Moreover, the transaction as stated above would be within scope of rules and procedures and disclose of the information and operation of the listed company concerning the acquisition and disposition of assets according to the Notification of the Capital Market Commission (Including items acquired by any occurred during past 6 months) which has the transaction value based on the criteria of maximum total value of consideration received is 0.26% (15,023,970/5,682,640,031) which the size is less than 15%. No need to inform the Security Exchange of Thailand.

Relating Transaction

2. Necessity and rational of transaction with related personnel

The Board of Directors sees that recording transactions with related personnel is the normal course of doing business. This is the same as recording transactions with other personnel in the industry relating with the business. Setting buying - selling prices is corresponding to normal practice. It is not for transferring company's benefits to related personnel.

Recording related transaction is for the benefit of the company and shareholders as a whole in order to sustain growth and grow the business for long term. Teaming-up with an alliance is for mutual strengthening in doing business in order to maximize benefits to all parties concerned.

3. Criteria or process of authorization in recording related transactions

For abnormal transactions, if the size of transactions are not large and are within the level not needing approval from a shareholder's meeting, as per SET's rules, the transactions will be considered and approved by the Executive Board of Directors without gaining an approval from the interested persons. If the size of the transactions are larger than they can approve, the Executive Board of Directors will obtain a resolution from the Executive Board and propose the resolution to the Board of Directors to gain further approval without gaining an approval from the interested persons. Also, the Audit Committee examines major and open related transactions every quarter to avoid conflict of interest.

In the related transaction between, the company have policy and terms of the transaction such as buying price, selling price, value of the related transaction between the company is subject to normal trade terms.

Related transactions to conform to the rules of the Stock Exchange of Thailand, proposed to the Audit Committee for consideration and follow the steps to the reasonableness of the transaction and is in the best interests of the company. The Audit Committee will review such prices or rates of the transaction with the staff of the company and internal auditors to see the price is reasonable and disclosures in the financial statements are correct.

The company have the process of approving the related transaction between the company by the operator as well as the procurement of the company and the executives or shareholders have no interest in the transaction, and not to the approval of such matters.

To enter into the related transaction between the company, the company have complied with the requirements and regulations of the Stock Exchange of Thailand strictly. The Audit Committee will provide an opinion on the suitability of the item and the price is fair to maximize benefit of the company.

The company complies with the standards of the Stock Exchange of Thailand on the related transaction and / or the acquisition or disposition of assets of the company which will be amended to include the practices disclosed to the shareholders of the company. The Investors and related agencies, including the Stock Exchange of Thailand and will be approved by the Board of Directors and / or the Annual General Meeting of Shareholders, as defined by the Stock Exchange of Thailand.

Relating Transaction

4. Comments of Audit Committee relating to the transactions incurred.

The Audit Committee had considered 2015 connected transactions with comment of no deviation from Board of Directors' resolution.

5. Policy and trend of making related transactions in future.

Recording related transactions will be continued. Number of transactions will vary depending on economic conditions since personnel who may have conflict are the company's supply chain. Flexibility and convenience of being part of the supply chain will benefit in the competing business and to the shareholders . The company realizes its responsibility to the shareholders, employees and all parties concerned under good corporate governance.

The management take a position in subsidiaries, associated and related companies.

| Item | Company Name | Mr.Boomkit | Mrs.Tipaporn | Mr.Thirarak | Dr.Attakorn | Admiral Apichart | Mrs.Piwanai | Mrs.Kaewin | Prof.Dr.Malya | Mrs.Chitraporn |
|------|--|------------|--------------|-------------|-------------|------------------|--------------|------------|---------------|----------------|
| | | Chokwatana | Chokwatana | Vikitsot | Glaekwamdee | Pangritsag | Chandrubeksa | Ongsarakom | Ungurungsai | Vikitsot |
| | Subsidiaries | | | | | | | | | |
| 1 | Top Trend Manufacturing Co.,Ltd. | A | | F | F | | | | | F |
| 2 | E.F. Co.,Ltd. | A | | C | F | | | F | | |
| 3 | Wildlives (Thailand) Co.,Ltd. | A | | C | F | | | F | | F |
| 4 | S&J International (UK) LTD. | A | B | F | | | | | F | |
| | 4.1. Guangzhou S&J Cosmetics LTD. | | | F | | | | | | |
| | 4.2. 4WD Vision (HK) Limited | | | F | | | | | | |
| 5 | 4WD Vision Co.,Ltd. | A | F | F | | | | | | |
| 6 | SAAS Co.,Ltd. | A | | C | | | | | F | |
| | Associates | | | | | | | | | |
| 1 | Yamaha (Thailand) Co.,Ltd. | | | B | | | | | | F |
| 2 | Operational Energy Group Limited | | | F | | | | | | |
| 3 | Geoth Interlaborator Co.,Ltd. | F | | | | | | | F | |
| | Related Companies | | | | | | | | | |
| 1 | General Glass Co.,Ltd. | F | | F | | | | | | |
| 2 | H&B Kabinrui Co.,Ltd. | A | B | | | | | F | | |
| 3 | Thai Cabin Technology Co.,Ltd. | A | | | | | | | | |
| 4 | Train Time Test Co.,Ltd. | A | F | | | | | F | | |
| 5 | HKC International Marketing Co.,Ltd. | | | | | | | F | | F |
| 6 | United Utility Co.,Ltd. | A,C | | | | | | | | |
| 7 | Better Way (Thailand) Co.,Ltd. | A | F | | | | | | | |
| 8 | International Laboratories Corp., Ltd. | | B | | | | | F | | |
| 9 | Vitayavithi Co.,Ltd. | | A | | | | | | | |
| 10 | H&B Intertex Co.,Ltd. | A | B | | | | | F | | |
| 11 | Oriental Salon Business Co.,Ltd. | | | | | | | | | |
| 12 | O.C.C. Plc. | | F | | | | | | | |
| 13 | I.C.C. International Plc. | F,H | | | | | | | | |
| 14 | Far East DDB Plc. | | | | | | | | | |
| 15 | Sahacoogen (Chonburi) Plc. | A | | F,J | F | | | | | |
| 16 | People's Garment Plc. | A | | | | | | | | |
| 17 | Saha Pathana Inter-Holding Plc. | F | | | | | | | | |
| 18 | Saha Pathanasipul Plc. | | | | | | | | | |
| 19 | T-Way Co.,Ltd. | F | A | | | | | F | | |
| 20 | K. Commercial & Construction Co.,Ltd. | A | F | | | | | | | |
| 21 | Shop Global (Thailand) Co., Ltd. | F | | | | | | | | |
| 22 | United Assets Development Co.,Ltd. | | F | | | | | | | F |
| 23 | Make Up Technique International Co.,Ltd. | A | B | | | | | F | | |
| 24 | EPF Co.,Ltd. | | A | | | | | | | |
| 25 | Sahagreen Energy Co.,Ltd. | A | | F | F | | | | | |

Remark A = Chairman

E = Advisor

I = Independent Director & Director Of Audit Committee

B = Vice Chairman

F = Director

J = Chairman Of Executive Board

C = Managing Director

G = Chairman Of Audit Committee

D = Deputy Managing Director H = Executive Chairman

| Portfolio | | | | | | | | | | |
|-----------------------------|-----------------------------|-----------------------------------|-------------------------------|------------------------|-------------------------------------|------------------------------|--------------------------------|------------------------|---------------------------------|-----------------------------|
| Mrs. Teerada Amthasayong | Mr. Sathap Daengtriviroj | Mr. Khachornsakdi Vanaratapeth | Mrs. Praditsa Chongwattana | Mr. Sareng Ongkosit | Fel. Gen. Somchai Prakhasabhaadi | Mr. Simon Rhoerick Knight | Miss Sumeth Sarachatchairit | Mr. Varth Tritragua | Mrs. Theongrak Upathamklakul | Mrs. Paichara Fongwichan |
| | | | | | | | | F | F | F |
| | | | | | | | | | | |
| | | | | | | C | | | | |
| | | | | | | C | F | | | |
| | | | | | | C | | | | |
| | | | | | | C | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | F | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| F | | | | | | | | | | |
| | | | F | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| F | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| F | | | | | | | | | | |
| CJ | | | | | | | | | | |
| | | | | | I | | | | | |
| | | LG | | | | | | | | |
| | F | | | | I | | | | | |
| F | | | | | | | | | | |
| | | | | | | | | | | |
| | | FI | | | | | | | | |
| | | | | | | | | | | |
| | | | C | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | F | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

Summary of Financial Information

| (UNIT : BAHT'000) | 2015 | 2014 | 2013 |
|--------------------------------|-----------|-----------|-----------|
| Report On Operation | | | |
| Sales | 5,101,280 | 5,427,833 | 5,145,886 |
| Total Revenues | 5,243,749 | 5,572,354 | 5,270,142 |
| Earning Before Tax | 286,936 | 266,920 | 269,999 |
| Net Earnings | 253,075 | 217,209 | 225,011 |
| Financial Position | | | |
| Current Assets | 1,941,005 | 2,069,762 | 2,155,031 |
| Fixed Assets | 1,654,780 | 1,790,191 | 1,914,869 |
| Total Assets | 5,309,757 | 5,682,643 | 5,583,470 |
| Current Liabilities | 1,588,895 | 1,933,856 | 2,239,193 |
| Share Capital Fully Paid | 149,931 | 149,931 | 149,931 |
| Shareholders' Equity | 3,481,332 | 3,480,112 | 3,149,251 |
| Profitability Ratio (%) | | | |
| Return on Equity | 7.27 | 6.55 | 6.85 |
| Return on Sales | 2.82 | 2.54 | 3.02 |
| Return on Total Assets | 4.77 | 3.86 | 3.89 |
| Per Share Data (Baht) | | | |
| Par Value | 1.00 | 1.00 | 1.00 |
| Book Value | 23.22 | 21.30 | 21.00 |
| Earning | 1.69 | 1.45 | 1.50 |
| Dividend | 0.85 | 0.80 | 0.80 |
| Market Price | 17.60 | 18.50 | 17.90 |

Explanation and Analysis of Management

Financial Ration Table

| Consolidated Financial Statement | | | |
|----------------------------------|----------|----------|----------|
| | Yr. 2015 | Yr. 2014 | Yr. 2013 |
| LIQUIDITY RATIO | | | |
| Current Ratio | 1.22 | 1.07 | 0.96 |
| Quick Ratio | 0.59 | 0.56 | 0.45 |
| Current Cash Flow Ratio | 0.31 | 0.29 | 0.18 |
| Account Receivable Turnover | 5.50 | 5.45 | 5.38 |
| Average Collection Period | 65 | 66 | 67 |
| Inventory Turnover | 15.96 | 14.62 | 12.45 |
| Inventory Turnover Period | 23 | 25 | 29 |
| Account Payable Turnover | 10.78 | 10.60 | 10.79 |
| Payment Period | 33 | 34 | 33 |
| Cash Cycle | 55 | 57 | 63 |
| PROFITABILITY RATIO | | | |
| Gross Profit | 22.16 | 20.79 | 21.37 |
| Operating Profit | 2.82 | 2.54 | 3.02 |
| Operating Cash Flow Turnover | 377.42 | 444.75 | 256.80 |
| Net Profit | 4.83 | 3.90 | 4.27 |
| Return on Equity | 7.27 | 6.55 | 6.85 |
| EFFICIENCY RATIO | | | |
| Return on Total Asset | 4.60 | 3.86 | 3.89 |
| Return on Fixed Asset | 31.50 | 28.02 | 27.31 |
| Total Asset Turnover | 0.95 | 0.99 | 0.91 |
| FINANCIAL POLICY RATIO | | | |
| Debt to Equity | 0.53 | 0.63 | 0.77 |
| Interest Coverage | 26.53 | 19.70 | 10.04 |
| Payout Ratio | 47.39 | 53.20 | 53.31 |

Factors that could affect operating results and financial position in future.

- Nil -

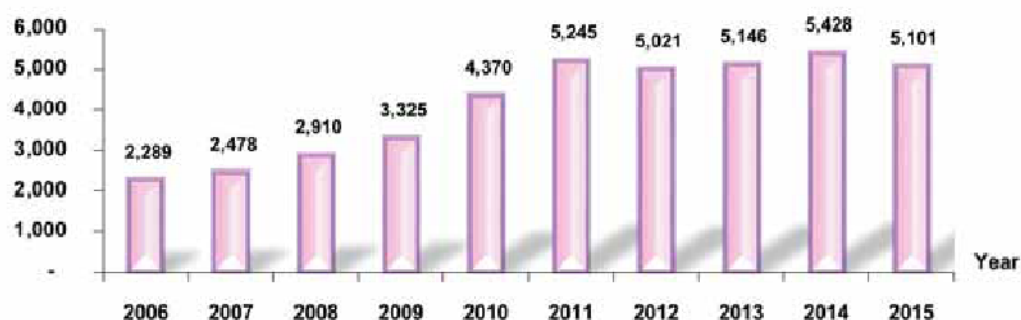
Financial operations and financial position of the company and its subsidiaries

Overview of financial operation

In 2015, the company and its subsidiaries had net profit attributable to equity holders of the parent company of 253.08 million baht, decreased of 35.87 million baht or 16.51% from prior year by analyzing important aspects as follows:

Revenue from sales

Amount (Unit : 1,000 Baht)



Revenue from sales

In 2015, the company and its subsidiaries had revenue from sales of 5,101.28 million baht, decreased of 326.55 million baht or 6.02 % from prior year. The local sales decreased were caused by economic slowdown ,reflecting restricted purchasing power ,also coupled with cautious consumer spending. However, the export sales increased of 72.68 million baht or 3.14% from prior year due to product development with customer and creative of new innovative product ,together with expansion market to new customers in order to increase the company and its subsidiaries' income and profit.

Cost of goods sold

In 2015, the company and its subsidiaries had cost of goods sold of 3,970.64 million baht or 77.84 % of revenue from sales compared with 79.21 % of year 2014, a decrease of 1.37 % due to improve their efficiency in production including ability in procurement by sourcing quality raw materials and packaging with reasonable price and also increase in efficiency of inventory management to provide quality products with the satisfaction price by customers to competitive in the market.

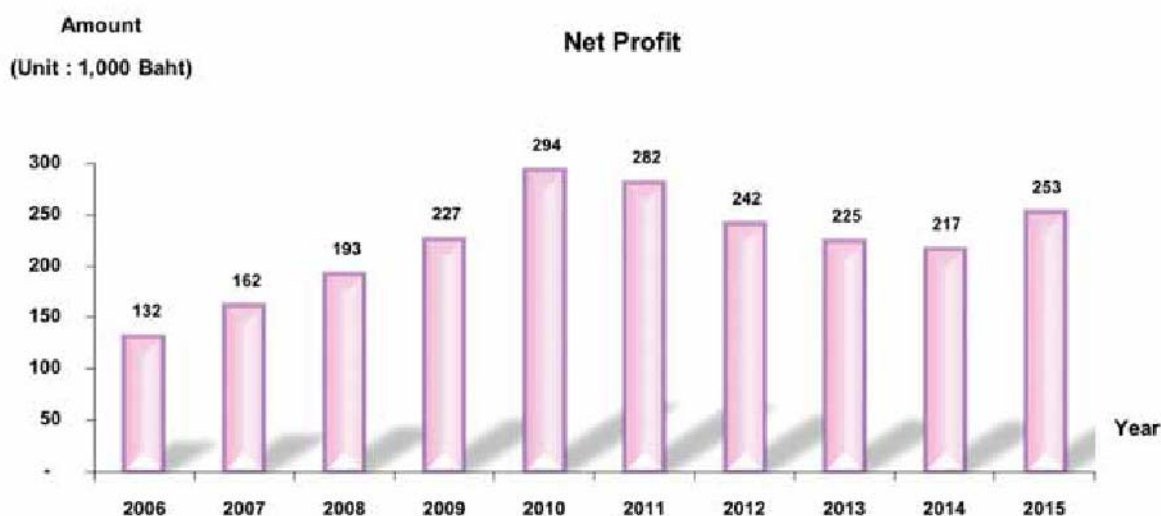
Explanation and Analysis of Management

Selling and Administrative expenses

In 2015, the company and its subsidiaries had selling and administrative expenses 986.61 million baht, decreased from 2014 4.03 million baht due to decrease in selling expenses according to revenue from sales decreased and control their administrative expenses in the proper amount.

Finance costs

In 2015, the companies had finance costs 22.56 million baht, decreased from 2014 equal to 12.21 million baht due to decrease in short-term borrowing from financial institution and decrease in borrowing interest rate. These caused by the companies and its subsidiaries had analysis of financial position and evaluation of quality of their customers to consider credit facility to follow up the payment of customers closely.



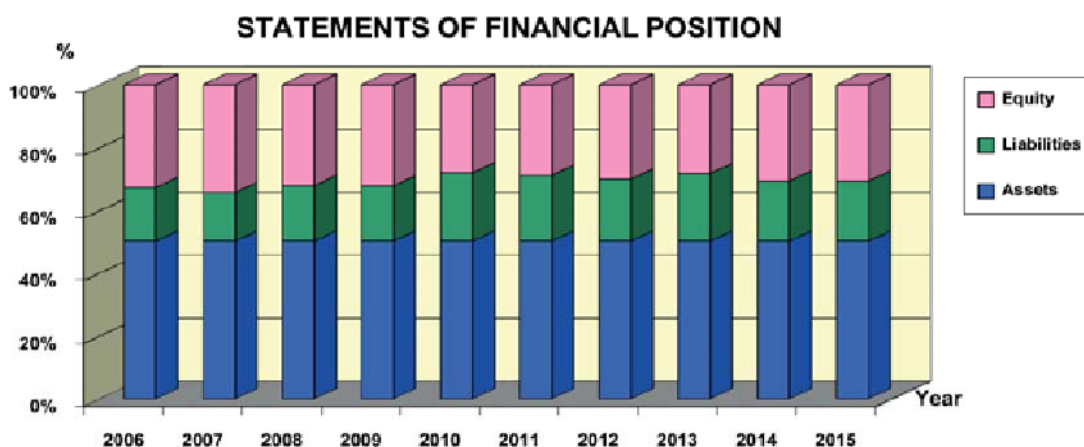
Net Profit attributable to equity holders of the parent company

In 2015, the company and its subsidiaries had net profit attributable to equity holders of the parent company 253.08 million baht compared with 2014 amounting to 217.21 million baht, increase of 35.87 million baht or 16.51 % due to changing their working strategy and procedure to control cost of production, selling and administrative expenses together with finance cost as the above said.



Rate of return per share

The company has a policy to pay dividend to shareholders at 20-80 percent of net profit of the company's separate financial statement (under the cost method). However, this rate principally depends on economic conditions and operational results of the company. In 2015, the company had a profit for the year of 237.46 million baht. The company had the resolution of the Board of Directors' Meeting No. 1/2016 held on February 23, 2016 to pay dividend at the rate of 1.00 baht per share from the 2015 operation. The dividend will be paid on May 25, 2016 which will be proposed at the shareholders' ordinary meeting for their approval on April 26, 2016.



Financial status

Total Assets : In 2015, the company and its subsidiaries had total assets amounting to 5,309.76 million baht, decreased from 2014 of 372.89 million baht or 6.56 % due to material change in assets from last year as follows:

1. Decrease in trade accounts receivable of 151.39 million baht due to decrease in sales and follow up the payment of customers closely by analysis of financial position and evaluation of quality of their customers to provide credit facility in order to increase in the quality of trade accounts receivable, considering the non-overdue receivables and overdue within 3 months equal to 99.33 % of total accounts receivable.
2. Decrease in investment available-for-sale securities of 139.83 million baht due to decrease in fair value of the investments.
3. Decrease in property, plant and equipment of 135.41 million baht due to increase in depreciation in 2015 from improving factory building and investing in machineries and equipment in the last year.
4. Increase in other current assets of 48.85 million due to increase in refund value added tax

Total Liabilities : In 2015, the company and its subsidiaries had total liabilities amounting to 1,828.43 million baht, decreased from 2014 of 374.11 million baht or 16.98 % due to material change in liabilities from last year as follows:

1. Decrease in bank overdraft and short-term borrowing from financial institutions 273.82 million baht due to increase in liquidity result to decrease in borrowings.
2. Decrease in trade accounts payable due to decrease in purchase of inventories.
3. Decrease in deferred tax liabilities due to change in fair value of investment available-for-sale securities.

Shareholders' equity : In 2015, the company and its subsidiaries had shareholders' equity amounting to 3,481.33 million baht, increased from 2014 of 1.22 million baht or 0.04 % due to material change in shareholders' equity from last year as follows:

1. Decrease in other components of the shareholders' equity of 116.65 million baht due to loss from the remeasuring of investment for sale securities (net of tax) of 119.61 million baht and translation of financial statement differences of 2.95 million baht.
2. Increase in inappropriate retained earnings of 125.63 million baht due to profit attributable to equity holders of the parent in 2015 of 253.07 million and dividend payment of 127.44 million.
3. Decrease in non-controlling interest of 7.76 million baht

Liquidity

- 1. Cash flows in 2015, the company and its subsidiaries had net increase in cash and cash equivalent of 12.41 million baht by separated as follows:**

(Unit : Million Baht)

| | 2015 | 2014 | 2013 |
|---|----------|----------|----------|
| Cash Flows from Operating Activities | 543.61 | 612.04 | 398.73 |
| Cash Flows from Investing Activities | (125.74) | (127.90) | (175.00) |
| Cash Flows from Financing Activities | (405.46) | (432.84) | (249.58) |
| Net Increase (Decrease) in Cash and Cash Equivalent | 12.41 | 51.3 | (25.85) |

The material changes in cash flows in 2015 are as follows:

- Decrease in cash flows from operating activities of 68.43 million baht due to decrease in purchase of inventories and the company and its subsidiaries has a liquidity to pay the debt faster.
- Decrease in cash flows from investing activities of 2.16 million baht due to improve of factory building and invest in machineries for effectiveness in production.
- Decrease in cash flows from financing activities of 27.38 million due to decrease in short-term borrowings from financial institution.

2. Appropriateness of investment structure

| | 2015 | 2014 | 2013 | |
|----------------------|------|------|------|------|
| Debt to Equity ratio | 0.53 | 0.63 | 0.77 | Time |

From the above ratio, strong in the investment structure of the company and its subsidiaries due to shareholder equity is higher than liabilities. In 2015, most of debts were overdrafts and short term borrowings from financial institution equal to 55.79% of total debts.

3. Sufficiency of liquidity

| | 2015 | 2014 | 2013 | |
|--|--------|-------|-------|------|
| Current Ratio | 1.22 | 1.07 | 0.96 | Time |
| Quick Ratio | 0.59 | 0.56 | 0.45 | Time |
| Current Cash Flow Ratio | 0.31 | 0.29 | 0.18 | Time |
| Cash increasing from operations (million baht) | 543.60 | 612.0 | 398.7 | |

The company and its subsidiaries had a good performance results and cash flow liquidity all along. This were due to efficiency of debt collection system coupled with most of customers are good and made their payment on time.

4. Revolving cycle of cash

| | 2015 | 2014 | 2013 | |
|---------------------------|------|------|------|-----|
| Inventory Turnover Period | 23 | 25 | 29 | day |
| Average Collection Period | 65 | 66 | 67 | day |
| Payment Period | 33 | 34 | 33 | day |
| Cash cycle | 55 | 57 | 63 | day |

The company and its subsidiaries had good inventory turnover period due to the companies be able to produce products which meet customers need resulting from continuing of research and develop new and existing products and made both new and existing products are good sale-able. Meanwhile, the company and its subsidiaries also had good policy to pay the cost of raw materials, as agreed and on time, in order to receive vendor trust, and beneficial negotiations in terms of better pricing and conditions of payment.

5. Ability in making profit

| | 2015 | 2014 | 2013 | |
|------------------------|------|------|------|---|
| Operating Profit ratio | 2.82 | 2.54 | 3.02 | % |
| Net Profit ratio | 4.83 | 3.90 | 4.27 | % |
| Return on Equity ratio | 7.27 | 6.55 | 6.85 | % |

In 2015, the ability in making profit of the company and its subsidiaries inclined due to changes in working strategy and procedures for controlling cost of manufacturing, selling and administrative expenses including finance cost as above said.

6. Efficiency in operation

| | 2015 | 2014 | 2013 | |
|------------------------------|-------|-------|-------|------|
| Return on Total Assets ratio | 4.60 | 3.86 | 3.89 | % |
| Return on Fixed Assets ratio | 31.50 | 28.02 | 27.31 | % |
| Total Asset Turnover ratio | 0.95 | 0.99 | 0.91 | Time |

From the aforementioned ratio, it shows that the return from assets managed by the company and its subsidiaries increased due to the company invested in factory building, and machines to support sales growth. However, the company and its subsidiaries have their policy to manage existing assets to create efficient operation in order to maximize benefits.

The company and its subsidiaries recorded transactions by considering the real value of the assets under the accounting standard No. 36, Impairment of Assets, in order to reflect the company and its subsidiaries' assets in statement of financial position with the appropriate value.

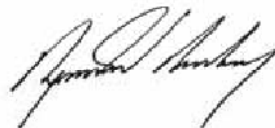
The Board of Directors' Responsibility Report towards Financial Statements

The Board of Directors duly recognized their obligations and responsibilities in their status as the directors of SET listed company, with regard to the compilation of financial statements for S & J International Enterprises Public Company Limited and its subsidiaries. The said financial statements were prepared in accordance with Thai Financial Reporting Standards (TFRS), based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimates.

Furthermore, the adequate significant information was disclosed in 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 general investors. Moreover, the said financial statements were duly audited and unconditionally verified by independent certified public accountants.

At the same time, the Board of Directors had exercised efforts to promote good governance practice, and to establish risk management system and internal control system 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, in order to safeguard the assets of the company and its subsidiaries, while also safeguarding against any significant fraud or abuse. In the regard, the Company's Audit Committee whose members comprising independent directors had duly carried out audit work on the quality of the financial statements and the efficiency of internal control system. The opinions of the Audit Committee were displayed per the Audit Committee's report contained in the annual report publication, as well as the annual registration statement (form 56-1).

Accordingly, the Board of Directors concluded that, the good corporate governance practice, the risk management system, as well as the internal control system already in place at the company, were well adequate and sufficient, reasonably providing sufficient confidence to all the concerned parties that, the financial statements of the company and its subsidiaries ending December 31, 2015, were prepared and presented in substantial context, in an accurate and reliable manner.



Mr. Boonkiet Chokwatana
Chairman



Mr. Thirasak Vikitset
Managing Director

Auditor's Report

To The Shareholders of S & J International Enterprises Public Company Limited.

I have audited the consolidated financial statements of S & J International Enterprises Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2015, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of S & J International Enterprises Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

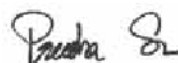
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the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

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

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

Opinion

In my opinions, the financial statements referred to above present fairly, in all material respects, the financial position of S & J International Enterprises Public Company Limited and its subsidiaries and of S & J International Enterprises Public Company Limited as at December 31, 2015, their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



(Dr.Preecha Suan)

Certified Public Accountant Registration No. 6718

February 19, 2016

Financial Statements

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

| | Notes | BAHT | | | |
|--|-------------|----------------------|----------------------|-----------------------------------|----------------------|
| | | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | | December 31, 2015 | December 31, 2014 | December 31, 2015 | December 31, 2014 |
| ASSETS | | | | | |
| Current Assets | | | | | |
| Cash and cash equivalents | 4.2 and 5 | 92,982,654 | 80,575,601 | 16,582,379 | 11,096,322 |
| Short-term investments - fixed deposit at bank | | 2,000,000 | 8,700,000 | - | - |
| Trade accounts receivable | 4.4 and 6 | 836,595,331 | 987,990,256 | 705,581,813 | 808,719,155 |
| Other receivables | | | | | |
| Advance payment for inventories | | 31,863,310 | 20,209,185 | 26,572,080 | 17,233,557 |
| Prepaid expenses | | 4,187,681 | 6,278,625 | 4,187,681 | 6,278,625 |
| Others | | 13,362,736 | 19,329,985 | 11,396,290 | 15,878,185 |
| Total other receivables | | 49,413,727 | 45,817,795 | 42,156,051 | 39,390,367 |
| Inventories | 4.5 and 8 | 879,539,434 | 915,055,193 | 717,427,571 | 725,598,387 |
| Other current assets | | 80,474,280 | 31,623,046 | 55,737,696 | 21,595,067 |
| Total Current Assets | | 1,941,005,426 | 2,069,761,891 | 1,537,485,510 | 1,606,399,298 |
| Non-Current Assets | | | | | |
| Investments in available-for-sale securities | 4.6 and 9 | 1,052,103,140 | 1,191,937,080 | 1,052,103,140 | 1,191,937,080 |
| Investments in associates | 4.6 and 10 | 427,752,097 | 415,538,231 | 198,344,517 | 198,344,517 |
| Investments in subsidiaries | 4.6 and 11 | - | - | 147,403,439 | 134,903,596 |
| Investments in related companies | 4.6 and 12 | 38,551,630 | 44,871,396 | 38,551,630 | 44,871,396 |
| Investments in other companies | 4.6 and 13 | 42,082,129 | 52,183,454 | 37,430,129 | 46,948,454 |
| Investments property | 4.7 and 14 | 106,334,205 | 70,022,184 | 106,214,205 | 69,902,184 |
| Property, plant and equipment | 4.8 and 15 | 1,654,780,075 | 1,790,190,998 | 1,250,077,639 | 1,397,719,091 |
| Leasehold right | 4.9 and 16 | 719,480 | 1,034,702 | - | - |
| Intangible assets | 4.10 and 17 | 36,690,770 | 33,673,063 | 32,827,926 | 29,650,742 |
| Other non-current assets | | 9,738,301 | 13,430,032 | 8,634,688 | 11,687,948 |
| Total Non-Current Assets | | 3,368,751,827 | 3,612,881,140 | 2,871,587,313 | 3,125,965,008 |
| TOTAL ASSETS | | 5,309,757,253 | 5,682,643,031 | 4,409,072,823 | 4,732,364,306 |

Notes to the financial statements form an integral part of these statements.

Financial Statements

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

| | | BAHT | | | |
|---|-------------|-------------------|-------------------|-----------------------------------|-------------------|
| | | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | Notes | December 31, 2015 | December 31, 2014 | December 31, 2015 | December 31, 2014 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Current Liabilities | | | | | |
| Bank overdrafts and short-term borrowings | | | | | |
| from financial institutions | 18 | 1,020,123,605 | 1,293,944,970 | 896,590,776 | 1,117,500,000 |
| Trade accounts payable | | 331,199,178 | 405,429,444 | 336,244,972 | 413,603,616 |
| Other accounts payable | | | | | |
| Accrued expenses | | 36,242,982 | 36,664,460 | 26,282,811 | 26,963,493 |
| Accrued bonus | | 109,442,162 | 109,805,481 | 105,146,175 | 105,800,000 |
| Asset payable | | 6,374,932 | 10,806,748 | 5,340,237 | 9,427,244 |
| Others | | 44,795,077 | 46,407,993 | 35,965,921 | 34,443,283 |
| Total other accounts payable | | 196,855,153 | 203,684,682 | 172,735,144 | 176,634,020 |
| Accrued corporate income taxes | | 35,811,007 | 26,280,978 | 32,764,814 | 19,963,630 |
| Accrued interest | | 689,464 | 818,378 | 472,286 | 752,289 |
| Other current liabilities | | 4,217,052 | 3,697,443 | 1,891,800 | 1,418,184 |
| Total Current Liabilities | | 1,588,895,459 | 1,933,855,895 | 1,440,699,792 | 1,729,871,739 |
| Non-Current Liabilities | | | | | |
| Provision for long-term | | | | | |
| employee benefits | 4.12 and 19 | 139,083,452 | 130,430,946 | 118,061,281 | 107,639,331 |
| Deferred tax liabilities | 4.17 and 24 | 100,122,057 | 137,555,785 | 104,014,117 | 139,069,019 |
| Other non-current liabilities | | 324,088 | 687,930 | 205,957 | 118,199 |
| Total Non-Current Liabilities | | 239,529,597 | 268,674,661 | 222,281,355 | 246,826,549 |
| TOTAL LIABILITIES | | 1,828,425,056 | 2,202,530,556 | 1,662,981,147 | 1,976,698,288 |

Notes to the financial statements form an integral part of these statements.

Financial Statements

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

| | Note | BAHT | | | |
|--|------|-------------------|-------------------|-----------------------------------|-------------------|
| | | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | | December 31, 2015 | December 31, 2014 | December 31, 2015 | December 31, 2014 |
| LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED) | | | | | |
| Shareholders' Equity | | | | | |
| Share capital | | | | | |
| Authorized share capital | | | | | |
| 200,000,000 common stocks of | | | | | |
| Baht 1 par value | | 200,000,000 | 200,000,000 | 200,000,000 | 200,000,000 |
| Issued and paid-up share capital | | | | | |
| 149,930,828 common stocks at | | | | | |
| Baht 1 each | | 149,930,828 | 149,930,828 | 149,930,828 | 149,930,828 |
| Premium on common stocks | | 724,763,392 | 724,763,392 | 724,763,392 | 724,763,392 |
| Retained earnings | | | | | |
| Appropriated | | | | | |
| Legal reserve | 21 | 20,000,000 | 20,000,000 | 20,000,000 | 20,000,000 |
| Unappropriated | | 1,725,766,572 | 1,600,132,507 | 1,272,560,498 | 1,162,538,587 |
| Other components of the shareholders' equity | | 582,506,049 | 699,152,151 | 578,836,958 | 698,433,211 |
| Total Shareholders' Equity of Parent Company | | 3,202,966,841 | 3,193,978,878 | 2,746,091,676 | 2,755,666,018 |
| Non-controlling interests | | 278,365,356 | 286,133,597 | - | - |
| Total Shareholders' Equity | | 3,481,332,197 | 3,480,112,475 | 2,746,091,676 | 2,755,666,018 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 5,309,757,253 | 5,682,643,031 | 4,409,072,823 | 4,732,364,306 |

Notes to the financial statements form an integral part of these statements.

Financial Statements

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2015

| | Notes | BAHT | | | |
|--|-------------|---------------|---------------|-----------------------------------|---------------|
| | | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | | 2015 | 2014 | 2015 | 2014 |
| Sales | | 5,101,279,970 | 5,427,832,766 | 4,402,849,470 | 4,625,247,495 |
| Cost of sales | | 3,970,635,463 | 4,299,573,323 | 3,404,917,147 | 3,664,399,343 |
| Gross profit | | 1,130,644,507 | 1,128,259,443 | 997,932,323 | 960,848,152 |
| Other incomes | | | | | |
| Dividend income | | 38,415,013 | 40,681,176 | 82,216,803 | 76,932,289 |
| Others | | 104,054,172 | 103,840,203 | 99,146,121 | 99,050,057 |
| Total other incomes | | 142,469,185 | 144,521,379 | 181,362,924 | 175,982,346 |
| Profit before expenses | | 1,273,113,692 | 1,272,780,822 | 1,179,295,247 | 1,136,830,498 |
| Selling expenses | | 117,593,775 | 115,910,036 | 85,111,656 | 83,208,648 |
| Administrative expenses | | 869,018,985 | 874,734,138 | 775,857,010 | 781,079,455 |
| Loss on diminution of investment in related companies and other companies | 12 and 13 | 14,580,466 | 2,734,142 | 13,997,466 | 2,199,142 |
| Loss on capital decrease of investment in other company | 13 | 1,040,625 | - | 1,040,625 | - |
| Directors' remuneration | 22 | 10,500,000 | 9,950,000 | 9,000,000 | 8,550,000 |
| Finance costs | | 22,557,069 | 34,767,284 | 19,743,360 | 29,947,159 |
| Total expenses | | 1,035,290,920 | 1,038,095,600 | 904,750,117 | 904,984,404 |
| Share of profit from investments in associates | 10 | 49,113,753 | 32,234,420 | - | - |
| Profit before income tax expenses | | 286,936,525 | 266,919,642 | 274,545,130 | 231,846,094 |
| Income tax expenses | 4.18 and 24 | 37,429,544 | 41,439,008 | 37,082,015 | 29,822,361 |
| Profit for the years | | 249,506,981 | 225,480,634 | 237,463,115 | 202,023,733 |
| Profit (loss) attributable to | | | | | |
| Equity holders of the parent | | 253,075,269 | 217,200,557 | 237,463,115 | 202,023,733 |
| Non-controlling interests | | (3,568,288) | 8,272,077 | - | - |
| | | 249,506,981 | 225,480,634 | 237,463,115 | 202,023,733 |
| Earnings Per Share to equity holders of the parent | 4.13 | | | | |
| Basic earnings per share | | 1.69 | 1.45 | 1.58 | 1.35 |
| Issued and paid-up 149,930,828 common stocks | | | | | |

Notes to the financial statements form an integral part of these statements.

Financial Statements

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2015

| | BAHT | | | |
|--|---------------|--------------|-----------------------------------|--------------|
| | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | 2015 | 2014 | 2015 | 2014 |
| Profit for the years | 249,506,981 | 225,480,634 | 237,463,115 | 202,023,733 |
| Other comprehensive income (loss) : | | | | |
| Translation of financial statement differences | 2,950,151 | (9,132,623) | - | - |
| Gain (loss) from the remeasuring of investments in available-for-sale securities | (149,495,317) | 296,196,926 | (149,495,317) | 296,196,926 |
| Components of income tax | 29,899,064 | (59,239,385) | 29,899,064 | (59,239,385) |
| Gain (loss) from the remeasuring of investments in available-for-sale securities-net of tax | (119,596,253) | 236,957,541 | (119,596,253) | 236,957,541 |
| Actuarial gain (loss) from employee benefit plan | - | 1,375,232 | - | (836,350) |
| Components of income tax | - | (275,046) | - | 167,270 |
| Actuarial gain (loss) from employee benefit plan-net of tax | - | 1,100,186 | - | (669,080) |
| Total other comprehensive income (loss) for the years | (116,646,102) | 228,925,104 | (119,596,253) | 236,288,461 |
| Total comprehensive income for the years | 132,860,879 | 454,405,738 | 117,866,862 | 438,312,194 |
| Total comprehensive income (loss) attributable to | | | | |
| Equity holders of the parent | 136,429,167 | 445,249,028 | 117,866,862 | 438,312,194 |
| Non-controlling interests | (3,568,288) | 9,156,710 | - | - |
| | 132,860,879 | 454,405,738 | 117,866,862 | 438,312,194 |

Notes to the financial statements form an integral part of these statements.

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2015

CONSOLIDATED

| CONSOLIDATED | | | | | | | | | | | BAHT |
|---|-------|------------------------------------|--------------------------|----------------------------|----------------|--|--|--|------------------------------------|----------------------------|---------------------------|
| | Notes | Shareholders' equity of the parent | | | | | | | | Total shareholders' equity | |
| | | Issued and paid-up share capital | Premium on common stocks | Retained earnings | | Other components of the shareholders' equity | | | Total equity holders of the parent | | Non-controlling interests |
| | | | | Appropriated Legal reserve | Unappropriated | Other comprehensive income | | Total other components of the shareholders' equity | | | |
| | | | | | | Translation of financial statement differences | Investments in available-for-sale securities | | | | |
| Year 2014 | | | | | | | | | | | |
| Beginning balances, January 1, 2014 | | 149,930,828 | 724,763,392 | 20,000,000 | 1,502,653,059 | 9,851,563 | 461,475,670 | 471,327,233 | 2,868,674,512 | 280,576,887 | 3,149,251,399 |
| Comprehensive income for the year 2014 :- | | | | | | | | | | | |
| Total comprehensive income for the year | | | | | | | | | | | |
| Adjustment of actuarial gain from employee benefit plan | | | | | | (9,132,623) | 236,957,541 | 227,824,918 | 445,033,475 | 8,272,077 | 453,305,552 |
| Total comprehensive income for the year 2014 | | | | | | | | | | | |
| Dividend payment | 22 | | | | 215,553 | | | - | 215,553 | 884,633 | 1,100,186 |
| Subsidiary's dividend paid to non-controlling interests | | | | | | | | | | | |
| Ending balances, December 31, 2014 | | 149,930,828 | 724,763,392 | 20,000,000 | 1,600,132,507 | 718,940 | 698,433,211 | 699,152,151 | 3,193,978,878 | 286,133,597 | 3,480,112,475 |
| Year 2015 | | | | | | | | | | | |
| Beginning balances, January 1, 2015 | | 149,930,828 | 724,763,392 | 20,000,000 | 1,600,132,507 | 718,940 | 698,433,211 | 699,152,151 | 3,193,978,878 | 286,133,597 | 3,480,112,475 |
| Comprehensive income (loss) for the year 2015 | | | | | | | | | | | |
| Non-controlling interests increase during the year | | | | | 253,075,269 | 2,950,151 | (119,596,253) | (116,646,102) | 136,429,167 | (3,568,288) | 132,860,879 |
| Dividend payment | 22 | | | | (127,441,204) | | | - | - | 157 | 157 |
| Subsidiary's dividend paid to non-controlling interests | | | | | | | | - | (127,441,204) | (4,200,110) | (127,441,204) |
| Ending balances, December 31, 2015 | | 149,930,828 | 724,763,392 | 20,000,000 | 1,725,766,572 | 3,669,091 | 578,836,958 | 582,506,049 | 3,202,966,841 | 278,265,356 | 3,481,332,197 |

Notes to the financial statements form an integral part of these statements.

Financial Statements

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2015

THE SEPARATE FINANCIAL STATEMENTS

BAHT

| | Notes | Retained earnings | | | Other components of the shareholders' equity | | Total shareholders' equity | | |
|---|-------|----------------------------------|--------------------------|--------------|--|----------------------------|----------------------------|---------------|--|
| | | Issued and paid-up share capital | Premium on common stocks | Appropriated | Unappropriated | Other comprehensive income | | | |
| | | | | | | | | Legal reserve | Investments in available-for-sale securities |
| | | | | | | | | | |
| Year 2014 | | | | | | | | | |
| Beginning balances, January 1, 2014 | | 149,930,828 | 724,763,392 | 20,000,000 | 1,081,128,596 | 461,475,670 | 2,437,298,486 | | |
| Comprehensive income for the year 2014 :- | | | | | | | | | |
| Total comprehensive income for the year | | | | | 202,023,733 (669,080) | 236,957,541 | 438,981,274 (669,080) | | |
| Adjustment of actuarial loss from employee benefit plan | | | | | | | | | |
| Total comprehensive income for the year 2014 | | | | | 201,354,653 (119,944,662) | 236,957,541 | 438,312,194 (119,944,662) | | |
| Dividend payment | 22 | | | | | | | | |
| Ending balances, December 31, 2014 | | 149,930,828 | 724,763,392 | 20,000,000 | 1,162,538,587 | 698,433,211 | 2,755,666,018 | | |
| Year 2015 | | | | | | | | | |
| Beginning balances, January 1, 2015 | | 149,930,828 | 724,763,392 | 20,000,000 | 1,162,538,587 | 698,433,211 | 2,755,666,018 | | |
| Comprehensive income (loss) for the year 2015 | | | | | 237,463,115 (127,441,204) | (119,596,253) | 117,866,862 (127,441,204) | | |
| Dividend payment | 22 | | | | | | | | |
| Ending balances, December 31, 2015 | | 149,930,828 | 724,763,392 | 20,000,000 | 1,272,560,498 | 578,836,958 | 2,746,091,676 | | |

Notes to the financial statements form an integral part of these statements.

Financial Statements

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (1/3)

FOR THE YEAR ENDED DECEMBER 31, 2015

| | BAHT | | | |
|---|--------------|--------------|-----------------------------------|--------------|
| | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | 2015 | 2014 | 2015 | 2014 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Profit before income tax expenses | 286,936,525 | 266,919,642 | 274,545,130 | 231,846,094 |
| Adjustment to reconcile profit before income tax expenses to cash provided from (used in) operation : | | | | |
| Bad debts | - | 247,037 | - | 226,430 |
| Increase in doubtful debts - trade accounts receivable | 15,917 | 2,239,765 | 88,616 | 1,961,611 |
| Increase in doubtful debts - other current assets | - | 246,756 | - | - |
| Decrease in provision for diminution in inventories | (7,763,077) | (8,015,709) | (6,664,247) | (2,216,708) |
| Loss on destruction of inventories | 43,176,878 | 72,565,624 | 39,664,247 | 63,216,709 |
| Depreciation | 293,632,867 | 305,960,697 | 200,060,219 | 203,744,426 |
| Amortization of intangible assets | 6,658,088 | 8,568,196 | 4,981,171 | 4,458,867 |
| Amortization of leasehold right | 781,625 | 774,421 | - | - |
| Interest expenses | 22,557,069 | 34,767,284 | 19,743,360 | 29,947,159 |
| Amortization of unearned rental | (15,046) | (15,046) | (15,046) | (15,046) |
| Loss on diminution of investment in related companies and other companies | 14,580,466 | 2,734,142 | 13,997,466 | 2,199,142 |
| Loss on capital decrease of investment in other company | 1,040,625 | - | 1,040,625 | - |
| Dividend income from investment in associates | - | - | (36,899,887) | (31,499,893) |
| Dividend income from investment in subsidiaries | - | - | (6,901,903) | (4,751,220) |
| Dividend income from investment in other companies | (38,415,013) | (40,681,176) | (38,415,013) | (40,681,176) |
| (Gain) loss on disposal and unused equipment | (123,887) | (1,144,644) | 87,708 | (1,226,497) |
| Amortization of assets under construction and installation to expenses | 274,393 | 615,183 | 274,393 | 615,183 |
| Unrealized (gain) loss on forward exchange contracts | 6,983,394 | (8,301,754) | 6,983,394 | (8,301,754) |
| Unrealized gain on exchange rates | (3,028,924) | (1,515,859) | (2,899,567) | (1,432,273) |
| Write-off of prepaid income tax | - | 114,594 | - | - |
| Long-term employee benefits expenses | 24,973,971 | 22,732,105 | 20,178,826 | 18,565,825 |
| Share of profit from investments in associates | (49,113,753) | (32,234,420) | - | - |
| Profit from operation before changes in operating assets and liabilities items | 603,152,118 | 626,576,838 | 489,849,492 | 466,656,879 |
| (INCREASE) DECREASE IN OPERATING ASSETS ITEMS | | | | |
| Trade accounts receivable | 154,837,103 | (11,225,484) | 106,327,580 | 8,861,095 |
| Other receivables | (3,596,240) | 8,394,175 | (2,765,992) | 6,815,209 |
| Inventories | 101,958 | 50,861,512 | (24,829,184) | 51,778,376 |
| Other current assets | (55,364,176) | 38,348,537 | (40,697,323) | 34,698,696 |
| Other non-current assets | 3,691,731 | (3,832,469) | 3,053,260 | (5,263,928) |

Notes to the financial statements form an integral part of these statements.

Financial Statements

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (2/3)

FOR THE YEAR ENDED DECEMBER 31, 2015

| | BAHT | | | |
|---|----------------------|----------------------|-----------------------------------|----------------------|
| | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | 2015 | 2014 | 2015 | 2014 |
| INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS | | | | |
| Trade accounts payable | (74,575,399) | (524,143) | (77,671,308) | (21,273,739) |
| Other accounts payable | (12,846,846) | 5,433,004 | (8,931,773) | 3,552,368 |
| Other current liabilities | 90,909 | (1,899,365) | 44,916 | (2,363,851) |
| Provision for long-term employee benefits | (16,321,465) | (11,237,948) | (9,756,876) | (10,416,023) |
| Other non-current liabilities | (348,796) | (172,622) | 102,804 | (172,622) |
| Cash provided from operation | 598,820,897 | 700,722,035 | 434,725,596 | 532,872,460 |
| Interest expenses paid | (22,685,983) | (35,114,577) | (20,023,363) | (30,220,404) |
| Income tax expenses paid | (35,475,931) | (44,431,031) | (29,436,669) | (39,313,621) |
| Translation of financial statement differences | 2,950,151 | (9,132,623) | - | - |
| NET CASH PROVIDED FROM OPERATING ACTIVITIES | 543,609,134 | 612,043,804 | 385,265,564 | 463,338,435 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| (Increase) decrease in fixed deposit at bank | 6,700,000 | (8,700,000) | - | - |
| Settlement from short-term loans to subsidiary | - | - | - | 2,000,000 |
| Purchase of investments in available-for-sale securities | (9,661,377) | (17,596,980) | (9,661,377) | (17,596,980) |
| Purchase of investments in subsidiaries | - | - | (12,499,843) | - |
| Purchase of property, plant and equipment | (189,858,142) | (169,601,996) | (84,746,565) | (137,393,911) |
| Increase in leasehold right | (466,403) | (685,927) | - | - |
| Purchase of intangible assets | (9,675,795) | (5,035,416) | (8,158,355) | (4,909,416) |
| Proceeds from disposal of equipment | 1,107,258 | 1,542,422 | 620,258 | 1,503,258 |
| Refund on investment from decrease in share capital of other company | 800,000 | - | 800,000 | - |
| Dividend income from investment in associates | 36,899,887 | 31,499,893 | 36,899,887 | 31,499,893 |
| Dividend income from investment in subsidiaries | - | - | 6,901,903 | 4,751,220 |
| Dividend income from other investments | 38,415,013 | 40,681,176 | 38,415,013 | 40,681,176 |
| NET CASH USED IN INVESTING ACTIVITIES | (125,739,559) | (127,896,828) | (31,429,079) | (79,464,760) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Decrease in bank overdrafts and short-term borrowings from financial institutions | (273,821,365) | (309,292,336) | (220,909,224) | (256,500,000) |
| Proceeds from capital increase in non-controlling interests | 157 | - | - | - |
| Subsidiary's dividend paid to non-controlling interests | (4,200,110) | (3,600,000) | - | - |
| Dividend payment | (127,441,204) | (119,944,662) | (127,441,204) | (119,944,662) |
| NET CASH USED IN FINANCING ACTIVITIES | (405,462,522) | (432,836,998) | (348,350,428) | (376,444,662) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 12,407,053 | 51,309,978 | 5,486,057 | 7,429,013 |
| CASH AND CASH EQUIVALENTS AS AT JANUARY 1, | 80,575,601 | 29,265,623 | 11,096,322 | 3,667,309 |
| CASH AND CASH EQUIVALENTS AS AT DECEMBER 31, | 92,982,654 | 80,575,601 | 16,582,379 | 11,096,322 |

Notes to the financial statements form an integral part of these statements.

Financial Statements

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (3/3)

FOR THE YEAR ENDED DECEMBER 31, 2015

| | BAHT | | | |
|---|---------------|-------------|-----------------------------------|-------------|
| | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | 2015 | 2014 | 2015 | 2014 |
| ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS : | | | | |
| NON-CASH FLOWS ITEMS COMPRISE : | | | | |
| Increase in equipment from asset payable | 5,933,587 | 10,136,583 | 4,966,582 | 8,810,508 |
| Gain (loss) from the remeasuring of investment in available-for-sale securities | (149,495,317) | 296,196,926 | (149,495,317) | 296,196,926 |
| Transferred property and plant to investments property | | | | |
| - Cost | 53,824,524 | - | 53,824,524 | - |
| - Accumulated depreciation | (13,464,439) | - | (13,464,439) | - |
| Transferred assets under construction and installation to intangible assets | - | (1,485,000) | - | (1,485,000) |
| Transferred other current assets to other non-current assets | - | 65,565 | - | - |
| Transferred other non-current assets to other current assets | - | (388,800) | - | - |
| Effect of adjustment of actuarial estimates from employee benefit plan | | | | |
| - Increase (decrease) in deferred tax assets | - | (275,046) | - | 167,270 |
| - (Increase) decrease in provision for long-term employee benefits | - | 1,375,232 | - | (836,350) |
| - (Increase) decrease in retained earnings | - | (215,553) | - | 669,080 |
| - Increase in non-controlling interests | - | (884,633) | - | - |

Notes to the financial statements form an integral part of these statements.

Notes to the financial statements

S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2015

1. GENERAL INFORMATION

| | |
|-----------------------|--|
| 1.1 Legal status | A juristic person established under Thai law and listed on the Stock Exchange of Thailand. |
| 1.2 Company location | |
| - Head office/factory | 600/4 Moo 11, Sukapiban Road 8, Tambol Nhongkharm Amphur Sriracha, Chonburi, Thailand. |
| - Branch | 2 Naradhiwas Rajanakarindra Road Kwaeng Tungwatdon, Khet Sathorn, Bangkok, Thailand. |
| - Branch | 662/4-6 Moo 11, Sukapiban Road 8, Tambol Nhongkharm Amphur Sriracha, Chonburi, Thailand. |
| - Branch | 19/41-43 Moo 7 Bangna-Trad Km. 17 Tambol Bangchlong, Amphur Bangplee, Samut Prakan, Thailand. |
| - Branch | 679 Moo 11, Tambol Nhongkharm Amphur Sriracha, Chonburi, Thailand. |
| - Branch | 789/159 Moo 1, Nong Kho-Leamchabang Rd., Tambol Nongkham, Amphur Sriracha, Chonburi, Thailand. |
| 1.3 Type of business | (1) Manufacturing all type of cosmetics. (2) Investing in its associates and subsidiaries which carry on business according to Notes 10 and 11 to the financial statements, respectively. |

2. BASIS FOR FINANCIAL STATEMENT PRESENTATION

- 2.1 The consolidated and the separate financial statements are prepared in accordance with the Accounting Standards and Financial Reporting Standards issued by Federation of Accounting Professions under the Accounting Profession Act, B.E. 2547 (2004), and the Accounting Act, B.E. 2543 (2000) and the Notification of the Office of the Securities and Exchange Commission. Except the financial statements of S & J International (UK) Limited, are prepared in accordance with the accounting standards of England, the financial statements

Notes to the financial statements

of Guangzhou S & J Cosmetics Company Limited and S & J International (HK) Limited, are prepared in accordance with the accounting standards of the People's Republic of China. In preparation of the consolidated financial statements, they are adjusted to be under the same accounting policies as parent company.

- 2.2 These consolidated financial statements included the financial statements of S & J International Enterprises Public Company Limited with its subsidiaries and the equity in associates as follows:

SUBSIDIARIES

| COMPANIES | % HOLDING | | ESTABLISHED IN |
|--|-----------|--------|----------------|
| | 2015 | 2014 | |
| <u>SUBSIDIARIES DIRECTLY HELD BY THE COMPANY</u> | | | |
| E F Co., Ltd. | 99.99 | 99.99 | Thailand |
| Top Trend Manufacturing Co., Ltd. | 50.00 | 50.00 | Thailand |
| Wildlives (Thailand) Co., Ltd. | 99.99 | 99.99 | Thailand |
| 4WD Vision Co., Ltd. | 99.99 | - | Thailand |
| SAAS Co., Ltd. | 99.99 | - | Thailand |
| S & J International (UK) Limited | 100.00 | 100.00 | England |
| <u>SUBSIDIARIES HELD BY</u> | | | |
| <u>S&J INTERNATIONAL (UK) LIMITED</u> | | | |
| Guangzhou S & J Cosmetics Company Limited | 100.00 | 100.00 | China |
| S & J International (HK) Limited | 100.00 | 100.00 | China |

ASSOCIATES

| COMPANIES | % HOLDING | | ESTABLISHED IN |
|-----------------------------------|-----------|-------|----------------|
| | 2015 | 2014 | |
| Yamahatsu (Thailand) Co., Ltd. | 30.00 | 30.00 | Thailand |
| Operational Energy Group Limited | 30.00 | 30.00 | Thailand |
| Osoth Interlaboratories Co., Ltd. | 33.19 | 33.19 | Thailand |

- 2.3 Inter-company balances and significant transactions of the Company and its subsidiaries have been eliminated in the consolidation.

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

3. The accounting standards that became effective in the current accounting year are as follows:

1. Conceptual Framework for Financial Reporting (revised 2014)

Thai Accounting Standards (TAS)

- | | |
|---------------------------|--|
| 2. TAS 1 (revised 2014) | Presentation of Financial Statements |
| 3. TAS 2 (revised 2014) | Inventories |
| 4. TAS 7 (revised 2014) | Statement of Cash Flows |
| 5. TAS 8 (revised 2014) | Accounting Policies, Changes in Accounting Estimates and Errors |
| 6. TAS 10 (revised 2014) | Events after the Reporting Period |
| 7. TAS 11 (revised 2014) | Construction Contracts |
| 8. TAS 12 (revised 2014) | Income Taxes |
| 9. TAS 16 (revised 2014) | Property, Plant and Equipment |
| 10. TAS 17 (revised 2014) | Leases |
| 11. TAS 18 (revised 2014) | Revenue |
| 12. TAS 19 (revised 2014) | Employee Benefits |
| 13. TAS 20 (revised 2014) | Accounting for Government Grants and Disclosure of Government Assistance |
| 14. TAS 21 (revised 2014) | The Effects of Changes in Foreign Exchange Rates |
| 15. TAS 23 (revised 2014) | Borrowing Cost |
| 16. TAS 24 (revised 2014) | Related Party Disclosures |
| 17. TAS 26 (revised 2014) | Accounting and Reporting by Retirement Benefit Plans |
| 18. TAS 27 (revised 2014) | Separate Financial Statements |
| 19. TAS 28 (revised 2014) | Investments in Associates and Joint Ventures |
| 20. TAS 29 (revised 2014) | Financial Reporting in Hyperinflationary Economies |
| 21. TAS 33 (revised 2014) | Earnings per Share |
| 22. TAS 34 (revised 2014) | Interim Financial Reporting |
| 23. TAS 36 (revised 2014) | Impairment of Assets |
| 24. TAS 37 (revised 2014) | Provisions, Contingent Liabilities and Contingent Assets |
| 25. TAS 38 (revised 2014) | Intangible Assets |
| 26. TAS 40 (revised 2014) | Investment Property |

Thai Financial Reporting Standards (TFRS)

| | |
|---------------------------|---|
| 27. TFRS 2 (revised 2014) | Share-Based Payments |
| 28. TFRS 3 (revised 2014) | Business Combinations |
| 29. TFRS 4 (revised 2014) | Insurance Contracts |
| 30. TFRS 5 (revised 2014) | Non-current Assets Held for Sales and Discontinued Operations |
| 31. TFRS 6 (revised 2014) | Exploration for and Evaluation of Mineral Resources |
| 32. TFRS 8 (revised 2014) | Operating Segments |
| 33. TFRS 10 | Consolidated Financial Statements |
| 34. TFRS 11 | Joint Arrangements |
| 35. TFRS 12 | Disclosure of Interests in Other Entities |
| 36. TFRS 13 | Fair Value Measurement |

Thai Accounting Standard Interpretations (TSIC)

| | |
|----------------------------|--|
| 37. TSIC 10 (revised 2014) | Government Assistance-No specific Relation to Operating Activities |
| 38. TSIC 15 (revised 2014) | Operating Leases-Incentives |
| 39. TSIC 25 (revised 2014) | Income Taxes-Changes in the Tax Status of an Entity or Its Shareholders |
| 40. TSIC 27 (revised 2014) | Evaluating the Substance of Transactions Involving the Legal Form of a Lease |
| 41. TSIC 29 (revised 2014) | Service Concession Arrangements: Disclosures |
| 42. TSIC 31 (revised 2014) | Revenue-Barter Transactions Involving Advertising Services |
| 43. TSIC 32 (revised 2014) | Intangible Assets - Web Site Costs |

Thai Financial Reporting Standard Interpretations (TFRIC)

| | |
|-----------------------------|--|
| 44. TFRIC 1 (revised 2014) | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| 45. TFRIC 4 (revised 2014) | Determining Whether an Arrangement Contains a Lease |
| 46. TFRIC 5 (revised 2014) | Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| 47. TFRIC 7 (revised 2014) | Applying the Restatement Approach under TAS 29 (revised 2014) Financial Reporting in Hyperinflationary Economies |
| 48. TFRIC 10 (revised 2014) | Interim Financial Reporting and Impairment |

| | |
|-----------------------------|---|
| 49. TFRIC 12 (revised 2014) | Service Concession Arrangements |
| 50. TFRIC13 (revised 2014) | Customer Loyalty Programmes |
| 51. TFRIC14 | TAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction |
| 52. TFRIC 15 (revised 2014) | Agreements for the Construction of Real Estate |
| 53. TFRIC 17 (revised 2014) | Distributions of Non-cash Assets to Owners |
| 54. TFRIC 18 (revised 2014) | Transfers of Assets from Customer |
| 55. TFRIC 20 | Stripping Costs in the Production Phase of a Surface Mine |

These accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations do not have any significant impact on the financial statements.

The Federation of Accounting Professions has issued the new accounting standards but are not yet effective.

Effective for fiscal years beginning on or after January 1, 2016 are as follows:

1. Conceptual Framework for Financial Reporting (revised 2015)

Thai Accounting Standards (TAS)

| | |
|---------------------------|--|
| 2. TAS 1 (revised 2015) | Presentation of Financial Statements |
| 3. TAS 2 (revised 2015) | Inventories |
| 4. TAS 7 (revised 2015) | Statement of Cash Flows |
| 5. TAS 8 (revised 2015) | Accounting Policies, Changes in Accounting Estimates and Errors |
| 6. TAS 10 (revised 2015) | Events After the Reporting Period |
| 7. TAS 11 (revised 2015) | Construction Contracts |
| 8. TAS 12 (revised 2015) | Income Taxes |
| 9. TAS 16 (revised 2015) | Property, Plant and Equipment |
| 10. TAS 17 (revised 2015) | Leases |
| 11. TAS 18 (revised 2015) | Revenue |
| 12. TAS 19 (revised 2015) | Employee Benefits |
| 13. TAS 20 (revised 2015) | Accounting for Government Grants and Disclosure of Government Assistance |
| 14. TAS 21 (revised 2015) | The Effects of Changes in Foreign Exchange Rates |
| 15. TAS 23 (revised 2015) | Borrowing Costs |
| 16. TAS 24 (revised 2015) | Related Party Disclosures |

| | |
|---------------------------|--|
| 17. TAS 26 (revised 2015) | Accounting and Reporting by Retirement Benefit Plans |
| 18. TAS 27 (revised 2015) | Separate Financial Statements |
| 19. TAS 28 (revised 2015) | Investments in Associates and Joint Ventures |
| 20. TAS 29 (revised 2015) | Financial Reporting in Hyperinflationary Economies |
| 21. TAS 33 (revised 2015) | Earnings Per Share |
| 22. TAS 34 (revised 2015) | Interim Financial Reporting |
| 23. TAS 36 (revised 2015) | Impairment of Assets |
| 24. TAS 37 (revised 2015) | Provisions, Contingent Liabilities and Contingent Assets |
| 25. TAS 38 (revised 2015) | Intangible Assets |
| 26. TAS 40 (revised 2015) | Investment Property |
| 27. TAS 41 | Agriculture |

Thai Financial Reporting Standards (TFRS)

| | |
|----------------------------|--|
| 28. TFRS 2 (revised 2015) | Share-based Payment |
| 29. TFRS 3 (revised 2015) | Business Combinations |
| 30. TFRS 4 (revised 2015) | Insurance Contracts |
| 31. TFRS 5 (revised 2015) | Non-current Assets Held for Sale and Discontinued Operations |
| 32. TFRS 6 (revised 2015) | Exploration for and Evaluation of Mineral Assets |
| 33. TFRS 8 (revised 2015) | Operating Segments |
| 34. TFRS 10 (revised 2015) | Consolidated Financial Statements |
| 35. TFRS 11 (revised 2015) | Joint Arrangements |
| 36. TFRS 12 (revised 2015) | Disclosure of Interests in Other Entities |
| 37. TFRS 13 (revised 2015) | Fair Value Measurement |

Thai Accounting Standard Interpretations (TSIC)

| | |
|----------------------------|---|
| 38. TSIC 10 (revised 2015) | Government Assistance - No Specific Relation to Operating Activities |
| 39. TSIC 15 (revised 2015) | Operating Leases - Incentives |
| 40. TSIC 25 (revised 2015) | Income Taxes - Changes in the Tax Status of an Enterprise or Its Shareholders |
| 41. TSIC 27 (revised 2015) | Evaluating the Substance of Transactions in the Legal Form of a Lease |
| 42. TSIC 29 (revised 2015) | Disclosure - Service Concession Arrangements |
| 43. TSIC 31 (revised 2015) | Revenue - Barter Transactions Involving Advertising Services |
| 44. TSIC 32 (revised 2015) | Intangible Assets - Web Site Costs |

Thai Financial Reporting Standard Interpretations (TFRIC)

| | |
|-----------------------------|--|
| 45. TFRIC 1 (revised 2015) | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| 46. TFRIC 4 (revised 2015) | Determining Whether an Arrangement Contains a Lease |
| 47. TFRIC 5 (revised 2015) | Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds |
| 48. TFRIC 7 (revised 2015) | Applying the Restatement Approach under TAS 29 (revised 2015) Financial Reporting in Hyperinflationary Economies |
| 49. TFRIC 10 (revised 2015) | Interim Financial Reporting and Impairment |
| 50. TFRIC 12 (revised 2015) | Service Concession Arrangements |
| 51. TFRIC 13 (revised 2015) | Customer Loyalty Programmes |
| 52. TFRIC 14 (revised 2015) | TAS 19 (revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction |
| 53. TFRIC 15 (revised 2015) | Agreements for the Construction of Real Estate |
| 54. TFRIC 17 (revised 2015) | Distributions of Non-cash Assets to Owners |
| 55. TFRIC 18 (revised 2015) | Transfers of Assets from Customers |
| 56. TFRIC 20 (revised 2015) | Stripping Costs in the Production Phase of a Surface Mine |
| 57. TFRIC 21 | Levies |

Management of group companies is evaluating the impact of such accounting standards on the financial statements in the year when they are adopted.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and expenses recognition

The Company recognized revenues and expenses from the following bases :

| | |
|-------------------------------|--|
| Sales | - Recognized as revenues whenever goods are delivered, the significant risks and rewards have been transferred to the buyer. |
| Sales of goods on consignment | - Recognized as revenues whenever the consignment goods are sold to the third parties. |
| Dividend income | - Recognized when the shareholder's right to receive is established. |
| Rental income | - Recognized over the lease period. |
| Other income | - Recognized on the accrual basis. |

Notes to the financial statements

| | |
|-----------------|---|
| Interest income | - Recognized on the accrual basis based on effective interest rate. |
| Expenses | - Recognized on the accrual basis. |

4.2 Cash and cash equivalents

Cash and cash equivalents are cash on hand, fixed deposits at financial institutions due not more than 3 months from the date of acquisition with no obligation.

4.3 Investments in Open-end Fund

Investments in Open-end Fund are considered as trading securities, stated at fair value. Cost of disposed investments during the period is calculated by the weighted average method.

4.4 Allowance for doubtful accounts

The Company and subsidiaries provide allowance for doubtful accounts for the estimated losses that may be incurred from the uncollected accounts receivable based on past experience in debt collection.

4.5 Inventories

Inventories are stated at cost or net realizable value, whichever is the lower. Cost is determined by the weighted average method.

The Company set up provision for diminution in value of obsolete, deteriorated inventories which are expected to be unsalable by considering the current condition of inventories.

4.6 Investments

Investments in available-for-sale securities are investments in listed securities stated at fair value with the objective for long-term investments. The Company recognized its revaluation in available-for-sale securities as separate item in other comprehensive income, under the caption "gain (loss) from the remeasuring of investment available-for-sale securities".

The Company calculated cost of the disposed securities during the years by the weighted average method.

Associates mean those companies in which the parent in the group companies has shareholding from 20% to 50% of the total voting rights or has significant influence over the associates, that is the parent in the group companies has power to participate in determining relating to the financial and operating policies of the enterprise but not up to the level of governing such policies. Investments in associates are stated by equity method for consolidation and cost method for the separate financial statements.

Subsidiaries mean those companies in which the parent in the group companies, directly or indirectly, has power more than one half of the total voting rights or power to govern the financial and operating policies of subsidiaries. Investments in subsidiaries in the separate financial statements are stated at cost after deduction of provision for diminution in investment.

Notes to the financial statements

Investments in related companies mean those companies in which the group companies have its shareholding less than 20% and/or the companies which directly or indirectly have some common management, major shareholders or such related persons. Investments in related companies are stated at cost after deduction of provision for diminution in investment.

Investments in other companies mean those companies in which the group companies have shareholding but have no power to govern or participate in setting up any policy. Investments in other companies are stated at cost after deduction of provision for diminution in investment.

4.7 Investments property

Investments properties mean properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purpose.

Investments property include property and building at acquisition cost less accumulated depreciation. Depreciation of building is calculated by the straight-line method based on the estimated useful life of assets within 20 years.

4.8 Property, plant and equipment

Property, plant and equipment are stated at cost. Plant and equipment are stated at acquisition cost less accumulated depreciation and provision on impairment of assets.

Depreciation is calculated by the straight-line method based on the estimated useful life of the following assets:

| | <u>Years</u> |
|--|--------------|
| Building and improvement | 20 - 25 |
| Machineries | 5 - 10 |
| Office furniture, fixtures and equipment | 5 - 10 |
| Vehicles | 5 - 8 |

Interest expenses incurred from loans obtained for building construction project are capitalized until such building is ready for use as intended.

Expenditures for additions, renewals or betterments which affected the significant increment in value of assets will be capitalized, considered as capital expenditures. Regarding repair and maintenance costs are recognized as expenses during the accounting periods when incurred.

4.9 Leasehold right

Leasehold right is stated at acquisition cost less amortization by using the straight-line method over the leases period.

4.10 Intangible assets

Computer softwares are stated at acquisition cost less amortization by using the straight-line method based on the estimated useful life of 10 years.

4.11 Operating leases

Leases where most of substantial risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to expenses in the statements of income over the lease term.

4.12 Employee benefits

Short-term employee benefits

The Company and its subsidiaries recognized salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

Long-term employee benefits

Defined contribution plan

The Company and its subsidiaries provide a provident fund, which is a defined contribution plan, the assets of which are held in a separate trust fund and managed by the external fund manager. Such provident fund is contributed by payments from employees and the Company. Contributions to the provident fund are charged to the statements of income in the incurred period.

Defined benefit plan

The provision for employee retirement benefits is recognized as an expense of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by a qualified actuary using the Projected Unit Credit Method.

The Company provides other long-term benefits to the eligible employees in return for their service in the current and prior periods before one's retirement. In the financial statements, the obligations represent the present value of the other long-term employee benefits. The obligations are calculated on the same basis as the defined benefit plan.

4.13 Earnings per share

Basic earnings per share is calculated by dividing profit for the year with the number of common stocks held by outsiders by the weighted average method.

4.14 Foreign currency transactions

Foreign currency transactions incurred during the years are recorded in Baht at the rate ruling on the date of transactions. Outstanding foreign currency assets and liabilities on the statements of financial position date are converted to Baht at the rate of exchange in effect on that date.

Gains or losses on exchange rate fluctuation are credited or charged to operations during the years.

For preparation of the consolidated financial statements, the financial statements of the subsidiary denominated in foreign currencies are converted to Baht based on the following exchange rates:

- Assets and liabilities were translated by the average exchange rates at the end of the year.
- Shareholders' equity and depreciation were translated by the exchange rate in effect on the transaction dates.
- Revenues and expenses were translated by the average exchange rates for the year.

Notes to the financial statements

The translation of financial statement differences in foreign currencies was shown under other comprehensive income.

4.15 Forward exchange contracts

Foreign currency transactions which are covered by forward exchange contract, the Company will record at fair value. Gains or losses on exchange rates are credited or charged to operations of each year.

4.16 Significant accounting judgments and estimates

In preparation of financial statements in accordance with generally accepted accounting principles requires management to use judgments on various estimates and assumptions that will affect the reported amounts of revenues, expenses, assets and liabilities including the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions of significant accounting relate primarily to allowance for doubtful accounts, provision for diminution in value of inventories, provision for diminution in investment, allowance for depreciation of investments property, allowance for depreciation of plant and equipment, allowance for amortization of intangible assets, deferred tax assets or liabilities and provision for long-term employee benefits. All other estimates mentioned above are further disclosed in the corresponding notes to the financial statements.

4.17 Deferred tax assets/liabilities

Deferred tax assets/liabilities are recognized for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the statements of financial position date. They will be realised in future period when the income is realised, or the expenses provided for are actually incurred and considered deductible for income tax purposes.

Deferred tax assets are recognized for deductible temporary differences or additional tax are deferred tax liabilities if it is highly probable that the Company will generate sufficient taxable profits from its future operations to utilise these assets.

As each statements of financial position date, the Company reviews and reduces the carrying amount of deferred tax assets/liabilities to the extent that it is no longer probable that sufficient taxable profit be available to allow all or part of the deferred tax asset or deferred tax liabilities to be utilised.

4.18 Income tax expenses

Income tax expenses from profit/loss for the year consist of current income tax and deferred tax. Income tax expenses recognized in statement of income unless part of transaction recorded in shareholders' equity recorded directly to equity.

5. CASH AND CASH EQUIVALENT

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---------------------------|--------------|------------|--------------------------------------|------------|
| | 2015 | 2014 | 2015 | 2014 |
| Cash | 660,534 | 634,032 | 450,000 | 450,000 |
| Cash at Bank | 92,186,620 | 74,291,996 | 16,132,379 | 10,510,667 |
| Cheque on hand | 135,500 | 5,649,573 | - | 135,655 |
| Cash and cash equivalents | 92,982,654 | 80,575,601 | 16,582,379 | 11,096,322 |

6. TRADE ACCOUNTS RECEIVABLE

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|--------------|--------------|--------------------------------------|--------------|
| | 2015 | 2014 | 2015 | 2014 |
| <u>Trade accounts receivable of related parties</u> | | | | |
| Trade notes receivable | 2,626,369 | 1,081,385 | 2,626,369 | 1,081,385 |
| Trade accounts receivable | | | | |
| Current | 233,728,643 | 309,486,005 | 221,141,013 | 270,379,831 |
| Overdue within 3 months | 27,622,003 | 28,148,168 | 20,455,007 | 15,194,520 |
| Overdue between 3 to 6 months | 1,756,046 | 1,366,303 | - | 1,188 |
| Overdue between 6 to 12 months | 542,205 | 139,503 | - | - |
| Overdue more than 12 months | 3,056 | 3,056 | - | - |
| Total | 266,278,322 | 340,224,420 | 244,222,389 | 286,656,924 |
| <u>Trade accounts receivable of other companies</u> | | | | |
| Trade notes receivable | 16,870,900 | 27,503,481 | 6,047,364 | 26,134,858 |
| Trade accounts receivable | | | | |
| Current | 462,528,468 | 398,065,609 | 395,468,867 | 332,488,229 |
| Overdue within 3 months | 87,594,490 | 212,693,155 | 57,566,430 | 154,674,149 |
| Overdue between 3 to 6 months | 1,670,148 | 8,491,274 | 716,850 | 7,827,396 |
| Overdue between 6 to 12 months | 748,796 | 4,702,053 | 655,706 | 4,493,088 |
| Overdue more than 12 months | 15,690,009 | 11,080,149 | 13,552,784 | 9,004,472 |
| Total | 585,102,811 | 662,535,721 | 474,008,001 | 534,622,192 |
| <u>Less Allowance for doubtful accounts</u> | (14,785,802) | (14,769,885) | (12,648,577) | (12,559,961) |
| Trade accounts receivable others - net | 570,317,009 | 647,765,836 | 461,359,424 | 522,062,231 |
| Trade accounts receivable - net | 836,595,331 | 987,990,256 | 705,581,813 | 808,719,155 |

Notes to the financial statements

7. SHORT-TERM LOANS TO SUBSIDIARY

BAHT

| PARTICULARS | THE SEPARATE FINANCIAL STATEMENTS | | INTEREST RATES (%) PER ANNUM | |
|--------------------------------|--------------------------------------|-------------|---------------------------------|------|
| | 2015 | 2014 | 2015 | 2014 |
| Wildlives (Thailand) Co., Ltd. | | | | |
| Beginning balances | - | 2,000,000 | | |
| Settlement during the years | - | (2,000,000) | | |
| Ending balances | - | - | - | 3.50 |

Short-term loans to subsidiary are unsecured loans.

8. INVENTORIES

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|--------------|--------------|--------------------------------------|-------------|
| | 2015 | 2014 | 2015 | 2014 |
| Finished goods | 243,864,989 | 253,588,616 | 198,972,877 | 215,850,939 |
| Goods in process | 167,676,268 | 191,152,139 | 78,289,036 | 73,037,496 |
| Raw materials | 214,141,558 | 233,172,869 | 186,477,635 | 195,543,530 |
| Packagings | 228,134,386 | 219,860,629 | 228,132,137 | 223,961,181 |
| Consumed supplies | 4,468,513 | 5,801,878 | 4,450,721 | 5,770,336 |
| Materials and materials in transit | 23,981,979 | 21,970,398 | 21,132,254 | 18,126,241 |
| Total | 882,267,693 | 925,546,529 | 717,454,660 | 732,289,723 |
| Less Allowance for diminution in inventories | (2,728,259) | (10,491,336) | (27,089) | (6,691,336) |
| Inventories - net | 879,539,434 | 915,055,193 | 717,427,571 | 725,598,387 |

Notes to the financial statements

9. INVESTMENTS IN AVAILABLE-FOR-SALE

Investments in available-for-sale are listed securities on the Stock Exchange.

BAHT

| CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS | % Holding | | Investment Value | | Dividends | |
|---|-----------|-------|------------------|---------------|------------|------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Related Companies | | | | | | |
| 1. Boutique New City Plc. | 0.02 | 0.02 | 124,000 | 124,000 | 1,000 | - |
| 2. Far East DDB Plc. | 0.01 | 0.01 | 40,000 | 40,000 | 3,000 | 4,200 |
| 3. I.C.C. International Plc. | 0.35 | 0.35 | 26,704,590 | 26,704,590 | 1,078,864 | 1,232,988 |
| 4. President Bakery Plc. | 1.00 | 1.00 | 13,500,000 | 13,500,000 | 5,760,000 | 4,950,000 |
| 5. Sahacogen (Chonburi) Plc. | 14.90 | 14.90 | 235,104,546 | 235,104,546 | 25,606,073 | 27,951,192 |
| 6. Saha Pathana Inter-Holding Plc. | 0.24 | 0.24 | 21,248,990 | 21,248,990 | 268,640 | 268,640 |
| 7. Thai Wacoal Plc. | 0.08 | - | 5,037,947 | - | - | - |
| Total cost | | | 301,760,073 | 296,722,126 | 32,717,577 | 34,407,020 |
| Add Gain from the remeasuring of investment in available-for-sale | | | 712,552,943 | 854,894,205 | | |
| Investments in available-for-sales - related companies - fair value | | | 1,014,313,016 | 1,151,616,331 | | |
| Other Companies | | | | | | |
| 1. Nation Multimedia Group Plc. | | | 21,796,170 | 17,172,740 | 425,356 | 277,406 |
| 2. Bangkok Bank Plc. | | | 5,000,700 | 5,000,700 | 411,450 | 411,450 |
| Total cost | | | 26,796,870 | 22,173,440 | 836,806 | 688,856 |
| Add Gain from the remeasuring of investment available-for-sale | | | 10,993,254 | 18,147,309 | | |
| Investments in available-for-sales - other companies - fair value | | | 37,790,124 | 40,320,749 | | |
| Investments in available-for-sales - fair value | | | 1,052,103,140 | 1,191,937,080 | 33,554,383 | 35,095,876 |

Notes to the financial statements

BAHT

| RELATED COMPANIES | TYPE OF BUSINESS | RELATIONSHIP | ISSUED AND PAID - UP SHARE CAPITAL | |
|------------------------------------|--|-------------------------------|---------------------------------------|-------------|
| | | | 2015 | 2014 |
| 1. Boutique New City Plc. | Garment | Shareholders / co - directors | 120,000,000 | 120,000,000 |
| 2. Far East DDB Plc. | Advertising and agency | Shareholders / co - directors | 75,000,000 | 75,000,000 |
| 3. I.C.C. International Plc. | Commerce | Shareholders / co - directors | 290,633,730 | 290,633,730 |
| 4. President Bakery Plc. | Food | Co - shareholders | 450,000,000 | 450,000,000 |
| 5. Sahacogen (Chonburi) Plc. | Generating and distributing electricity | Shareholders / co - directors | 955,000,000 | 955,000,000 |
| 6. Saha Pathana Inter-Holding Plc. | Investment | Co-shareholders | 494,034,300 | 494,034,300 |
| 7. Thai Wacoal Plc. | Finished garment - products, ladies' lingerie | Co-shareholders | 120,000,000 | - |

In August 2015, the Company has purchased investments in Thai Wacoal Public Company Limited, amount of 100,000 shares, worth amount Baht 5,037,947.

In December 2014, the Company has additionally purchased investments in Sahacogen (Chonburi) Public Company Limited, in amount of 2,500,000 shares, worth amount Baht 16,276,000.

In June 2013, the Company has additionally purchased the same proportion of investments in Nation Multimedia Public Company Limited, amount of 6,604,900 shares, worth amount Baht 6,604,900, the Company has the allocation of warrants 1 common stock to 1 unit amount of 6,604,900 units exercise price of Baht 1 each. The Company has exercised in December 2013, amount of 660,490 shares, worth amount Baht 660,490, in December 2014, amount of 1,320,980 shares, worth amount Baht 1,320,980 and in June 2015, amount of 4,623,430 shares, worth amount Baht 4,623,430 totaling exercised of warrants to purchase common stock 6,604,900 shares, totaling worth amount Baht 6,604,900.

Notes to the financial statements

10. INVESTMENTS IN ASSOCIATES

BAHT

| ASSOCIATES | % Holding | | CONSOLIDATED (Equity Method) | | THE SEPARATE FINANCIAL STATEMENTS (Cost Method) | |
|--|-----------|-------|---------------------------------|-------------|---|--------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Yamahatsu (Thailand) Co., Ltd. | 30 | 30 | 112,172,185 | 103,366,754 | 5,999,950 | 5,999,950 |
| Operational Energy Group Limited | 30 | 30 | 124,439,504 | 118,374,935 | 13,150,567 | 13,150,567 |
| Total | | | 236,611,689 | 221,741,689 | 19,150,517 | 19,150,517 |
| Osoth Interlaboratories Co., Ltd. | 33.19 | 33.19 | 191,140,408 | 193,796,542 | 201,994,000 | 201,994,000 |
| Less Allowance for loss on capital decrease | | | - | - | (2,850,000) | (2,850,000) |
| Provision for diminution in investments in associates | | | - | - | (19,950,000) | (19,950,000) |
| Investments in Osoth Interlaboratories Co., Ltd. - net | | | 191,140,408 | 193,796,542 | 179,194,000 | 179,194,000 |
| Investments in Associates - net | | | 427,752,097 | 415,538,231 | 198,344,517 | 198,344,517 |

BAHT

| ASSOCIATES | TYPE OF BUSINESS | ISSUED AND PAID - UP SHARE CAPITAL | | DIVIDENDS | |
|-----------------------------------|--------------------------------------|---------------------------------------|-------------|------------|------------|
| | | 2015 | 2014 | 2015 | 2014 |
| Yamahatsu (Thailand) Co., Ltd. | Hair products | 20,000,000 | 20,000,000 | 9,899,917 | 9,899,917 |
| Operational Energy Group Limited | Servicing to operate the power plant | 30,000,000 | 30,000,000 | 26,999,970 | 21,599,976 |
| Osoth Interlaboratories Co., Ltd. | Medicine | 600,000,000 | 600,000,000 | - | - |
| Total | | | | 36,899,887 | 31,499,893 |

The financial statements of associates which are applied for recording the investments in associates by the equity method for the years ended December 31, 2015 and 2014, based on the financial information audited by other certified public accountant.

The share of profit (loss) from investments for using the equity method which are recorded on the consolidated statements of income for the years ended December 31, 2015 and 2014, as follows :

BAHT

| SHARE OF PROFIT(LOSS) FROM INVESTMENTS FOR USING THE EQUITY METHOD | CONSOLIDATED | |
|--|--------------|------------|
| | 2015 | 2014 |
| Yamahatsu (Thailand) Co., Ltd. | 18,705,348 | 6,136,517 |
| Operational Energy Group Limited | 33,064,539 | 22,408,467 |
| Osoth Interlaboratories Co., Ltd. | (2,656,134) | 3,689,436 |
| Total | 49,113,753 | 32,234,420 |

Notes to the financial statements

Summarized financial information of associates

Financial information of the associates are summarized, as follow:

MILLION BAHT

| Company's name | Total assets | | Total liabilities | | Total revenues | | Profit (loss) for the years | |
|-----------------------------------|--------------|------|-------------------|------|----------------|-------|-----------------------------|------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Yamahatsu (Thailand) Co., Ltd. | 692 | 613 | 318 | 269 | 1,202 | 1,118 | 62 | 20 |
| Operational Energy Group Limited | 526 | 490 | 108 | 94 | 558 | 492 | 110 | 75 |
| Osoth Interlaboratories Co., Ltd. | 584 | 592 | 82 | 82 | 463 | 483 | (8) | 11 |

11. INVESTMENTS IN SUBSIDIARIES

BAHT

| SUBSIDIARIES | % Holding | | THE SEPARATE FINANCIAL STATEMENTS (Cost Method) | |
|-----------------------------------|-----------|--------|---|--------------|
| | 2015 | 2014 | 2015 | 2014 |
| E F Co., Ltd. | 99.99 | 99.99 | 4,005,696 | 4,005,696 |
| Top Trend Manufacturing Co., Ltd. | 50.00 | 50.00 | 124,824,970 | 124,824,970 |
| Wildlives (Thailand) Co., Ltd. | 99.99 | 99.99 | 999,930 | 999,930 |
| 4WD Vision Co., Ltd. | 99.99 | - | 2,499,993 | - |
| SAAS Co., Ltd. | 99.99 | - | 9,999,850 | - |
| S&J International (UK) Limited | 100.00 | 100.00 | 5,073,000 | 5,073,000 |
| | | | (GBP100,000) | (GBP100,000) |
| Total Investments in Subsidiaries | | | 147,403,439 | 134,903,596 |

| SUBSIDIARIES | TYPE OF BUSINESS | ISSUED AND PAID - UP SHARE CAPITAL | | DIVIDENDS | |
|---|--|---------------------------------------|-------------|------------------|------------------|
| | | 2015 | 2014 | 2015 | 2014 |
| <u>SUBSIDIARIES DIRECTLY HELD BY THE COMPANY</u> | | | | | |
| E F Co., Ltd. | Consumer products | 4,000,000 | 4,000,000 | 499,925 | - |
| Top Trend Manufacturing Co., Ltd. | Plastic containers | 120,000,000 | 120,000,000 | 4,200,000 | 3,600,000 |
| Wildlives (Thailand) Co., Ltd. | Consumer products | 1,000,000 | 1,000,000 | 499,965 | - |
| 4WD Vision Co., Ltd. | Import and export, buying and selling as trading such as chemicals, packaging products and cosmetics products | 2,500,000 | - | - | - |
| SAAS Co., Ltd. | Research and development of cosmetics formulations | 10,000,000 | - | - | - |
| S&J International (UK) Limited | Distributing cosmetic products, gift set and marketing service | 5,073,000 | 5,073,000 | 1,702,013 | 1,151,220 |
| <u>SUBSIDIARIES HELD BY S&J International (UK) Limited</u> | | | | | |
| Guangzhou S&J Cosmetics Company Limited | Distributing materials and packaging | 4,711,857 | 4,711,857 | - | - |
| S&J International (HK) Limited | Distributing materials and packaging | 5,372,068 | 5,372,068 | - | - |
| Total | | | | 6,901,903 | 4,751,220 |

TRANSACTIONS OF SUBSIDIARIES

SUBSIDIARIES DIRECTLY HELD BY THE COMPANY

SAAS Company Limited

In October 2015, the Company has invested in SAAS Company Limited of 199,997 shares at Baht 50 each, worth amount Baht 9,999,850 (at Baht 100 par value and paid - up at Baht 50 each), in shareholding proportion of 99.99%, with the objective of research and development of cosmetics formulations.

4WD Vision Company Limited

In April 2015, the Company has invested in 4WD Vision Company Limited of 999,997 shares at Baht 2.50 each, worth amount Baht 2,499,993 (at Baht 10 par value and paid - up at Baht 2.50 each), in shareholding proportion of 99.99%, with the objective of import and export, buying and selling as trading such as chemicals, packaging products and cosmetics products.

S & J International (UK) Limited

The financial statements of S & J International (UK) Limited, its subsidiary in the foreign country were audited by other certified public accountant, and were used to prepare consolidated financial statements by having assets as at December 31, 2015 and 2014, in the amount of Baht 153.61 million and Baht 78.84 million, respectively. For the years ended December 31, 2015 and 2014, having total revenues amount of Baht 186.55 million and Baht 225.74 million, respectively and net profit amount of Baht 9.35 million and Baht 12.90 million, respectively.

Subsidiaries held by S & J International (UK) Limited

Guangzhou S & J Cosmetics Company Limited

The financial statements of Guangzhou S & J Cosmetics Company Limited, its subsidiary in the foreign country were audited by other certified public accountants, and were used to prepare consolidated financial statements by having assets as at December 31, 2015 and 2014, in the amount of Baht 3.18 million, and Baht 3.75 million, respectively. For the years ended December 31, 2015 and 2014, having total revenues amount of Baht 7.86 million, and Baht 4.80 million, respectively and net profit (loss) in the amount of Baht 0.83 million and Baht (1.79) million, respectively.

S & J International (HK) Limited

The financial statements of S & J International (HK) Limited, its subsidiary in the foreign country were audited by other certified public accountants, and were used to prepare consolidated financial statements by having assets as at December 31, 2015 and 2014, in the amount of Baht 8.46 million, and Baht 7.36 million, respectively. For the years ended December 31, 2015 and 2014, having total revenues amount of Baht 62.16 million and Baht 22.07 million, respectively and net profit (loss) in the amount of Baht 0.09 million and Baht (0.77) million, respectively.

Notes to the financial statements

12. INVESTMENTS IN RELATED COMPANIES

BAHT

| CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS | % Holding | | Investment Value | | Dividend | |
|--|-----------|------|------------------|--------------|-----------|-----------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| 1. General Glass Co., Ltd. | 16 | 16 | *35,200,000 | *35,200,000 | - | - |
| 2. Thai Lotte Co., Ltd. | 0.27 | 0.27 | * 8,000,000 | * 8,000,000 | - | - |
| 3. H & B Kabinburi Co., Ltd. | 9 | 9 | 1,350,000 | 1,350,000 | 135,000 | 162,000 |
| 4. Thai Cubic Technology Co., Ltd. | 5 | 5 | 2,000,000 | 2,000,000 | 400,000 | 1,000,000 |
| 5. Train Time Test Co., Ltd. | 14 | 14 | 175,000 | 175,000 | - | - |
| 6. B.K.C. International Marketing Co.,Ltd. Ltd. | 19 | 19 | * 949,995 | * 949,995 | - | - |
| 7. United Utility Co., Ltd. | 5.71 | 5.71 | 20,598,600 | 20,598,600 | 2,000,000 | 1,000,000 |
| 8. Sahagreen Energy Co., Ltd. | 9 | 9 | * 3,600,000 | * 3,600,000 | - | - |
| Total cost | | | 71,873,595 | 71,873,595 | 2,535,000 | 2,162,000 |
| Less Allowance for loss on capital decrease in - General Glass Co., Ltd. | | | (12,000,000) | (12,000,000) | | |
| *Provision for diminution in investments in related companies | | | (21,321,965) | (15,002,199) | | |
| Total Investments in Related Companies - net | | | 38,551,630 | 44,871,396 | | |

BAHT

| | TYPE OF BUSINESS | RELATIONSHIP | ISSUED AND PAID - UP SHARE CAPITAL | |
|------------------------------------|----------------------|-------------------------------|---------------------------------------|---------------|
| | | | 2015 | 2014 |
| 1. General Glass Co., Ltd. | Glass bottles | Shareholders / co – directors | 145,000,000 | 145,000,000 |
| 2. Thai Lotte Co., Ltd. | Chewing gum | Shareholders / co – directors | 3,013,000,000 | 3,013,000,000 |
| 3. H & B Kabinburi Co., Ltd. | Cloth toy and ware | Shareholders / co – directors | 15,000,000 | 15,000,000 |
| 4. Thai Cubic Technology Co., Ltd. | Plate and varnish | Shareholders / co – directors | 40,000,000 | 40,000,000 |
| 5. Train Time Test Co., Ltd. | Training and seminar | Shareholders / co – directors | 1,250,000 | 1,250,000 |
| 6. B.K.C. International Marketing | Consumer products | Shareholders / co – directors | 5,000,000 | 5,000,000 |
| 7. United Utility Co., Ltd. | Real estate | Shareholders / co – directors | 350,000,000 | 350,000,000 |
| 8. Sahagreen Energy Co., Ltd. | Wood pellent | Shareholders / co – directors | 40,000,000 | 40,000,000 |

13. INVESTMENTS IN OTHER COMPANIES

BAHT

| | % Holding | | Investment Value | | Dividends | |
|---|-----------|-------|------------------|--------------|-----------|-----------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| 1. Sahapat Properties Co., Ltd. | 2.50 | 2.50 | 500,000 | * 500,000 | 150,000 | 200,000 |
| 2. Eastern Rubber Co., Ltd. | 1.50 | 1.50 | * 450,000 | * 450,000 | - | - |
| 3. Advantage Footwear Co., Ltd. | 0.38 | 0.38 | * 1,387,500 | * 1,387,500 | - | - |
| 4. Treasure Hill Co., Ltd. | 2.00 | 2.00 | * 4,000,000 | * 4,000,000 | - | - |
| 5. Thanara Co., Ltd. | 0.83 | 0.83 | 750,000 | 750,000 | - | - |
| 6. Thai Kamaya Co., Ltd. | 8.00 | 8.00 | * 9,080,000 | 9,080,000 | - | - |
| 7. Thai Herbal Products Co., Ltd. | 1.50 | 1.50 | 1,200,000 | 1,200,000 | 120,000 | 360,000 |
| 8. Tipvarin Wattana Co., Ltd. | 7.50 | 7.50 | 1,233,000 | 1,233,000 | 135,630 | 123,300 |
| 9. Saha Sehwa Co., Ltd. | 3.48 | 3.48 | * 5,049,970 | * 5,049,970 | - | - |
| 10. T-Way Co., Ltd. | 12.00 | 12.00 | * 19,207,500 | * 19,207,500 | - | - |
| 11. K. Commercial & Construction Co., Ltd. | 2.20 | 2.20 | 3,277,670 | 3,277,670 | 110,000 | 110,000 |
| 12. E. P. F. Co., Ltd. | 18.00 | 18.00 | 702,000 | 702,000 | 810,000 | 1,530,000 |
| 13. Pan Land Co., Ltd. | 1.00 | 1.00 | * 3,000,000 | * 3,000,000 | - | - |
| 14. Thai Yukilon Co., Ltd. | 6.94 | 6.94 | 5,000,000 | 5,000,000 | 1,000,000 | 1,000,000 |
| 15. Sriracha Aviation Co., Ltd. | 3.64 | 3.64 | 2,000,000 | * 2,000,000 | - | 100,000 |
| 16. Waseda Education (Thailand) Co., Ltd. | 7.14 | 7.14 | 3,200,000 | 4,000,000 | - | - |
| Total cost | | | 60,037,640 | 60,837,640 | 2,325,630 | 3,423,300 |
| <u>Less</u> * Provision for capital decrease in Advantage Footwear Co., Ltd | | | (1,040,625) | - | | |
| * Provision for diminution in investments in other companies | | | (21,566,886) | (13,889,186) | | |
| Total Investments in Other Companies-net (Separate financial statements) | | | 37,430,129 | 46,948,454 | | |
| SUBSIDIARY INVESTED IN | | | | | | |
| - Treasure Hill Co., Ltd. | 1.00 | 1.00 | * 2,000,000 | * 2,000,000 | | |
| - T-Way Co., Ltd. | 4.00 | 4.00 | * 6,400,000 | * 6,400,000 | | |
| Total cost | | | 8,400,000 | 8,400,000 | | |
| <u>Less</u> *Provision for diminution in investments in other companies | | | (3,748,000) | (3,165,000) | | |
| Total Investment in Other Companies of the Subsidiary - net | | | 4,652,000 | 5,235,000 | | |
| Total Investments in Other Companies - net (Consolidated) | | | 42,082,129 | 52,183,454 | | |

In February 2015, Advantage Footwear Company Limited has reduced its registered capital by reducing par value of Baht 75 per share (original par value of Baht 100 per share to Baht 25 per share) by deducting the capital decrease with deficits. The Company has set up the provision for loss on capital decrease in proportion of investment worth amount Baht 1.04 million.

Notes to the financial statements

In June 2015, Waseda Education (Thailand) Company Limited has reduced its capital from 560,000 shares at Baht 100 par value to 448,000 shares at Baht 100 par value. The Company has recorded decrease in proportion of investment refund from investment in the amount of Baht 800,000.

14. INVESTMENTS PROPERTY

BAHT

| CONSOLIDATED | Property | Building | Total |
|---|------------|-------------|-------------|
| <u>Cost</u> | | | |
| January 1, 2014 | 10,198,609 | 80,842,878 | 91,041,487 |
| December 31, 2014 | 10,198,609 | 80,842,878 | 91,041,487 |
| Transferred from property and plant | 40,300,000 | 13,524,524 | 53,824,524 |
| December 31, 2015 | 50,498,609 | 94,367,402 | 144,866,011 |
| <u>Accumulated depreciation</u> | | | |
| January 1, 2014 | - | 16,977,158 | 16,977,158 |
| Depreciation for the year 2014 | - | 4,042,145 | 4,042,145 |
| December 31, 2014 | - | 21,019,303 | 21,019,303 |
| Transferred accumulated depreciation from plant | - | 13,464,439 | 13,464,439 |
| Depreciation for the year 2015 | - | 4,048,064 | 4,048,064 |
| December 31, 2015 | - | 38,531,806 | 38,531,806 |
| <u>Net book value</u> | | | |
| December 31, 2014 | 10,198,609 | 59,823,575 | 70,022,184 |
| December 31, 2015 | 50,498,609 | 55,835,596 | 106,334,205 |
| <u>Fair value</u> | | | |
| December 31, 2014 | 11,005,293 | 105,049,385 | 116,054,678 |
| December 31, 2015 | 64,320,784 | 81,123,627 | 145,444,411 |

Assets fair value are appraised by independent appraiser by using cost approach and market comparative approach.

| THE SEPARATE FINANCIAL STATEMENTS | Property | Building | Total |
|---|------------|-------------|-------------|
| Cost | | | |
| January 1, 2014 | 10,078,609 | 80,842,878 | 90,921,487 |
| December 31, 2014 | 10,078,609 | 80,842,878 | 90,921,487 |
| Transferred from property and plant | 40,300,000 | 13,524,524 | 53,824,524 |
| December 31, 2015 | 50,378,609 | 94,367,402 | 144,746,011 |
| Accumulated depreciation | | | |
| January 1, 2014 | - | 16,977,158 | 16,977,158 |
| Depreciation for the year 2014 | - | 4,042,145 | 4,042,145 |
| December 31, 2014 | - | 21,019,303 | 21,019,303 |
| Transferred accumulated depreciation from plant | - | 13,464,439 | 13,464,439 |
| Depreciation for the year 2015 | - | 4,048,064 | 4,048,064 |
| December 31, 2015 | - | 38,531,806 | 38,531,806 |
| Net book value | | | |
| December 31, 2014 | 10,078,609 | 59,823,575 | 69,902,184 |
| December 31, 2015 | 50,378,609 | 55,835,596 | 106,214,205 |
| Fair value | | | |
| December 31, 2014 | 10,885,293 | 105,049,385 | 115,934,678 |
| December 31, 2015 | 64,200,784 | 81,123,627 | 145,324,411 |

Assets fair value are appraised by independent appraiser by using cost approach and market comparative approach.

The Company, related company and other company jointly invested in land with structures amount of Baht 30.36 million with the proportion of investment as follows :

| | Amount (Million Baht) | Ratio of Ownership |
|--|-----------------------|--------------------|
| Vitayasithi Co., Ltd. | 14.93 | 76.57 |
| S & J International Enterprises Plc. | 9.95 | 51.05 |
| K. Commercial & Construction Co., Ltd. | 5.48 | 28.08 |
| | 30.36 | 155.70 |

Notes to the financial statements

15. PROPERTY, PLANT AND EQUIPMENT

| BAHT | | | | | | | | |
|---|----------------------|--------------------------|------------------------|------------------|-------------------------|-------------|--|---------------|
| CONSOLIDATED | Land and improvement | Building and improvement | Furniture and fixtures | Office equipment | Machinery and equipment | Vehicles | Assets under construction and installation | Total |
| Cost | | | | | | | | |
| January 1, 2014 | 343,300,034 | 757,234,346 | 344,949,614 | 110,169,086 | 2,077,289,015 | 63,095,908 | 280,474,343 | 3,976,512,346 |
| Increase | - | 7,879,618 | 16,162,365 | 13,086,239 | 74,715,139 | 3,442,300 | 64,452,918 | 179,738,579 |
| Disposal/write off | - | (2,204,972) | (1,893,054) | (1,764,507) | (7,411,067) | (4,745,346) | - | (18,018,946) |
| Transferred to expenses | - | - | - | - | - | - | (615,183) | (615,183) |
| Transferred to intangible assets | - | - | - | - | - | - | (1,485,000) | (1,485,000) |
| Transferred to/from | - | 802,055 | 925,910 | 728,478 | 27,453,343 | 138,000 | (30,047,786) | - |
| December 31, 2014 | 343,300,034 | 763,711,047 | 360,144,835 | 122,219,296 | 2,172,046,430 | 61,930,862 | 312,779,292 | 4,136,131,796 |
| Increase | - | 108,593,062 | 6,283,574 | 8,259,741 | 55,079,748 | - | 17,575,604 | 195,791,729 |
| Disposal/write off | - | (173,057) | (5,254,865) | (3,666,612) | (35,768,151) | - | - | (44,862,685) |
| Transferred to expenses | - | - | - | - | - | - | (274,393) | (274,393) |
| Transferred to investments property | (40,300,000) | (13,524,524) | - | - | - | - | - | (53,824,524) |
| Transferred to/from | - | 253,435,083 | 9,078,557 | 3,004,434 | 37,351,758 | - | (302,869,832) | - |
| December 31, 2015 | 303,000,034 | 1,112,041,611 | 370,252,101 | 129,816,859 | 2,228,709,785 | 61,930,862 | 27,210,671 | 4,232,961,923 |
| Accumulated depreciation | | | | | | | | |
| January 1, 2014 | - | 237,702,023 | 227,501,420 | 81,663,310 | 1,464,831,964 | 47,744,697 | - | 2,059,443,414 |
| Depreciation for the year 2014 | - | 30,648,476 | 37,660,014 | 12,631,981 | 214,804,365 | 6,173,716 | - | 301,918,552 |
| Disposal/write off | - | (2,204,904) | (1,867,598) | (1,745,527) | (7,057,799) | (4,745,340) | - | (17,621,168) |
| December 31, 2014 | - | 266,145,595 | 263,293,836 | 92,549,764 | 1,672,578,530 | 49,173,073 | - | 2,343,740,798 |
| Depreciation for the year 2015 | - | 37,734,914 | 36,586,566 | 12,958,653 | 198,612,471 | 3,692,199 | - | 289,584,803 |
| Disposal/write off | - | (97,605) | (4,938,129) | (3,598,002) | (35,245,578) | - | - | (43,879,314) |
| Transferred to investments property | - | (13,464,439) | - | - | - | - | - | (13,464,439) |
| December 31, 2015 | - | 290,318,465 | 294,942,273 | 101,910,415 | 1,835,945,423 | 52,865,272 | - | 2,575,981,848 |
| Provision for impairment of assets | | | | | | | | |
| December 31, 2014 | - | - | - | - | - | - | 2,200,000 | 2,200,000 |
| December 31, 2015 | - | - | - | - | - | - | 2,200,000 | 2,200,000 |
| Net book value | | | | | | | | |
| December 31, 2014 | 343,300,034 | 497,565,452 | 96,850,999 | 29,669,532 | 499,467,900 | 12,757,789 | 310,579,292 | 1,790,190,998 |
| December 31, 2015 | 303,000,034 | 821,723,146 | 75,309,828 | 27,906,444 | 392,764,362 | 9,065,590 | 25,010,671 | 1,654,780,075 |

Notes to the financial statements

BAHT

| THE SEPARATE FINANCIAL STATEMENTS | Land and improvement | Building and improvement | Furniture and fixtures | Office equipment | Machineries and equipment | Vehicles | Assets under construction and installation | Total |
|---|----------------------|-----------------------------|------------------------|------------------|------------------------------|-------------|---|---------------|
| Cost | | | | | | | | |
| January 1, 2014 | 242,144,778 | 639,305,752 | 189,609,428 | 88,068,470 | 1,064,033,670 | 39,120,216 | 271,669,660 | 2,533,993,974 |
| Increase | - | 7,469,618 | 3,623,932 | 11,748,462 | 58,673,227 | 3,350,300 | 61,338,880 | 146,204,419 |
| Disposal/write off | - | (2,204,972) | (1,826,455) | (1,759,092) | (7,161,067) | (4,145,346) | - | (17,096,932) |
| Transferred to expenses | - | - | - | - | - | - | (615,183) | (615,183) |
| Transferred to intangible assets | - | - | - | - | - | - | (1,485,000) | (1,485,000) |
| Transferred to/from | - | 802,055 | 667,460 | 728,478 | 24,155,685 | - | (26,353,678) | - |
| December 31, 2014 | 242,144,778 | 645,372,453 | 192,074,363 | 98,786,318 | 1,139,703,515 | 38,325,170 | 304,554,679 | 2,660,961,278 |
| Increase | - | 35,553,955 | 3,966,305 | 6,845,542 | 26,790,141 | - | 16,557,204 | 89,713,147 |
| Disposal/write off | - | (173,057) | (3,163,307) | (3,551,712) | (12,518,912) | - | - | (19,408,988) |
| Transferred to expenses | - | - | - | - | - | - | (274,393) | (274,393) |
| Transferred to investments property | (40,300,000) | (13,524,524) | - | - | - | - | - | (53,824,524) |
| Transferred to/from | - | 253,435,083 | 8,710,457 | 3,004,434 | 31,793,442 | - | (296,943,416) | - |
| December 31, 2015 | 201,844,778 | 920,663,910 | 201,583,820 | 105,084,582 | 1,185,768,186 | 38,325,170 | 23,894,074 | 2,677,166,520 |
| Accumulated depreciation | | | | | | | | |
| January 1, 2014 | - | 196,437,255 | 110,118,027 | 63,146,010 | 675,996,260 | 32,462,525 | - | 1,078,160,077 |
| Depreciation for the year 2014 | - | 25,038,366 | 23,434,248 | 10,730,406 | 136,914,175 | 3,585,086 | - | 199,702,281 |
| Disposal/write off | - | (2,204,904) | (1,800,999) | (1,740,113) | (6,928,815) | (4,145,340) | - | (16,820,171) |
| December 31, 2014 | - | 219,270,717 | 131,751,276 | 72,136,303 | 805,981,620 | 31,902,271 | - | 1,261,042,187 |
| Depreciation for the year 2015 | - | 31,465,280 | 22,574,246 | 11,262,848 | 129,225,062 | 1,484,719 | - | 196,012,155 |
| Disposal/write off | - | (97,605) | (3,123,845) | (3,483,110) | (11,996,462) | - | - | (18,701,022) |
| Transferred to investments property | - | (13,464,439) | - | - | - | - | - | (13,464,439) |
| December 31, 2015 | - | 237,173,953 | 151,201,677 | 79,916,041 | 923,210,220 | 33,386,990 | - | 1,424,888,881 |
| Provision for impairment of assets | | | | | | | | |
| December 31, 2014 | - | - | - | - | - | - | 2,200,000 | 2,200,000 |
| December 31, 2015 | - | - | - | - | - | - | 2,200,000 | 2,200,000 |
| Net book value | | | | | | | | |
| December 31, 2014 | 242,144,778 | 426,101,736 | 60,323,089 | 26,650,015 | 333,721,895 | 6,422,899 | 302,354,679 | 1,397,719,091 |
| December 31, 2015 | 201,844,778 | 683,489,957 | 50,384,143 | 25,168,541 | 262,557,966 | 4,938,180 | 21,694,074 | 1,250,077,639 |

16. LEASEHOLD RIGHT

BAHT

| PARTICULARS | CONSOLIDATED | |
|--|--------------|-----------|
| | 2015 | 2014 |
| Beginning balances leasehold right - net | 1,034,702 | 1,123,196 |
| Add Increase | 466,403 | 685,927 |
| Less Amortization for the years | (781,625) | (774,421) |
| Ending balances leasehold right - net | 719,480 | 1,034,702 |

17. INTANGIBLE ASSETS

BAHT

| CONSOLIDATED | Computer softwares | Computer softwares under installation | Total |
|---------------------------------|--------------------|---------------------------------------|------------|
| Cost | | | |
| January 1, 2014 | 59,209,553 | 3,984,000 | 63,193,553 |
| Increase | 5,035,416 | - | 5,035,416 |
| Transferred from equipment | 1,485,000 | - | 1,485,000 |
| Transferred to/from | 3,984,000 | (3,984,000) | - |
| December 31, 2014 | 69,713,969 | - | 69,713,969 |
| Increase | 9,675,795 | - | 9,675,795 |
| Disposal/write off | (48,780) | - | (48,780) |
| December 31, 2015 | 79,340,984 | - | 79,340,984 |
| Accumulated amortization | | | |
| January 1, 2014 | 27,472,710 | - | 27,472,710 |
| Amortization for the year 2014 | 8,568,196 | - | 8,568,196 |
| December 31, 2014 | 36,040,906 | - | 36,040,906 |
| Amortization for the year 2015 | 6,658,088 | - | 6,658,088 |
| Disposal/write off | (48,780) | - | (48,780) |
| December 31, 2015 | 42,650,214 | - | 42,650,214 |
| Net book value | | | |
| December 31, 2014 | 33,673,063 | - | 33,673,063 |
| December 31, 2015 | 36,690,770 | - | 36,690,770 |

BAHT

| THE SEPARATE FINANCIAL STATEMENTS | Computer softwares | Computer softwares under installation | Total |
|--------------------------------------|-----------------------|---|------------|
| Cost | | | |
| January 1, 2014 | 37,216,048 | 3,984,000 | 41,200,048 |
| Increase | 4,909,416 | - | 4,909,416 |
| Transferred from equipment | 1,485,000 | - | 1,485,000 |
| Transferred to/from | 3,984,000 | (3,984,000) | - |
| December 31, 2014 | 47,594,464 | - | 47,594,464 |
| Increase | 8,158,355 | - | 8,158,355 |
| December 31, 2015 | 55,752,819 | - | 55,752,819 |
| Accumulated amortization | | | |
| January 1, 2014 | 13,484,855 | - | 13,484,855 |
| Amortization for the year 2014 | 4,458,867 | - | 4,458,867 |
| December 31, 2014 | 17,943,722 | - | 17,943,722 |
| Amortization for the year 2015 | 4,981,171 | - | 4,981,171 |
| December 31, 2015 | 22,924,893 | - | 22,924,893 |
| Net book value | | | |
| December 31, 2014 | 29,650,742 | - | 29,650,742 |
| December 31, 2015 | 32,827,926 | - | 32,827,926 |

18. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|---------------|---------------|--------------------------------------|---------------|
| | 2015 | 2014 | 2015 | 2014 |
| Bank overdrafts | 3,090,776 | 11,444,970 | 3,090,776 | - |
| Short-term borrowings from financial institutions | 1,017,032,829 | 1,282,500,000 | 893,500,000 | 1,117,500,000 |
| Total | 1,020,123,605 | 1,293,944,970 | 896,590,776 | 1,117,500,000 |

Bank overdrafts and short-term borrowings from the financial institutions of the Company and subsidiary are unsecured loans.

19. PROVISION FOR LONG - TERM EMPLOYEE BENEFITS

BAHT

| PARTICULARS | CONSOLIDATED | | |
|--|--|--------------------------------------|--------------|
| | Provision for employee retirement benefit under labor law | Other long-term employee benefits | Total |
| Defined benefit obligation | | | |
| Balances as at January 1, 2014 | 106,440,756 | 13,871,265 | 120,312,021 |
| Actuarial (gain) loss from employee benefit plan | 921,976 | (2,297,208) | (1,375,232) |
| <u>Add</u> Current service cost | 16,567,648 | 1,952,935 | 18,520,583 |
| Interest cost | 3,796,872 | 414,650 | 4,211,522 |
| <u>Less</u> Benefits paid during the year | (4,917,540) | (6,320,408) | (11,237,948) |
| Balances as at December 31, 2014 | 122,809,712 | 7,621,234 | 130,430,946 |
| <u>Add</u> Current service cost | 18,384,170 | 2,018,360 | 20,402,530 |
| Interest cost | 4,174,287 | 397,154 | 4,571,441 |
| <u>Less</u> Benefits paid during the year | (10,729,053) | (5,592,412) | (16,321,465) |
| Balances as at December 31, 2015 | 134,639,116 | 4,444,336 | 139,083,452 |

BAHT

| PARTICULARS | THE SEPARATE FINANCIAL STATEMENTS | | |
|--|--|--------------------------------------|--------------|
| | Provision for employee retirement benefit under labor law | Other long-term employee benefits | Total |
| Defined benefit obligation | | | |
| Balances as at January 1, 2014 | 87,367,797 | 11,285,382 | 98,653,179 |
| Actuarial (gain) loss from employee benefit plan | 2,720,167 | (1,883,817) | 836,350 |
| <u>Add</u> Current service cost | 13,443,017 | 1,621,446 | 15,064,463 |
| Interest cost | 3,168,132 | 333,230 | 3,501,362 |
| <u>Less</u> Benefits paid during the year | (4,243,220) | (6,172,803) | (10,416,023) |
| Balances as at December 31, 2014 | 102,455,893 | 5,183,438 | 107,639,331 |
| <u>Add</u> Current service cost | 14,786,176 | 1,644,360 | 16,430,536 |
| Interest cost | 3,443,060 | 305,230 | 3,748,290 |
| <u>Less</u> Benefits paid during the year | (6,069,913) | (3,686,963) | (9,756,876) |
| Balances as at December 31, 2015 | 114,615,216 | 3,446,065 | 118,061,281 |

Notes to the financial statements

The principle assumptions used in determining the employee benefit liabilities are shown as follows:

| PARTICULARS | CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS |
|--|---|
| | % (per annum) |
| Discount rate | 3.57 - 3.75 |
| Salary increase rate (depends on the age) | 3.00 - 5.00 |
| Average staff turnover rate (depends on the age) | |
| - Monthly staff | 0.00 - 33.00 |
| - Daily staff | 0.00 - 73.00 |

20. EMPLOYEE PROVIDENT FUND

The Company and its subsidiary have set up and registered provident fund in accordance with the Provident Fund Act, B.E. 2530 (1987). In order to be the savings and welfare promotion, as well as the fringe benefits upon resignation or retirement to its employees according to the Company's regulation, with one part of contribution from the employees and another part from the Company at the rate of 3% on their basic salaries. The Company has appointed the CIMB-Principal Asset Management Company Limited to be the fund manager.

Provident fund contributions made by the Company and its subsidiary for their employees are recorded as expenses in the income statements for the years ended December 31, 2015 and 2014 as follows:

| | MILLION BAHT | | | |
|--------------------------------------|--------------|------|--------------------------------------|------|
| | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
| | 2015 | 2014 | 2015 | 2014 |
| S & J International Enterprises Plc. | 8.20 | 7.60 | 8.20 | 7.60 |
| Top Trend Manufacturing Co., Ltd. | 1.90 | 2.00 | - | - |
| Total | 10.10 | 9.60 | 8.20 | 7.60 |

21. LEGAL RESERVE

In compliance with the Public Company Act, B.E. 2535 (1992), the Company has to set up legal reserve at least 5 % of annual net profit less deficits brought forward (if any) until meet 10 % of authorized share capital. Such legal reserve is not allowed to pay for dividend. The Company has completely appropriated for legal reserve in compliance with the legal requirement.

22. DIVIDEND PAYMENT AND DIRECTORS' REMUNERATION

On April 28, 2015, the Ordinary General Shareholders' Meeting for 2015 was held and approved a resolution to pay dividends for the results of 2014 operation to the shareholders of 149,930,828 shares at Baht 0.85 per share, totaling Baht 127.44 million. The dividend payment was made on May 26, 2015 and approved a resolution to pay directors' remuneration at the maximum of Baht 15 million per year.

On April 22, 2014, the Ordinary General Shareholders' Meeting for 2014 was held and approved a resolution to pay dividends for the results of 2013 operation to the shareholders of 149,930,828 shares at Baht 0.80 per share, totaling Baht 119.94 million. The dividend payment was made on May 21, 2014 and approved a resolution to pay directors' remuneration at the maximum of Baht 15 million per year.

23. EXPENSES BY NATURE

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---|---------------|---------------|-----------------------------------|---------------|
| | 2015 | 2014 | 2015 | 2014 |
| Decrease changes of finished goods and work in progress | 33,199,498 | 107,552,253 | 11,626,522 | 108,812,531 |
| Raw material and consumables used | 2,764,354,807 | 2,944,958,452 | 2,855,150,015 | 2,975,513,015 |
| Purchase of inventories | 224,778,993 | 225,586,323 | - | - |
| Directors and management benefit expenses | 58,617,777 | 58,244,250 | 52,622,212 | 50,090,050 |
| Employee benefit expenses | 972,765,858 | 962,418,589 | 696,265,518 | 675,683,077 |
| Depreciation | 293,632,867 | 305,960,697 | 200,060,219 | 203,744,426 |
| Amortization expenses | 7,439,713 | 9,342,617 | 4,981,171 | 4,458,867 |
| Other expenses | 651,136,870 | 723,605,742 | 488,961,607 | 551,081,781 |
| Total | 5,005,926,383 | 5,337,668,923 | 4,309,667,264 | 4,569,383,747 |

24. INCOME TAX EXPENSES

Corporate income taxes of the Company and subsidiaries for the years ended December 31, 2015 and 2014 were calculated from accounting profit and adjusted with other revenues and some expenses which are exempted from income tax, such as dividend income, or being disallowable expenses in income taxes computation purposes such as doubtful debts.

The corporate income tax of the Company is calculated at the rate of 20 percent.

The corporate income taxes of subsidiaries established under Thai law are calculated at the rate of 15 and 20 percent.

The corporate income taxes of subsidiaries established under foreign law are calculated at the rate of 16.50, 20 and 25 percent.

Income taxes expenses recognized in statements of income consist:

BAHT

| PARTICULARS FOR THE YEARS ENDED DECEMBER 31, | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---|-------------------|-------------------|--------------------------------------|-------------------|
| | 2015 | 2014 | 2015 | 2014 |
| The corporate income tax for the years | 44,964,208 | 37,235,189 | 42,237,853 | 30,467,873 |
| Amortization and reversal of temporary differences assets/liabilities on temporary differences | (7,534,664) | 4,203,819 | (5,155,838) | (645,512) |
| Income tax expenses | 37,429,544 | 41,439,008 | 37,082,015 | 29,822,361 |

Notes to the financial statements

As at December 31, 2015 and 2014, the deferred tax assets/liabilities arose from the following temporary differences:

BAHT

| PARTICULARS | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|--|----------------------|----------------------|--------------------------------------|----------------------|
| | December 31, 2015 | December 31, 2014 | December 31, 2015 | December 31, 2014 |
| Accumulated temporary differences in the statements of income | | | | |
| Allowance for doubtful trade accounts receivable | 4,202,366 | 4,391,859 | 4,029,063 | 4,029,063 |
| Allowance for doubtful other current assets | 246,756 | 246,756 | - | - |
| Allowance for doubtful other non-current assets | 891,320 | - | - | - |
| Provision for diminution in inventories | 2,728,259 | 10,491,336 | 27,089 | 6,691,336 |
| Unrealized (gain) loss on forward exchange contracts | 428,700 | (6,554,694) | 428,700 | (6,554,694) |
| Provision for long-term employee benefits | 139,083,452 | 131,806,178 | 118,061,281 | 106,802,981 |
| Allowance for loss on capital decrease and provision for diminution in investments | 59,677,476 | 44,056,385 | 78,729,476 | 63,691,385 |
| Provision for impairment of property under construction | 2,200,000 | 2,200,000 | 2,200,000 | 2,200,000 |
| Unused tax losses | 13,477,579 | - | - | - |
| Total | 222,935,908 | 186,637,820 | 203,475,609 | 176,860,071 |
| Temporary differences in the statements of comprehensive income | | | | |
| - recognized in other components of the shareholders' equity | | | | |
| Unrealized gain on remeasuring available-for-sale securities | (723,546,197) | (873,041,514) | (723,546,197) | (873,041,514) |
| - recognized in retained earnings | | | | |
| Provision for long-term employee benefits | - | (1,375,232) | - | 836,350 |
| Total | (500,610,289) | (687,778,926) | (520,070,588) | (695,345,093) |
| Deferred tax liabilities (tax rate of 20%) | (100,122,057) | (137,555,785) | (104,014,117) | (139,069,019) |

25. FOREIGN CURRENCY TRANSACTIONS

25.1 The Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies as follows :-

AMOUNT IN THOUSAND

| CONSOLIDATED | 2015 | | 2014 | |
|--------------------------|--------------------|-------------------|--------------------|-------------------|
| | Foreign currencies | Converted to Baht | Foreign currencies | Converted to Baht |
| Assets | | | | |
| USD | 5,217.29 | 187,422 | 4,334.87 | 142,239 |
| JPY | 74,674.64 | 22,137 | 111,240.78 | 30,165 |
| EUR | 0.26 | 10 | 0.26 | 10 |
| GBP | 66.20 | 3,514 | 56.13 | 2,851 |
| Total assets | | 213,083 | | 175,265 |
| Liabilities | | | | |
| USD | 638.00 | 23,129 | 1,001.11 | 33,150 |
| JPY | 9,666.15 | 2,926 | 16,999.60 | 4,701 |
| GBP | 198.77 | 10,720 | 67.27 | 3,465 |
| EUR | 194.63 | 7,746 | 114.09 | 4,604 |
| AUD | 4.60 | 123 | 4.60 | 124 |
| CHF | - | - | 8.23 | 276 |
| SEK | - | - | 31.82 | 135 |
| Total liabilities | | 44,644 | | 46,455 |

Notes to the financial statements

AMOUNT IN THOUSAND

| THE SEPARATE FINANCIAL STATEMENTS | 2015 | | 2014 | |
|--------------------------------------|-----------------------|----------------------|-----------------------|----------------------|
| | Foreign currencies | Converted to Baht | Foreign currencies | Converted to Baht |
| Assets | | | | |
| USD | 5,145.87 | 184,856 | 4,189.70 | 137,476 |
| JPY | 74,674.65 | 22,137 | 111,240.78 | 30,165 |
| EUR | 0.26 | 10 | 0.26 | 10 |
| GBP | 66.20 | 3,514 | 56.13 | 2,851 |
| Total assets | | 210,517 | | 170,502 |
| Liabilities | | | | |
| USD | 525.05 | 19,034 | 905.85 | 29,996 |
| JPY | 9,666.15 | 2,926 | 16,999.60 | 4,701 |
| GBP | 198.77 | 10,720 | 67.27 | 3,465 |
| EUR | 172.99 | 6,885 | 92.66 | 3,739 |
| AUD | 4.60 | 123 | 4.60 | 124 |
| SEK | - | - | 31.82 | 135 |
| Total liabilities | | 39,688 | | 42,160 |

25.2 The Company has made buying forward exchange contracts with the local commercial bank for hedging in exchange rate fluctuation which might affect Baht payable to the foreign accounts payable that can be summarized as follows :-

| Currency | Amount in Thousand | Fair value (Thousand Baht) | Delivery dates |
|------------------|-----------------------|-------------------------------|------------------------------|
| <u>Year 2015</u> | | | |
| USD | 217.22 | 7,800 | January 2016 - February 2016 |
| GBP | 131.20 | 6,963 | February 2016 |
| <u>Year 2014</u> | | | |
| EUR | 24.07 | 958 | January 2015 |

25.3 The Company has made selling forward exchange contracts with the local commercial bank for hedging in exchange rate fluctuation which might affect Baht received from export trade accounts receivable that can be summarized as follows :-

Notes to the financial statements

| Currencies | Amount in thousand | Fair value (Thousand Baht) | Delivery dates |
|------------------|--------------------|----------------------------|---------------------------|
| Year 2015 | | | |
| USD | 19.06 | 689 | January 2016 |
| GBP | 47.14 | 2,526 | January 2016 - March 2016 |
| JPY | 87,903.44 | 26,348 | January 2016 - June 2016 |
| Year 2014 | | | |
| USD | 60.82 | 2,009 | June 2015 |
| GBP | 49.50 | 2,543 | April 2015 |
| JPY | 448,259.45 | 122,733 | March 2015 - June 2015 |

26. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries' financial information by segment in the consolidation for the years ended December 31, 2015 and 2014 are as follows:

| BAHT | | | | | | |
|---|---------------|--------------|-------------|----------------------------|-------------|---------------|
| Year 2015 | Cosmetics | Containers | Others | Inter-company transactions | | Total |
| | | | | Debit | Credit | |
| Sales | 4,402,849,470 | 906,916,238 | 286,995,284 | 495,481,022 | - | 5,101,279,970 |
| Operating result by segments | 136,963,657 | (18,902,300) | 11,942,273 | 502,422,628 | 516,450,745 | 144,031,747 |
| Other incomes | 181,362,924 | 13,890,308 | 2,621,716 | 55,405,763 | - | 142,469,185 |
| Profit attributable to equity holders of the parent | | | | | | 253,075,269 |
| Property, plant and equipment-net | 1,250,077,639 | 333,817,594 | 70,884,842 | - | - | 1,654,780,075 |

| BAHT | | | | | | |
|---|---------------|---------------|-------------|----------------------------|-------------|---------------|
| Year 2014 | Cosmetics | Containers | Others | Inter-company transactions | | Total |
| | | | | Debit | Credit | |
| Sales | 4,625,247,495 | 1,066,264,170 | 286,709,079 | 550,387,978 | - | 5,427,832,766 |
| Operating result by segments | 96,560,049 | 15,389,361 | 10,436,850 | 557,382,730 | 572,611,739 | 137,615,269 |
| Other incomes | 175,982,346 | 12,361,603 | 2,635,806 | 46,458,376 | - | 144,521,379 |
| Profit attributable to equity holders of the parent | | | | | | 217,208,557 |
| Property, plant and equipment-net | 1,397,719,091 | 391,548,222 | 923,685 | 459,918 | 459,918 | 1,790,190,998 |

Notes to the financial statements

The financial information by geographical areas can be classified to local and export sales in the consolidation for the years ended December 31, 2015 and 2014 as follows:

BAHT

| Particulars | Local | | Export | | Total | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Sales | 2,713,883,106 | 3,113,120,112 | 2,387,396,864 | 2,314,712,654 | 5,101,279,970 | 5,427,832,766 |
| Operating result by segments | 3,244,282 | 37,242,952 | 140,787,465 | 100,372,317 | 144,031,747 | 137,615,269 |

27. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

The Company has certain business transactions with its related parties which are related through, directorship or shareholding or having shareholders or some co-directors. The effects of these transactions were reflected in the accompanying financial statements in normal business and general trading conditions.

| COMPANIES | RELATIONSHIP |
|--|--|
| Associates | See Note 10 |
| Subsidiaries | See Note 11 |
| Related companies | See Note 12 |
| Better Way (Thailand) Co., Ltd. | Co - directors |
| International Laboratories Corp., Ltd. | Co - directors |
| Vitayasithi Co., Ltd. | Co - directors |
| O.C.C. Plc. | Co - directors |
| I.C.C. International Plc. | Co - directors |
| Oriental Salon Business Co., Ltd. | Co - directors |
| H & B Intertex Co., Ltd. | Co - directors |
| People's Garment Plc. | Co - directors |
| Saha Pathanapibul Plc. | Co - shareholders |
| Thai Wacoal Plc. | Co - shareholders |
| Saha Pathana Inter-Holding Plc. | Co - shareholders |
| Erawan Textile Co., Ltd. | Related company held by major shareholders |
| Related persons | Directors of Company and subsidiaries |

Notes to the financial statements

The significant transactions with related persons and parties are as follows:

BAHT

| Transactions in statements of financial position | CONSOLIDATED | | THE SEPARATE FINANCIAL STATEMENTS | |
|---|--------------------|--------------------|-----------------------------------|--------------------|
| | 2015 | 2014 | 2015 | 2014 |
| <u>Trade accounts receivable</u> | | | | |
| - Subsidiaries | - | - | 2,131,398 | 1,706,373 |
| - Associates | 11,704,718 | 27,563,012 | 8,238,962 | 10,642,685 |
| - Related companies | 254,573,604 | 312,661,408 | 233,852,029 | 274,307,866 |
| Total | 266,278,322 | 340,224,420 | 244,222,389 | 286,656,924 |
| <u>Other receivables</u> | | | | |
| - Subsidiaries | - | - | 3,523,144 | 3,890,545 |
| - Associates | 17,859 | 315,348 | 17,859 | 315,348 |
| - Related companies | 447,061 | 91,820 | 447,061 | 91,820 |
| Total | 464,920 | 407,168 | 3,988,064 | 4,297,713 |
| <u>Purchase property and equipment</u> | | | | |
| - Related persons | - | 3,290,300 | - | 3,290,300 |
| <u>Non-current Assets</u> | | | | |
| <u>Rental guarantee</u> | | | | |
| - Related companies | - | 5,486,175 | - | 4,482,120 |
| <u>Trade accounts payable</u> | | | | |
| - Subsidiaries | - | - | 55,485,338 | 53,664,848 |
| - Associates | 1,602,659 | 13,907,342 | 1,602,659 | 13,907,342 |
| - Related companies | 22,054,298 | 10,736,632 | 15,537,236 | 9,333,033 |
| Total | 23,656,957 | 24,643,974 | 72,625,233 | 76,905,223 |
| <u>Other accounts payable</u> | | | | |
| - Subsidiaries | - | - | 870,153 | 587,387 |
| - Associates | - | 292,756 | - | 292,756 |
| - Related companies | 4,264,588 | 10,432,298 | 4,264,588 | 4,623,699 |
| Total | 4,264,588 | 10,725,054 | 5,134,741 | 5,503,842 |
| <u>Non-current liabilities</u> | | | | |
| - Related companies | 24,760 | 33,013 | 24,760 | 33,013 |

Notes to the financial statements

BAHT

| Transactions in statements of income for the years ended December 31, | CONSOLIDATED | | THE SEPARATE FINANCIAL | |
|--|----------------------|----------------------|------------------------|----------------------|
| | 2015 | 2014 | 2015 | 2014 |
| Sales | | | | |
| - Subsidiaries | - | - | 10,825,981 | 8,872,691 |
| - Associates | 65,250,756 | 85,094,366 | 36,723,111 | 36,260,923 |
| - Related companies | 1,504,895,517 | 1,771,074,831 | 1,334,200,651 | 1,545,229,621 |
| Total | 1,570,146,273 | 1,856,169,197 | 1,381,749,743 | 1,590,363,235 |
| Rental income | | | | |
| - Subsidiaries | - | - | 475,250 | 361,700 |
| - Associates | 28,648,800 | 28,796,000 | 28,648,800 | 28,796,000 |
| - Related companies | 395,905 | 199,165 | 395,905 | 199,165 |
| Total | 29,044,705 | 28,995,165 | 29,519,955 | 29,356,865 |
| Other incomes | | | | |
| - Subsidiaries | - | - | 7,920,775 | 7,388,810 |
| - Associates | 1,328,716 | 1,770,276 | 1,198,716 | 1,732,605 |
| - Related companies | 660,784 | 1,605,568 | 541,293 | 1,099,831 |
| Total | 1,989,500 | 3,375,844 | 9,660,784 | 10,221,246 |
| Purchase of goods and service | | | | |
| - Subsidiaries | - | - | 479,784,455 | 549,892,972 |
| - Associates | 4,907,098 | 76,274,760 | 4,907,098 | 76,274,760 |
| - Related companies | 99,624,751 | 129,478,213 | 86,814,836 | 103,108,513 |
| Total | 104,531,849 | 205,752,973 | 571,506,389 | 729,276,245 |
| Rental expenses | | | | |
| - Related companies | 8,193,264 | 9,072,224 | 8,193,264 | 9,072,224 |
| Other expenses | | | | |
| - Subsidiaries | - | - | 8,675,170 | 6,462,640 |
| - Associates | 1,351,533 | 759,463 | 1,351,533 | 759,463 |
| - Related companies | 140,586,174 | 135,319,498 | 71,475,682 | 69,814,146 |
| Total | 141,937,707 | 136,078,961 | 81,502,385 | 77,036,249 |

Revenues from sales, purchase of goods and services, other income and expenses as shown in the statements of income are in accordance with general trading conditions under fixing price or at market price compensation. For the transactions with no reference of market price, the agreed prices according to the agreement are applied.

28. COMMITMENT AND CONTINGENT LIABILITIES

BAHT

| PARTICULARS | December 31, 2015 | |
|--|---------------------|--|
| | CONSOLIDATED | THE SEPARATE FINANCIAL STATEMENTS |
| 1. Commitment under letters of guarantee issued by commercial banks | 227,065,556 | 218,716,856 |
| 2. Letters of credit | 323,021 | 323,021 |
| 3. Royalty fees are payable by calculating from percentage of sales at the rate as fixed in the agreement. | | |
| 4. The Company and subsidiaries have commitment to pay future monthly rental and services for lease and service contracts for the office, warehouse and advisory contract from January 1, 2016 as follows: | | |
| <u>CONTRACT PERIOD</u> | <u>CONSOLIDATED</u> | <u>THE SEPARATE FINANCIAL STATEMENTS</u> |
| Current portion | 65,084,924 Baht | 58,215,778 Baht |
| Overdue 1 year but not over 5 years | 15,562,891 Baht | 13,813,610 Baht |

29. FINANCIAL INSTRUMENTS

The Company and subsidiaries have information relating to financial instruments both in and off statements of financial position, as follows:

29.1 Accounting policies and procedure

- See Note 4.

29.2 Risk from breach of contracts

- Due to the contracting party does not follow the requirement in the contract which caused damage to the Company and subsidiaries.
- The credit risk with respect to the concentration of trade accounts receivable, consists of
 - a) Portion of sales to customers that are related companies. (See Note 27)
 - b) Another portion of sales to other customers that are numerously.

Notes to the financial statements

- For the financial assets shown in the statements of financial position, the book value of such assets is net from various provisions to be estimated fair value. Such provisions are assumed to be the highest value of risk incurred from breach of contracts.

29.3 Risk relating to interest rate

Risk from the fluctuation of interest rate may have negative effect to the Company for the current and the following years. The Company expects that it can manage the contingent risk, due to it has set up a plan and follow up the situation closely.

29.4 Risk from exchange rate

The Company and subsidiaries have risk from the fluctuation of foreign exchange rates, due to some debtors and creditors arisen from the trading in foreign currencies. The Company will make the forward exchange contract, in case of Baht currency is highly fluctuated and it is appropriate for the situation.

29.5 Fair value of financial instruments

The Company and subsidiaries have used the following methods and assumptions to estimate the fair value of financial instruments:

- Financial assets shown at book value which are equal to the estimated fair value.
- Financial liabilities shown at book value which are equal to the estimated fair value, due to such liabilities will be matured in short term.

30. EVENT AFTER THE REPORTING PERIOD

In January 2016 , S & J International (HK) Limited, its subsidiary in the foreign country of subsidiary has registered to change the company name to 4WD Vision (HK) Limited.

31. FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's directors on February 19, 2016.

Details relating to management and authorized personnel

| Name Title | Age (Years) | Max. education | Family relationship between directors | Proportion of securities holding (%) | Working experience for the past 5 years | | |
|---|----------------|--|--|--|---|--|--|
| | | | | | Period | Present Title | Company |
| 1. Mr. Boonkit Chokwatana Chairman Chairman of the Nominating Committee and Chairman of the Remuneration Committee | 68 | - Honorary Doctorate Degree in Business Faculty of Management and Information Sciences, Naresuan University - Honorary Doctorate Degree in Business Administration (Management), Sripatum University - Honorary Doctorate Degree in Business Administration College of Commerce, Burapha University - B.S. Engineering - Worcester Polytechnic Institute, Massachusetts, U.S.A. - Director Accreditation Program (DAP) 3/2/003 from IOD - Director Certification Program (DCF) 4/1/2004 from IOD | Mrs. Tipaporn Chokwatana's husband | 7.88 | 2005 - Present | Consultant | Thai Listed Companies Association |
| | | | | | 1980 - Present | <u>Other Listed Companies</u> President and Executive Chairman | I.C.C. International PCL. |
| | | | | | 1994 - Present | Chairman | People's Garment PCL. |
| | | | | | 1996 - Present | Chairman | Sahacogen (Chonburi) Public Co. Ltd. |
| | | | | | 2011 - Present | Chairman | PAN Asia Footwear PCL. |
| | | | | | 1986 - Present | Director | Saha Pathana Inter Holding PCL. |
| 2. Mrs. Tipaporn Chokwatana Vice Chairman and Nominating Director | 69 | - B.A. - Ramakulabhaeng University - Secretary - Pitman London - Director Accreditation Program (DAP) 3/2/003 from IOD - Director Certification Program (DCF) 6/8/2005 from IOD | Mr. Boonkit Chokwatana's wife | 7.88 | 2010 - Present | <u>Other Listed Companies</u> Director | O.C.C. PCL. |
| | | | | | | <u>Other Companies</u> | 21 Companies |
| | | | | | 1974 - Present | <u>Competitive Business related to Company's Business</u> Vice Chairman | 1 Company from 21 Companies International Laboratories Co. Ltd. |
| | | | | | | <u>Competitive Business related to Company's Business</u> | |
| 3. Mr. Thirakul Vithit Managing Director Chairman of the Executive Board Chairman of the Risk Management Committee Nominating Director and Remuneration Director | 64 | - MBA, Clark University - Worcester, Massachusetts - B.S. Engineering - Worcester Polytechnic Institute, Massachusetts, U.S.A. - Director Accreditation Program (DAP) 3/2/003 from IOD - Director Certification Program (DCF) 6/8/2005 from IOD | Mrs. Chitraporn Vithit's husband | 1.73 | 1996 - Present | <u>Other Listed Companies</u> Director | Sahacogen (Chonburi) PCL. |
| | | | | | | <u>Other Companies</u> | 16 Companies |
| | | | | | | <u>Competitive Business related to Company's Business</u> | - None - |
| | | | | | | <u>Competitive Business related to Company's Business</u> | |

Details relating to management and authorized personnel

| Name Title | Age (Years) | Max. education | Family relationship between directors | Proportion of securities holding (%) | Working experience for the past 5 years | | |
|---|----------------|---|--|--|---|--|--|
| | | | | | Period | Present Title | Company |
| 4. Dr. Atthakorn Glankwande Deputy Managing Director and Risk Management Director Executive Director and Nominating Director | 67 | - Ph.D. University of Illinois@Urbana U.S.A. - Director Accreditation Program (DAP) 3/2/003 from IOD - Director Certification Program (DCF) 6/8/2005 from IOD | - | 0.31 | 1996 - Present | <u>Other Listed Companies</u> Director <u>Other Companies</u> <u>Competitive Business related to Company's Business</u> | Shaoogen (Chonburi) PCL. 7 Companies - None - |
| 5. Admiral Apichart Pengsritong Independent Directors and CSR Director | 66 | - The State Private & Political Sectors Course, National Defense College (Class of 15th) - Bachelor of Engineering in Electrical Engineering, Royal Thai Naval Academy - Director Accreditation Program (DAP) 8/2/2010 from IOD | - | 0.06 | | <u>Other Listed Companies</u> <u>Other Companies</u> <u>Competitive Business related to Company's Business</u> | - None - - None - - None - |
| 6. Mrs Kaewia Ongsaranakom Director Executive Director Nominating Director Remuneration Director and Corporate Governance Director | 59 | - B.A. From Thammasat University - Director Certification Program (DCF) 2/7/2003 from IOD - Role of the Compensation Committee (RCC) 10/2010 from IOD | - | 0.65 | 2008 - Present | <u>Other Listed Companies</u> <u>Other Companies</u> <u>Competitive Business related to Company's Business</u> Director | - None - 10 Companies 1 Company from 10 Companies International Laboratories Co. Ltd. |
| 7. Prof. Dr. Malya Ungsarnungte Director Executive Director and Chairman of CSR Committee | 65 | - Doctor of Philosophy (Microbiology) From Mahidol University - B.Sc. In Pharm From Chulalongkorn University - Certificate in Management of Higher Education from Galilee College, Israel and Harvard University Extension School, U.S.A. - Director Accreditation Program (DAP) 1/7/2004 from IOD | - | 0.12 | | <u>Other Listed Companies</u> <u>Other Companies</u> <u>Competitive Business related to Company's Business</u> | - None - 5 Companies - None - |

Details relating to management and authorized personnel

| Name Title | Age (Years) | Max. education | Family relationship between directors | Proportion of securities holding (%) | Working experience for the past 5 years | | |
|--|----------------|---|--|--|--|---|--|
| | | | | | Period | Present Title | Company |
| 8. Mrs. Chitraporn Vikiatet Director and Executive Director | 64 | - Master Degree of Early Childhood Education - Worcester College, (U.S.A.) - Director Accreditation Program (DAP) 66/2007 from IOD | Mr. Thirarak Vikiatet's wife | 1.73 | | Other Listed Companies Other Companies Competitive Business related to Company's Business | - None - 6 Companies - None - |
| 9. Mrs. Teesada Ambhanwong Director | 45 | - MBA, From Sasin - Director Accreditation Program (DAP) 3/2003 from IOD - Director Certification Program (DCF) 51/2004 from IOD | - | 0.10 | 2008 - Present 1999 - Present 1999 - Present 2008 - Present | Other Listed Companies Managing Director Director Assistant Division Manager Other Companies Competitive Business related to Company's Business Director | O.C.C. Public Company Limited People's Garment Public Co., Ltd. I.C.C. International Public Co., Ltd. 14 Companies 1 Company from 14 Companies International Laboratories Co., Ltd. |
| 10. Mrs. Pimjai Chandabueksa Independent Directors and Remuneration Director | 67 | - Catering Diploma (Hotel & Restaurant Management), Cambridgehire College of Arts & Technology - Director Accreditation Program (DAP) 82/2010 from IOD | - | 0.06 | | Other Listed Companies Other Companies Competitive Business related to Company's Business | - None - 1 Company - None - |
| 11. Mr. Subep Donsirirong Director | 67 | - Bachelor of Accountancy (Honors) of Thammasat University, Thailand - Risk Management Committee Program (RMP) 52/014 from IOD - Director Accreditation Program (DAP) 32/2005 from IOD - Director Certification Program (DCF) 60/2005 from IOD | - | - | 2008 - 2013 2005 - 2014 2013 - Present | Other Listed Companies Independent Director, Chairman of Audit Director, Nomination & Remuneration Committee Member, Chief Financial Officer Member, Chief Financial Officer Director, Executive Director and Risk Management Director Other Companies Competitive Business related to Company's Business | M. Pictures Entertainment PCL. Inter Far East Engineering PCL. Saibacogen (Chonburi) PCL. 2 Companies - None - |

Details relating to management and authorized personnel

| Name Title | Age (Years) | Max. education | Family relationship between directors | Proportion of securities holding (%) | Working experience for the past 5 years | | |
|---|----------------|--|--|--|---|--|---|
| | | | | | Period | Present Title | Company |
| 12. Mr. Khachomsakdi Vannitsath Independent Directors and Chairman of Audit Committee | 68 | - Master Degree of Accountancy, Western Illinois University, U.S.A. - Graduate Diploma in Auditing, Chulalongkorn University - B.Sc. Accountancy, Chulalongkorn University - Director Accreditation Program (DAP) 3/2003 from IOD | - | 0.10 | 2002 - Present | <u>Other Listed Companies</u> Independent Director & Chairman of Audit Committee | Far East DDE Public Co. Ltd. |
| | | | | | 1996 - Present | Independent Director & Audit Committee Director <u>Other Companies</u> <u>Competitive Business related to Company's Business</u> | Shapattana-phoom Public Co. Ltd. 1 Company - None - |
| 13. Mrs. Praditha Chongwattana Independent Directors and Audit Committee Director | 66 | - Faculty of Law Thammasat University - Director Certification Program (DCE) 5/2001 from IOD | - | 0.11 | 2007 - Present | Director | Dr. Thiam Chokwatana Foundation |
| | | | | | 2007 - Present | Director and treasurer | Professor Suys Thammasak Fund |
| | | | | | 2007 - Present | Director | The Foundation of Law Thammasat University |
| | | | | | 2007 - Present | Consultant | Thammasat Association Under H.M. The King's Patronage |
| | | | | | | <u>Other Listed Companies</u> | - None - |
| | | | | | | <u>Other Companies</u> | 1 Company |
| | | | | | | <u>Competitive Business related to Company's Business</u> | - None - |
| | | | | | | | |
| 14. Mr. Sureg Ongkosit Independent Directors and Audit Committee Director | 64 | - Master Degree (Mechanical), Lamar University, Beaumont, Texas, U.S.A. - Bachelor Degree (Mechanical) Chulalongkorn University - Director Accreditation Program (DAP) 12/2004 from IOD - Director Certification Program (DCE) 68/2005 from IOD | - | - | | <u>Other Listed Companies</u> | - None - |
| | | | | | | <u>Other Companies</u> | - None - |
| | | | | | | <u>Competitive Business related to Company's Business</u> | - None - |
| | | | | | | | |

Details relating to management and authorized personnel

| Name Title | Age (Years) | Max. education | Family relationship between directors | Proportion of securities holding (%) | Working experience for the past 5 years | | |
|---|----------------|--|--|--|---|--|---|
| | | | | | Period | Present Title | Company |
| 15. Pol Gen Sorachai Prabhasakuldi Independent Directors Audit Committee Director and Chairman of Corporate Governance committee | 73 | - Master of Public Administration (M.P.A.), National Institution of Development Administration - Director Accreditation Program (DAP) 25/2004 from IOD - Director Certification Program (DCP) 5/2004 from IOD - Role of the Chairman Program (RCP) 12/2005 from IOD - Audit Committee Program (ACP) 2/2004 from IOD | - | - | 2004 - Present 2005 - 2015 | <u>Other Listed Companies</u> Independent Director & Audit Committee Director Independent Director & Audit Committee Director <u>Other Companies</u> <u>Competitive Business related to Company's Business</u> | I.C.C. International Public Co. Ltd. Sri Sasogen (Chonburi) PCL. - None - - None - |
| 16. Mr. Sirin Khoderick Knight Executive Director and Overseas Business Department Manager | 61 | - Bachelor Degree (Economics & Mathematics) Sheffield University | - | 0.08 | | <u>Other Listed Companies</u> <u>Other Companies</u> <u>Competitive Business related to Company's Business</u> | - None - 4 Companies - None - |
| 17. Miss Suneth Surachartchai Executive Director Risk Management Director and Factory Department Manager | 60 | - Bachelor Degree (Chemical Engineering) King Mongkut's University of Technology Thonburi | - | 0.14 | | <u>Other Listed Companies</u> <u>Other Companies</u> <u>Competitive Business related to Company's Business</u> | - None - 2 Companies - None - |
| 18. Mr. Varth Tritirapun Corporate Governance Director Office Assistant Department Manager (Accounting & Financial) | 71 | - Master degree (Managerial Economic) University of Wisconsin, USA. | - | 0.16 | | <u>Other Listed Companies</u> <u>Other Companies</u> <u>Competitive Business related to Company's Business</u> | - None - 3 Companies - None - |

Details relating to management and authorized personnel

| Name Title | Age (Years) | Max. education | Family relationship between directors | Proportion of securities holding (%) | Working experience for the past 5 years | | |
|---|----------------|--|--|--|---|--|-------------------------------------|
| | | | | | Period | Present Title | Company |
| 19. Mrs.Thongkuk Upathambhakul Executive Director CSR Director and Domestic Business Assistant Department Manager | 56 | - Bachelor Degree (Economics) Thammasat University | - | 0.09 | | Other Listed Companies Other Companies Competitive Business Related to Company's Business | - None - 2 Companies - None - |
| 20. Mrs.Pachara Pongwichan Executive Director Corporate Governance Director and Human Resource Division Deputy Assistant Manager | 56 | - Bachelor Degree (Liberal Arts) Thammasat University | - | 0.08 | | Other Listed Companies Other Companies Competitive Business Related to Company's Business | - None - 1 Company - None - |

Details about the Company Secretary

| NAME | Title | Age (Year) | Max. education | Family relationship between directors | Proportion of securities holding (%) | Training on the Company Secretary | |
|----------------------|---|------------|---|---------------------------------------|--------------------------------------|-----------------------------------|-------------|
| | | | | | | Course | Institution |
| Mr. Sumit Khopaiboom | - Company's Secretary - Finance and Account Section Manager | 48 | - Bachelor Degree Administration (Accounting) Ramkhamhaeng University | - | - | - | - |

Details about head of Internal Audit

| Name | Title | Age (Year) | Max. education | Family relationship between management | Proportion of securities holding (%) | Training on the head of Internal Audit | |
|--------------------------|------------------------|------------|---|--|--------------------------------------|--|--|
| | | | | | | Course | Institution |
| Mrs. Pamee Chantavanalak | Internal Audit Manager | 59 | - Bachelor Degree Faculty of Commerce and Accountancy Thammasat University | - | 0.19 | - Company Secretary Program #11/2005 - Risk Management | - Thai Institute of Directors (IOD) - Ernst & Young Corporate Services Limited |

Detail about bookkeeper

| Name | Title | Age (Year) | Max. education | Family relationship between management | Proportion of securities holding (%) | Training on the bookkeeper | |
|----------------------|---|------------|---|--|--------------------------------------|----------------------------|-------------|
| | | | | | | Course | Institution |
| Mr. Sumit Khopaiboom | - Company's Secretary - Finance and Account Section Manager | 48 | - Bachelor Degree Administration (Accounting) Ramkhamhaeng University | - | - | - | - |

General Information and Other Important Information

1. General Information

1.1 Name Office Location

| | | |
|-------------------------|---|--|
| Name | : | S & J International Enterprises Public Company Limited |
| Registered No. | : | 0107537001366 |
| Major Activities | : | Contract Cosmetics Manufacturing |
| Share in issuer | | |
| Capital value | : | 200,000,000 common stocks of Baht 1.- par value |
| Paid-up capital | : | 149,930,828 common stocks of Baht 1.- par value |
| Office | : | 2 Naradhiwas Rajanagarindra Road, Thungwatdon, Sathorn, Bangkok, 10120, Thailand. Tel. (662) 676-2727, (662) 676-2737 Fax. (662) 676-2726, (662) 676-2747 |
| Factory 1 | : | 600/4 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand. Tel. (6638) 480086-89 Fax. (6638) 480139 |
| Factory 2 | : | 789/159 Moo 1, Sai Nong Kho-Leamchabang Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand. Tel. (6638) 348-512 Fax. (6638) 348-461 |
| Home page | : | www.snjinter.com |
| E-mail | : | The Company's Secretary sumit_k@snjinter.com Head of Internal Audit pannee375@gmail.com Investor relation sji_sec@snjinter.com |

General Information and Other Important Information

1.2 Other Personnel Reference

| | |
|---------------------------------------|---|
| Security Registrar | - Thailand Securities Depository Co., Ltd. 93 Rachadaphisek Rd., Dindaeng, Bangkok, 10400, Thailand. Tel. (662) 009-9000 Fax. (662) 009-9991 |
| Legal Consultant | - Vira Law Office Co., Ltd. 548/14-15 Soi Sathupradith 58, Bangpongpan Yannawa, Bangkok 10120 Tel. (662) 683-8023, (662) 683-8843 Fax. (662) 683-8843 |
| Financial Consultant | - None - |
| Consultant or Contract Manager | - None - |
| Auditor | - Mr. Chaikorn Aunpitipongsa Authorized Auditor Registration No. 3196 - Dr. Virach Aphimeteetamrong Authorized Auditor Registration No. 1378 - Mr. Apiruk Ati-anuwat Authorized Auditor Registration No. 5202 - Dr. Preecha Suan Authorized Auditor Registration No. 6718 Dr. Virach & Associates Office Co., Ltd. 518/3 Pannee Building 7th Floor Ploenchit Road, Lumpinee District, Khet Patumwan, Bangkok, 10330. Tel./Fax : (662) 252-2860, (662) 255-2518, (662) 254-1210 (662) 250-0634, (662) 254-8386-7 |

2. Other Important Information

- None -

Legal entities with over 10% shareholding by the company

| No. | Company/Address | Type of Business | Type of Shares | No. of Paid-up Shares | Shareholding by the company | | Proportion (%) of shares holding |
|-----|---|---|----------------|-----------------------|-----------------------------|--------------|----------------------------------|
| | | | | | Shares | Amount | |
| 1. | S&J International (UK) Limited 1B Montague Road, Wimbledon, London, SW191TB Telephone No. 0203 167 0095 Mobile No. 447 5989 31250 Fax No. 0870 421 5752 | Distributing cosmetic products and gift set and marketing service | Common Stock | 100,000 | 100,000 | 5,073,000.00 | 100.00 |
| 2. | E F Co.,Ltd. 600/4 Moo 11 Sukaphubam 8 Road, Nongkham, Sriracha, Chonburi 20230 Tel. 0-3848-0086-89 Fax. 0-3848-0139 | Consumer Products | Common Stock | 40,000 | 39,994 | 4,005,696.42 | 99.99 |
| 3. | Wildlives (Thailand) Co.,Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwaidon, Sathorn, Bangkok 10120 Tel. 0-2676-2727 Fax. 0-2676-2726,0-2676-4493 | Consumer Products | Common Stock | 100,000 | 99,993 | 999,930.00 | 99.99 |
| 4. | 4WD Vision Co., Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwaidon, Sathorn, Bangkok 10120 Tel. 0-2676-2727 Fax. 0-2676-2726 | Trading | Common Stock | 1,000,000 | 999,997 | 2,499,992.50 | 99.99 |

Legal entities with over 10% shareholding by the company

| No. | Company/Address | Type of Business | Type of Shares | No. of Paid-up Shares | Shareholding by the company | | Proportion (%) of shares holding |
|-----|---|---|----------------|-----------------------|-----------------------------|----------------|----------------------------------|
| | | | | | Shares | Amount | |
| 5. | SAAS Co., Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwaddon, Sathon, Bangkok 10120 Tel. 0-2676-2727 Fax. 0-2676-2726 | Research and development of cosmetic formulations | Common Stock | 1,000,000 | 999,997 | 2,499,992.50 | 99.99 |
| 6. | Top Trend Manufacturing Co., Ltd. 334, Moo 1, Siracha Industrial Zone, Sukaphiban 8 Road, Boung, Siracha, Chonburi 20230 Tel. 0-3876-0763, 0-3848-0851 Fax. 0-3876-0763 | Plastic container | Common Stock | 1,200,000 | 600,000 | 124,824,970.00 | 50.00 |
| 7. | Osoth Interlaboratories Co., Ltd. 600/9, Moo 11, Sukaphiban 8 Road, Nongkham, Siracha, Chonburi 20230 Tel. 0-3848-0766-7, 0-3848-1194 Fax. 0-3848-0828 | Medicine | Common Stock | 6,000,000 | 1,991,440 | 199,144,000.00 | 33.19 |
| 8. | Operational Energy Group Limited 170/14 Floor 6 th Ocean Tower 1 Building New Ratchadapisek Road, Klongtoey, Bangkok Tel. 0-2661-8990 Fax. 0-2661-8991 | Servicing to operate the power plant | Common Stock | 3,000,000 | 899,999 | 13,150,566.98 | 30.00 |

Legal entities with over 10% shareholding by the company

| No. | Company/Address | Type of Business | Type of Shares | No. of Paid-up Shares | Shareholding by the company | | Proportion (%) of shares holding |
|-----|---|-------------------|----------------|-----------------------|-----------------------------|---------------|----------------------------------|
| | | | | | Shares | Amount | |
| 9. | Yamahatsu (Thailand) Co.,Ltd. 600/48 Moo 11 Sukaphiban 8 Road, Nongkham, Sriracha, Chonburi 20230 Tel. 0-38320-100 Fax. 0-38320-111 | Hair products | Common Stock | 2,000,000 | 599,995 | 5,999,950.00 | 30.00 |
| 10. | B.K.C. International Marketing Co.,Ltd. 2 Naradhiwas Rajamagindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. 0-2676-2727 Fax. 0-2676-2726, 0-2676-4493 | Consumer products | Common Stock | 1,000,000 | 189,999 | 949,995.00 | 19.00 |
| 11. | E.P.F. Co.,Ltd. 549/2 Soi Saengsuk, Sathupradith Rd., Chongnonthri, Yannawa, Bangkok Tel. 0-2294-0091-4 Fax. 0-2294-4479 | Trading | Common Stock | 65,000 | 11,700 | 702,000.00 | 18.00 |
| 12. | General Glass Co.,Ltd. 507/3 Moo 11 Sukaphiban 8 Road, Nongkham, Sriracha, Chonburi 20230 Tel. 0-3848-0844 Fax. 0-3848-1111 | Glass Bottle | Common Stock | 14,500,000 | 2,320,000 | 23,200,000.00 | 16.00 |

Legal entities with over 10% shareholding by the company

| No. | Company/Address | Type of Business | Type of Shares | No. of Paid-up Shares | Shareholding by the company | | Proportion (%) of shares holding |
|-----|---|---|----------------|-----------------------|-----------------------------|----------------|----------------------------------|
| | | | | | Shares | Amount | |
| 13. | Sahacogen (Chonburi) Plc. 636 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. 0-3848-1552-5 Fax. 0-3848-1551 | Generating and distributing electricity | Common Stock | 955,000,000 | 142,255,960 | 235,105,546.28 | 14.90 |
| 14. | Train Time Test Co.,Ltd. 530 Soi Satupradith 58, Bangpongpan, Yannawa, Bangkok 10120 Tel. 0-2293-9000 Fax. - | Training | Common Stock | 200,000 | 28,000 | 175,000.00 | 14.00 |
| 15. | T-Way Co.,Ltd. 549/2 Soi Saengsuk, Satupradith Rd., Chongnonthiri, Yannawa, Bangkok Tel. 0-2294-0091-4 Fax. 0-2294-4479 | Trading | Common Stock | 16,000,000 | 1,920,000 | 19,207,500.00 | 12.00 |

30^{SI} ANNIVERSARY





ANNIVERSARY

รายงานประจำปี 2558

ANNUAL REPORT 2015

บริษัท เอส แอนด์ เจ อินเตอร์เนชั่นแนล เอนเตอร์ไพรส์ จำกัด (มหาชน)

สำนักงาน : 2 ถนนราชมรรคาถนนนครินทร์ แขวงทุ่งวัดดอน เขตสาทร กรุงเทพฯ 10120

โทร. (02) 676 2727, (02) 676 2737, โทรสาร. (02) 676 2726

โรงงาน 1 : 600/4 หมู่ 11 ถนนสุขาภิบาล 8 ตำบลหนองขาม อำเภอศรีราชา ชลบุรี 20230

โทรศัพท์ : (038) 480086-89 โทรสาร : (038) 480139

โรงงาน 2 : 789/159 หมู่ 1 ถนนสายพัฒนาองค์-แหลมฉบัง ตำบลหนองขาม อำเภอศรีราชา ชลบุรี 20230

โทรศัพท์ : (038) 348512 โทรสาร : (038) 348461

S&J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED

OFFICE : 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathon, Bangkok 10120 Thailand

Tel : (662) 676 2727, (662) 676 2737, Fax. (662) 676 2726

FACTORY 1 : 600/4 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand.

Tel. (6638) 480086-89 Fax. (6638) 480139

FACTORY 2 : 789/159 Moo 1, Nong Kho-Leamchabang Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand.

Tel. (6638) 348512 Fax. (6638) 348461

